

Aberdeen Standard OEIC I

Annual Long Report
For the year ended 31 July 2020



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Report of the Authorised Corporate Director

Aberdeen Standard OEIC I ('the Company') is an open-ended investment company with variable capital. The Company is incorporated in Scotland with registered number SI000001 and is currently authorised pursuant on Regulation 14 of the Open Ended Investment Companies Regulations 2001 (the "OEIC Regulations"). The effective date of the authorisation order made by the Financial Conduct Authority (the "FCA") was 23 December 1997.

The Company is also an UCITS for the purposes of the FCA Rules. Its FCA Product Reference Number ("PRN") is 185045.

Appointments

Authorised Corporate Director

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Ireland

Correspondence address

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Auditors

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Registrar

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Note:

The Authorised Corporate Director (the ACD), Aberdeen Asset Managers Limited, Aberdeen Asset Management Asia Limited, Aberdeen Fund Management Limited and Aberdeen Asset Management Inc are wholly owned subsidiaries of Aberdeen Asset Management PLC, and are accordingly associates. The Investment Advisers have the authority of the ACD to make decisions on its behalf in all aspects of the investment management of the investments and other property of the Company. The main terms of the agreement with each investment adviser are that it should have the authority of the ACD to make decisions on its behalf in all aspects of the investment management of the investments and other property of the Company, including the Company's powers to enter into hedging transactions relating to efficient portfolio management. The adviser's powers extend to all of the property of the Company except any part which the ACD excludes from the adviser's powers. The adviser is to report details of each transaction to the ACD and to confer with the ACD when required by it. The ACD will notify the adviser of additional cash available for the investment.

The ACD and Authorised Fund Manager of the Company is Aberdeen Standard Fund Managers Limited, a private company limited by shares which was incorporated in England and Wales on 7 November 1962. Its ultimate holding company is Standard Life Aberdeen plc, which is incorporated in Scotland.

Financial details and Fund Managers' reviews of the individual funds for the year ended 31 July 2020 are given in the following pages of this report.

Each fund has an individual investment objective and policy and each differs in regard to the extent to which they concentrate on achieving income or capital growth. There may be funds added to the umbrella of Aberdeen Standard OEIC I (with consent of the FCA and the Depositary) in the future.

The funds are valued on a mid-price basis and dealt at a single price regardless of whether a purchase or sale is being affected. The daily price for each fund appears on the Aberdeen Standard website at aberdeenstandard.com.

The funds are segregated portfolios of assets and, accordingly, the assets of a fund belong exclusively to that fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company, or any other fund, and shall not be available for any such purpose.

The shareholders are not liable for the debts of the Company.

All fees charged by the Investment Adviser will be borne by the ACD.

Significant Events

On 7 August 2019 the Company changed its name from Aberdeen Investment Funds ICVC to Aberdeen Standard OEIC I. At this time the underlying sub-funds of the Company changed names from an "Aberdeen" pre-fix to an "ASI" pre-fix.

Additionally at this time the Investment Objective and Policy ("IOP") of the sub-funds were updated to reflect regulatory changes and improve the clarity of the wording.

Investors will be aware of the COVID-19 outbreak and that the outlook for many capital markets has been volatile since 31 July 2020, the year-end of Aberdeen Standard OEIC I. Whilst the impact of COVID-19 was reflected in fund operations and global markets at year end, the continued efforts to mitigate the pandemic through global lockdowns and government interventions have resulted in prolonged market uncertainty. As a result, the NAVs of certain funds have fluctuated since the year-end. The subsequent events note within the funds financial statements' provides a quantification of this fluctuation in NAV.

The Management Company has delegated various tasks to Aberdeen Standard Investments Investor Protection Committee (IPC). The IPC is responsible for ensuring the fair treatment of investors. The IPC undertakes daily reviews of the following:

- Market liquidity across each asset class and fund;
- Asset class bid-offer spread monitoring;
- Review of fund level dilution rate appropriateness;
- Review of daily subscriptions/redemptions to anticipate any potential concerns to meet redemption proceeds;
- Any requirement to gate or defer redemptions;
- Any requirement to suspend a fund(s);
- Any fair value price adjustments at a fund level.

The Management Company has also evaluated, and will continue to evaluate, the operational resilience of all service providers.

As at 26 November 2020, Aberdeen Standard OEIC I funds' have not been suspended and based on the Manager's assessment of the factors noted above, has adequate financial resources to continue in operation.

Developments and Prospectus updates since 1 August 2019

- On 15 August 2019 the following share classes were launched: ASI Emerging Markets Equity Fund K Acc and ASI Asia Pacific Equity Fund K Acc.
- On 20 August 2019 ASI China A Share Equity Fund launched.
- On 23 October 2019 the ASI (AAM) Sterling Government Bond Fund Q Gross Inc Shareclass was closed.
- On 1 March 2020 the Operating, Administration and Servicing Expenses ("OASE") on the ASI Emerging Market Equity Fund and the ASI Asia Pacific Equity Fund were reduced by 2 and 3 bps respectively.
- On 31 March 2020 the Transfer Agent of the fund changed its name from DST Financial Services Europe Limited to SS&C Financial Services Europe Limited and updated its mailing address as a result of this. There was no impact to the fund as a result of this change.
- On 29 April 2020 the ASI UK Equity Income Fund Z Inc Shareclass was launched.
- On 16 June 2020 the ASI Sterling Opportunistic Corporate Bond Institutional Z Acc Shareclass was closed.
- On 22 June 2020 the ASI European Corporate Bond Fund was closed.
- On 14 July 2020 the ASI Corporate Bond Fund Q Gross Inc was closed.
- The list of sub-custodians was refreshed, where appropriate.
- The list of funds managed by the ACD was updated, where appropriate.
- Performance and dilution figures were refreshed, where appropriate.
- The list of eligible markets was refreshed, where appropriate.

Assessment of Value

- In 2017 the Financial Conduct Authority (FCA) published the final Asset Management Market Study. This introduced (among other reforms) new governance rules with the aim of enhancing duty of care and ensuring the industry acts in investors' best interests. The rules were outlined in the FCA policy statement PS18/8 and came into effect from 30 September 2019. As a result, Aberdeen Standard Fund Managers Limited is required to perform a detailed assessment on whether our funds are "providing value to investors". The resulting findings will be published within 4 months of the fund year end date and can be found on the 'Fund Centre' pages of our website.

Review

Global equities rose over the last 12 months, but with marked divergence by country. While US and Chinese stocks performed well, those in many other countries recorded sharp falls. Shares in the UK and Latin America fared badly.

During the second half of 2019, political and economic concerns relating to Brexit, the US-China trade dispute and global growth dominated investor sentiment. Central bank actions also played a role, helping markets end 2019 on an upbeat note.

The positive tone continued into January 2020. However, the mood changed after the coronavirus outbreak that started in China evolved into a global pandemic. Drastic lockdown measures introduced by governments to contain the spread of the virus all but crippled the global economy. At the same time, a Russia-Saudi Arabia oil price war sent oil prices plummeting. Panicked investors dumped riskier asset classes like equities and corporate bonds. Instead, they sought the relative safety of government bonds, pushing yields even lower (bond prices rose).

Governments and central banks were swift to respond to the economic crisis, introducing aggressive stimulus and support packages to tide over businesses and consumers. Many central banks, including the US Federal Reserve (Fed), slashed interest rates. These actions boosted investor confidence. As a result, from April to June, equities and corporate bonds clawed back much of the ground they had lost. In July, a resurfacing of US-China trade tensions then tempered gains.

The UK stock market lagged other developed markets and ended lower. Smaller domestic companies fared better than larger companies, many of whose earnings are linked to global commodity prices. Political furore related to Brexit dominated sentiment during 2019. December's decisive election outcome finally ended much of the political uncertainty. However, investors were then gripped with concerns over the economic fall-out from Covid-19. News of widespread retail closures and job losses made sorry reading.

US shares rose over the last 12 months. In fact, by the end of July, the S&P 500 Index was under five per cent below its all-time high in February 2020. This was despite the US suffering soaring Covid infection and death rates towards the end of the review period. News of huge government stimulus plans did much to lift investor confidence. So, too, did generous support from the Fed, and its decision to cut interest rates to near-zero. Robust corporate earnings, especially from technology companies, also buoyed sentiment.

European shares finished lower. After recovering in April through to June, poor economic data curbed market progress in July. Political divisions hampered attempts at a European Union (EU) economic bailout fund. However, in July, EU leaders finally agreed on a €750 billion recovery fund.

Equity markets in Asia Pacific (excluding Japan) rose, showing particular strength towards the end of the review period. After a robust 2019, Asian markets endured a turbulent few months, as Covid-19 ravaged the global economy. Violent protests in Hong Kong and worsening relations between China and other western countries also weighed on sentiment. However, stocks broadly recovered through June and July.

Japanese equities fell over the 12 months. After strong earlier performance, the Covid crisis then wiped out earlier gains. Sentiment improved in the second quarter of 2020 as the government started to ease lockdown conditions. However, evidence of a deep recession quashed investor optimism in June. Poor economic data released in July reinforced negative sentiment. In particular, exports registered their fourth consecutive monthly decline.

Government bonds rose over the last 12 months, with yields falling in most major economies. This was largely a measure of investors' caution, given the fragile state of the global economy and uncertainty over the Covid crisis. Corporate bonds also delivered positive returns (yields fell) fuelled by falling government bond yields. Central bank bond-buying support programmes also benefited the asset class.

Outlook

Global equity market behavior suggests investors are expecting a 'V'-shaped economic recovery. A typical pattern seen during recovery phases is unfolding: strong gains for equities, the US dollar weakening and the US stock market starting to underperform other regions. Investors will continue to react to newsflow. They are likely to respond favourably to any data that points to a recovery. Conversely, any setback will lead to another leg down in the markets.

The coronavirus pandemic, economic factors and politics will continue to dominate fixed income markets. Some areas of the world seem to be seeing second waves of coronavirus infections. In particular, Europe has seen rising infection rates and mortalities. Despite improved virus control capabilities, notably better testing and tracing, lockdown restrictions have been reintroduced in several countries, including the UK, Germany and France. However, largely improving economic data and expectations for a viable coronavirus vaccine in coming months continues to support investor sentiment.

Statement of the Authorised Corporate Director's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Authorised Corporate Director ("ACD") to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of the net income and the net capital gains or losses on the property of the Company for the period.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then apply them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so (as explained in note 1(a), the directors do not believe that it is appropriate to prepare the financial statements of the ASI Euro Corporate Bond Fund, ASI Global High Yield Bond Fund and ASI Sterling Opportunistic Corporate Bond on a going concern basis);
- 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; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

Authorised Corporate Director's Statement

In accordance with the requirements of the COLL Rules as issued and amended by the Financial Conduct Authority, we hereby certify the report on behalf of Aberdeen Standard Fund Managers Limited, the Authorised Corporate Director.



Gary Marshall
Director
Aberdeen Standard Fund Managers Limited
26 November 2020



Aron Mitchell
Director
Aberdeen Standard Fund Managers Limited
26 November 2020

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of Aberdeen Standard OEIC I ("the Company") for the year ended 31 July 2020

The Depositary is responsible for the safekeeping of all the property of the Company (other than tangible moveable property) which is entrusted to it and ensuring proper registration of tangible moveable property, and for the collection of income arising from all such scheme property. It is the duty of the Depositary to take reasonable care to ensure that the Company is managed and operated by the Authorised Corporate Director in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("the Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), the Company's Instrument of Incorporation, and the Prospectus, as appropriate, concerning: the pricing of and dealing in Shares in the Company; the application of income of the Company; and the investment portfolio and borrowing activities of the Company. Having carried out procedures and enquiries considered duly necessary to discharge our responsibilities as Depositary of the Company, based on information and explanations provided to us, we believe that, in all material respects, the Company, acting through the Authorised Corporate Director:

- (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 Sourcebook, and where applicable, the OEIC regulations, the Company's Instrument of Incorporation, and the Prospectus;
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company; and
- (iii) has, otherwise, ensured the proper operation of the Company.

Citibank Europe plc, UK Branch
London

26 November 2020

Independent auditor's report to the shareholders of Aberdeen Standard OEIC I ('the Company')

Opinion

We have audited the financial statements of the Company for the year ended 31 July 2020 which comprise the Statements of Total Return, the Statements of Changes in Net Assets Attributable to Shareholders, the Balance Sheets, the Related Notes and Distribution Tables for each of the Company's sub-funds listed on page 2 and the accounting policies set out on pages 10 to 15.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of each of the sub-funds as at 31 July 2019 and of the net revenue/net expense and the net capital gains/net capital losses on the property of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter – non going concern basis of preparation

In respect of ASI Euro Corporate Bond Fund, ASI Global High Yield Bond Fund and ASI Sterling Opportunistic Corporate Bond Fund, we draw attention to the disclosure made in accounting policy (a) "Basis of preparation" to the financial statements which explains that the financial statements of the sub-funds have not been prepared on going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

Going concern

The Authorised Corporate Director has prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or its sub-funds or to cease their operations, and as they have concluded that the Company and its sub-funds' financial position means that this is realistic except for ASI Euro Corporate Bond Fund, ASI Global High Yield Bond Fund and ASI Sterling Opportunistic Corporate Bond Fund. They have also concluded that there are no material uncertainties in the remaining sub-funds that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Authorised Corporate Director's conclusions, we considered the inherent risks to the company's and its sub-funds' business model and analysed how those risks might affect the company's and its sub-funds' financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects for the Company and its sub-funds except for ASI Euro Corporate Bond Fund, ASI Global High Yield Bond Fund and ASI Sterling Opportunistic Corporate Bond Fund.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company or its sub-funds will continue in operation.

Other information

The Authorised Corporate Director is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in the Authorised Corporate Director's Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where under the COLL Rules we are required to report to you if, in our opinion:

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

Authorised Corporate Director's (Aberdeen Standard Fund Managers Limited) responsibilities

As explained more fully in their statement set out on page 2 the Authorised Corporate Director is responsible for: the preparation of financial statements which give a true and fair view; 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; assessing the Company and its 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 they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so.

As explained in accounting policy (a), the Authorised Corporate Director does not believe that it is appropriate to prepare the financial statements of the following sub-funds on a going concern basis:

- ASI Euro Corporate Bond Fund
- ASI Global High Yield Bond Fund
- ASI Sterling Opportunistic Corporate Bond Fund

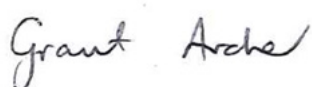
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.



Grant Archer
for and on behalf of KPMG LLP, Statutory Auditor Chartered Accountants,
St Vincent Plaza,
319 St Vincent Street,
Glasgow
G2 5AS
26 November 2020

Notes to the financial statements of Aberdeen Standard OEIC I

For the year ended 31 July 2020

1. Accounting Policies for all Funds

(a) Basis of preparation

The financial statements for each of the funds have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by the Investment Management Association in May 2014 (IMA SORP 2014), Financial Reporting Standard (FRS) 102 and United Kingdom Generally Accepted Accounting Practice.

The ACD has considered the impact of the emergence and spread of COVID-19 and potential implications on future operations of the funds of reasonably plausible downside scenarios. The ACD has undertaken a detailed assessment, and continues to monitor, each fund's ability to meet its liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the funds continue to be open for trading and the ACD is satisfied the funds have adequate financial resources to continue in operation and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

The financial statements have been prepared on a going concern basis, except for ASI Euro Corporate Bond Fund which is closed, and ASI Global High Yield Bond and ASI Sterling Opportunistic Corporate Bond Fund which are due to close in October 2020.

(b) Valuation of investments

Listed investments have been valued at fair value as at the close of business on 31 July 2020. The SORP defines fair value as the market value of each security, in an active market, this is generally the quoted bid price.

Unlisted, unapproved, illiquid or suspended securities are valued at the Authorised Corporate Directors' best estimate of the amount that would be received from an immediate transfer at arm's length. The ACD has appointed a FVP committee to review valuations.

Collective Investment Schemes are valued by reference to their net asset value. Dual priced funds have been valued at the cancellation price. Single priced funds have been valued using the single price.

Any open positions in derivative contracts or forward foreign currency transactions at the year-end are included in the Balance Sheet at their mark to market value.

(c) Foreign Exchange

Assets and liabilities denominated in foreign currencies are translated into Sterling at the prevailing exchange rates as at the close of business on the reporting date.

Foreign currency transactions are translated at the rates of exchange ruling on the date of such transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

(d) Dilution

In certain circumstances (as detailed in the Prospectus) the ACD may apply a dilution adjustment on the issue or cancellation of shares, which is applied to the capital of the relevant fund on an accruals basis. The adjustment is intended to protect existing investors from the costs of buying or selling underlying investments as a result of large inflows or outflows from the fund.

(e) Revenue

Overseas dividends are grossed up at the appropriate rate of withholding tax and the tax consequences are shown within the tax charge.

Revenue from collective investment schemes is recognised when the investments are quoted ex dividend.

Accumulation distributions from shares held in collective investment schemes are reflected as revenue and form part of the distribution.

Equalisation received from distributions or accumulations on units or shares in underlying investments is treated as capital and deducted from the cost of the investment.

Revenue from offshore funds is recognised when income is reported by the offshore fund operator.

Income from the investment in the Master fund is recognised on an accrual basis, net of attributable tax credits, by reference to the amount of distributable income in the underlying investment and treated as revenue.

Interest on bank deposits is recognised on an accruals basis.

Interest from short-term deposits is recognised on an accruals basis.

Interest on debt securities is recognised on an accruals basis.

Interest from debt securities is recognised as revenue using the effective interest method. The purchase price of the asset, the yield expectation and scheduling of payments, are all part of this calculation. Callable bonds are calculated on a yield to worst expectation generally, which may not match other calculations. Convertible bonds are excluded from a true effective interest calculation owing to the unavailability of option values for the conversion rate.

Stock dividends are recognised as revenue when they are quoted ex dividend. In the case of enhanced stock dividends, the value of the enhancement is recognised as capital.

Special dividends may be treated as repayments of capital or as revenue dependent on the facts of the particular case. Where receipt of a special dividend results in a significant reduction in the capital value of the holding, then the special dividend will be recognised as capital so as to ensure that the matching principle is applied to gains and losses. Otherwise, the special dividends are recognised as revenue.

Underwriting commission is taken to revenue and recognised when the issue takes place, except where the fund is required to take up all or some of the shares underwritten in which case an appropriate proportion of the commission received is deducted from the cost of the relevant shares.

Distributions from Brazilian corporations may take the form of interest on capital as an alternative to making dividend distributions. Interest on capital distributions are recognised on an accruals basis.

Management fee rebates from collective investment schemes are recognised as revenue or capital on a consistent basis to how the underlying scheme accounts for the management fee. Where such rebates are revenue in nature, the income forms part of the distribution.

For dividends received from US Real Estate Investment Trusts ("REITs"), on receipt of the capital/revenue split from the REITs, the allocation of the dividend is adjusted within the financial statements.

(f) Expenses

All expenses other than those relating to the purchase and sale of investments are charged against revenue on an accruals basis in the Statement of Total Return. Where a fund has an objective of maximising income returned to investors the expenses may be deducted from capital in line with the distribution policy. Details of any deduction from capital for distribution purposes would be disclosed in the distribution notes of the relevant fund.

Expenses relating to the purchases of investments are charged to the cost of investment and expenses relating to the sales of investments are deducted from the proceeds on sales.

(g) Taxation

Provision is made for corporation tax at the current rate on the excess of taxable income over allowable expenses.

UK dividends are disclosed net of any related tax credit.

Overseas dividends are disclosed gross of any foreign tax suffered and the tax element is separately disclosed in the taxation note.

The tax accounting treatment follows that of the principal amount, with charges or reliefs allocated using the marginal basis regardless of any alternative treatment that may be permitted in determining the distribution.

Any windfall overseas tax reclaims received are netted off against irrecoverable overseas tax and therefore the irrecoverable overseas tax line in the taxation note may be negative.

The funds ASI Emerging Markets Equity, ASI European Real Estate Share Fund and ASI Multi Asset Fund are party to certain claims and proceedings to recover tax suffered in respect of overseas income. These claims and proceedings are considered to be contingent assets of the funds and have not been recognised in these Financial Statements as the outcome of the claims and the potential recoveries are not sufficiently certain.

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.

(h) Distributions

All of the net revenue available for distribution at the year end will be distributed. Where a fund has accumulation shareholders, this will be reinvested. Where a fund has income shareholders, this will be paid.

Where the ACD has discretion about the extent to which revenue and expenses are recognised within the distributable income property of the fund, the approach adopted, at all times, will be governed by the aim of maximising the total return to shareholders through limiting avoidable taxation costs.

Where expenses are charged to capital, or returned equalisation is not allocated back to the investment, this will increase the distribution with a corresponding reduction to capital. The tax accounting treatment follows that of the principal amount, with charges or reliefs allocated using the marginal basis regardless of the treatment used in determining the distribution.

Further details with regards to the distribution policy and deductions from capital can be found in the fund distribution note where it applies.

Gains and losses on non-derivative investments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution. Cash flows associated with derivative transactions are allocated between the revenue and capital property of the funds according to the motives and circumstances of the particular derivative strategy. The investment manager articulates the motives and circumstances underlying the derivative strategy and the ACD assesses these in association with financial reporting constraints enshrined within the SORP to allocate the cash flows accordingly.

(i) Equalisation

Equalisation appears within the fund reports as part of the distribution. This represents the net revenue in the funds share price attached to the issue and cancellation of shares. It will form part of any distributions at the period end attributable to shareholders.

(j) Derivatives

Funds with strategies that permit it, can make use of derivatives. Derivatives can be used to reduce risk or cost, or to generate additional capital or income consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management"). Some strategies may permit use of derivatives with a higher or lower frequency or for investment purposes. The accounting for each derivative is applied consistently in line with the derivative type; the valuation policy and market convention. Market convention for derivatives is often based on total return; however where a fund strategy or derivative type is defined with revenue in mind the accounting treatment can have a revenue element, forming part of the distribution, highlighted in the distribution policy. The Statement of Total Return captures all realised and unrealised gains regardless of nature. The Portfolio Statement will show the individual derivative contracts as net position in line with the valuation policy.

There are three broad transaction types: derivatives create a future asset or liability recognised as unrealised profit or loss until the date of maturity where cash is exchanged; swaps realise amounts of profit or loss in line with an agreed schedule until maturity; options recognise a premium paid or received, with the right or obligation to buy "call" or sell "put" an asset, exercised when the option owner is in the money. These transaction types break into three broad strategies.

Funds with strategies spanning multiple currencies can make use of the following transactions in line with their policy: forward currency exchange contracts (a derivative of the exchange rate); cross currency swaps; currency options and other currency derivatives. These transactions relate to the future expectations of foreign exchange rates. The future expectation is based on the current interest rates projected to a forward date. Currency derivatives exchange one currency for another currency at a future date.

Funds with strategies in debt instruments (bonds) can make use of the following transactions in line with their policy: bond future contracts (a derivative of the bond market or asset); credit default swaps; interest rate swaps; overnight index swaps; inflation swaps; interest rate options; swaptions; total return bond swaps and other bond related derivatives. These transactions relate to the future expectations on debt assets. The future expectations can be based on an individual asset or a market. Bond derivatives can relate to the future credit expectations; interest rate expectations; inflation expectations or a combination of these.

Funds with strategies in equity instruments (shares) can make use of the following transactions in line with their policy: equity future contracts (a derivative of the equity market or asset); variance swaps (differences in volatility between two assets); equity options; total return equity swaps and other equity related derivatives. These transactions relate to the future expectations on equity assets. The future expectations can be based on an individual asset or a market. Equity derivatives relate to the future expectations in equity markets. Equity markets are subject to the variables found in bond markets, however there is not an explicit relationship to derive a price.

(k) Collateral and margin

Funds undertaking derivative transactions, stock lending or (reverse) repurchase and sale transactions exchange investment assets based on legal agreements. In line with collective investment scheme rules and ASI policy collateral or margin must be exchanged to limit the exposure to investors should an agreement fail. Collateral is exchanged at an agreement level on a net basis following ASI policy at a counterparty level within a fund. Collateral is monitored and where required exchanged daily, it is recognised on a receipts basis in the report and accounts, which may be subject to timing differences. Collateral is bilateral in nature exchanged between the two counterparties in a transaction. Margin is similar to collateral limiting the risk for investors. The main difference is the exchange of initial margin, required before a contract is opened. Once opened the exchange of variation margin is monitored and where required exchanged daily. It is also recognised on a receipts basis. Both collateral and margin do not affect the valuation of the asset they are protecting or the fund unless re-hypothecated (used to buy) into another investment asset. All funds do not re-hypothecate but may use liquidity collective investments to manage cash effectively.

(l) Stock lending

Any income arising from stocklending is treated as revenue on a receipts 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 include cash, equities, certain types of bonds and money market instruments as agreed with the Depositary.

2. Risk exposures and risk management policies

Generic risks that the Aberdeen Standard Investments (ASI) range are exposed to and the risk management techniques employed are disclosed below. Numerical disclosures and specific risks, where relevant, are disclosed within the financial statements.

Risk Management Process (RMP)

The Financial Conduct Authority (FCA) Collective Investment Schemes Sourcebook (COLL) and FCA Funds Sourcebook (FUND) rules require the Management Company to establish, implement and maintain an adequate and documented Risk Management Process (RMP) for identifying the risks they manage, or might be, exposed to. The RMP must comprise of such procedures as are necessary to enable ASI to assess the exposure of each fund it manages to market risk, liquidity risk, counterparty risk, operational risk and all other risks that might be material.

ASI functionally and hierarchically separates the functions of risk management from the operating units and portfolio management functions, to ensure independence and avoid any potential or actual conflicts of interest. The risk management function has the necessary authority, access to all relevant information, staff and regular contact with senior management and the Board of Directors of the Company. The management of investment risk within ASI is organised across distinct functions, aligned to the well-established 'three lines of defence' model.

1. Risk ownership, management and control.
2. Oversight of risk, compliance and conduct frameworks.
3. Independent assurance, challenge and advice.

The 'Tripartite process' is a principle based set of processes and protocols that define how mandates are agreed, understood, documented and delivered. Its overarching aim is to develop and document a common understanding of all investment mandates between governance, management and clients. ASI has a duty of care to ensure that we can effectively deliver against regulatory requirements, internal governance standards and investment capabilities. Equally, it conveys a strong and clear message to external stakeholders about how ASI strives to meet client expectations.

As part of our business transformation following the merger, a harmonised approach was put in place in 2019 with a programme to roll out across all active mandates.

The RMP involves monitoring on a regular and systemic basis all funds under its purview, to allow both 1st and 2nd line risk teams to identify, measure and monitor risk and where necessary escalate appropriately, including to the Board any concerns and proposed mitigating actions.

The Tripartite process, in developing the risk profiles for the funds will determine and set specific risk limits appropriately. Regulatory limits as well as those agreed, are strictly enforced to ensure that ASI does not inadvertently (or deliberately) breach them and add additional risk exposure. In addition, there is an early warnings system of potential changes in the portfolio risk monitoring triggers. Where possible, these are coded into the front office dealing system, in a pre-trade capacity, preventing exposures or breaching limits before the trade is actually executed.

- i) **Market Risk** is the risk that economic, market or idiosyncratic events cause a change in the market value of Client assets. Market Risk can be broadly separated into two types:
 - (1) Systematic risk stems from any factor that causes a change in the valuation of groups of assets. These factors may emerge from a number of sources, including but not limited to economic conditions, political events or actions, the actions of central banks or policy makers, industry events or, indeed, investor behaviour and risk appetite.
 - (2) Specific or Idiosyncratic Risk, which is the part of risk directly associated with a particular asset, outside the realms of, and not captured by Systematic Risk. In other words, it is the component of risk that is peculiar to a specific asset, and may manifest itself in various guises, for example: corporate actions, fraud or bankruptcy.

Portfolios are subject to many sub-categories of market risk. Many of these risks are interlinked and not mutually exclusive. Examples of these types of investment risk include: Country risk; Sector risk; Asset-class risk; Inflation/deflation risk; Interest rate risk; Currency risk; Derivatives risk; Concentration risk; and Default risk. Factors that cause changes in market risks include: future perceived prospects (i.e. changes in perception regarding the future economic position of countries, companies, sectors, etc.); shifts in demand and supply of products and services; political turmoil, changes in interest rate/inflation/taxation policies; major natural disasters; recessions; and terrorist attacks. Market risk management processes recognises that each method is different and has its own unique insights and limits, and applies the following measurements for each Fund, where relevant: Leverage: has the effect of gearing a fund's expected performance by allowing it to gain greater exposure to underlying investment opportunities (gains and losses). The higher the leverage the greater the risk (potential loss).

- Value-at-Risk (VaR) and Conditional VaR (CVaR): VaR measures with a degree of confidence the maximum the Fund could expect to lose in any given time frame. Assuming a normal (Gaussian) distribution, this is a function of the volatility of the Fund. The higher the volatility, the higher the VaR, the greater the risk. CVaR calculates the expected loss, under the assumption that the VaR has been reached.
- Volatility, Tracking Error (TE): Volatility measures the size of variation in returns that a Fund is likely to expect. The higher the volatility, the higher the risk. TE measures the expected magnitude of divergence of returns between the fund and benchmark over a given time.
- Risk Decomposition: Volatility, tracking error and VaR may be broken down to show contribution from market related factors (Systematic Risk) and instrument specific (Idiosyncratic Risk). This is not a different measure as such, but is intended to highlight the sources of volatility and VaR.
- Concentration Risk: By grouping the portfolio into various different exposures (e.g. country, sector, issuer, asset, etc.), any concentration risk can be identified.
- Stress Tests and Scenario Analysis: This captures how much the current portfolio will make or lose if certain conditions occur.
- Back Testing: This process helps to assess the adequacy of the VaR model and is carried out in line with UCITS regulatory requirements (FCA COLL 6.12). Excessive levels of overshoots and the reasons behind them are reported to the Board.
 - To generate these risk analytics, the Portfolio Oversight Group relies on third party calculation engines, such as APT, Bloomberg PORT+, RiskMetrics, UBS Delta and Axioma. Once the data has been processed, it is analysed by Portfolio Oversight Group, generally reviewing absolute and relative risks, change on month and internal peer analysis. Any issues or concerns that are raised through the analysis prompt further investigation and escalation if required. Breaches of hard limits are also escalated immediately. All client mandated and regulatory risk limits are monitored on a daily basis.
 - Stress testing is performed on a regular basis using relevant historical and hypothetical scenarios. Specifically for Money Market Funds, in accordance with Article 28 of the EU Money Market Funds regulation (2017/1131), stress test scenarios take a number of hypothetical reference parameters into account. Where stress tests reveal any vulnerability of the Money Market Fund, an extensive report is compiled containing the results of the stress testing and a proposed action plan. Such reports are submitted to the Board for amendment/approval of the proposed action plans and, once approved, are submitted to the FCA.

- ii) **Liquidity risk** is defined as the risk that a portfolio may need to raise cash or reduce derivative positions on a timely basis either in reaction to market events or to meet client redemption requests and may be obliged to sell long term assets at a price lower than their market value. Liquidity is also an important consideration in the management of portfolios: Portfolio Managers need to pay attention to market liquidity when sizing, entering and exiting trading positions.

For the assessment of asset and liability liquidity, Investment Risk Oversight team identify where we have a large holder (client) and if the holding is greater than the amount ASI can liquidate in one day, and the client is "at risk", Investment Risk Oversight team escalate to the Investor Protection Committee and they work with the relevant fund manager to ensure a solution is in place if the client wishes to redeem.

To help determine asset liquidity ASI use several different techniques tailored to the relevant asset class. Given the availability of volume and price data for equities, a days to exit calculation applied. For Fixed Income, ASI employs two methods: a day to exit calculation based on the internal dealers knowledge; and the Bloomberg scoring system, where Bloomberg attaches a score to each bond based on information from brokers, such as the market breadth (the number of dealers and pricing sources), bid/offer spreads, maturity and shadow liquidity. This enables the creation of scoring buckets for each portfolio, which can be compared versus the selected benchmark. For the Fund of Funds structures we calculate the days to exit by analysing the periodicity of permitted redemptions (e.g. daily / monthly) of the underlying funds combined with the notice period that is required to be given (e.g. 1 days / 30 days). As the asset classes become less liquid such as property, infrastructure, private equity, it becomes harder to assess asset liquidity and key assumptions need to be made.

- iii) **Counterparty credit risk** is the risk of loss resulting from the fact that the counterparty to a transaction may default on its obligations prior to the final settlement of the transaction's cash flow. Credit risk falls into both market risk and specific risk categories. Credit Risk is the risk that an underlying issuer may be unable (or unwilling) to make a payment or to fulfil their contractual obligations. This may materialise as an actual default or, or to a lesser extent, by a weakening in a counterparty's credit quality. The actual default will result in an immediate loss whereas, the lower credit quality will more likely lead to mark-to-market adjustment.

ASI has Global Counterparty Credit Risk Principles (GCC Principles) in place to ensure appropriate management of Credit Risk (defined as 'an explicit or implicit exposure of ASI to the default of a Counterparty which arises as an indirect consequence of the financial instrument or investment activity being procured or undertaken). The GCC Policy and the underlying processes it establishes are supported and governed primarily by the ASI Credit Committee. The GCC Policy is reviewed and approved by the Risk Exposure Committee (REC).

- Requires that all Counterparties are approved by the Credit Committee before Credit Risk can be taken against them;
- Requires that all Counterparties are subject to a regular credit assessment as part of an annual review cycle;
- Requires that exposure limits are agreed in terms of credit risk exposures for each Counterparty and, potentially, each class of business based on agreed methodology recommended to the Credit Committee;
- Prohibits an active increase in credit risk exposure to a Counterparty in excess of the exposure limits; and
- Incorporates the methodology for calculating the credit risk exposures

Credit assessments are conducted by the Credit Research Team, Fixed Income based on quantitative and qualitative analysis, providing an internal score that can be compared against external ratings and used as the basis for an approval recommendation. The conclusions drawn in the credit assessments form the basis of the discussions at the Credit Committee but are challenged and can ultimately be over-ridden by the Credit Committee. Credit assessments are conducted before any new Counterparty is approved, and then refreshed for each Counterparty on an annual basis.

Once approved, exposure limits are agreed by the Credit Committee for each Counterparty. Such limits are based on a methodology which has been developed and proposed by the ASI Credit Research team, Fixed Income, and then approved by the Credit Committee. The actual exposure limit will be set with reference to the calculations, reflecting the structure of the Counterparty's funding profile as well as a holistic view of its risk profile. Again, the Credit Committee reserves the authority to set exposure limits at levels which are different from the outcome of the application of the agreed methodology, where it is deemed appropriate to do so.

The Investment Governance team is responsible for monitoring credit risk exposures and ensuring compliance with the relevant exposure limits. In the event that exposure limits are breached and cannot be corrected immediately, the remedial action required will be agreed by the Credit Committee. Where escalation is required, breaches will be reported to the REC.

Cross Holding table as at 31 July 2020

		Holding Fund					
		ASI Asia Pacific Equity Fund		ASI European High Yield Bond Fund		ASI Europe ex UK Equity Fund	
		Number of Units	Market Value £'000	Number of Units	Market Value £'000	Number of Units	Market Value £'000
Investor Fund	ASI Corporate Bond Fund	-	-	8,057,919	9,900	-	-
	ASI Multi Asset Fund	511,791	1,917	-	-	516,718	1,566
	ASI Sterling Opportunistic Corporate Bond Fund	-	-	-	-	-	-

		Holding Fund			
		ASI (AAM) Sterling Government Bond Fund		Aberdeen Strategic Bond Fund	
		Number of Units	Market Value £'000	Number of Units	Market Value £'000
Investor Fund	ASI Corporate Bond Fund	-	-	14,062,595	24,891
	ASI Multi Asset Fund	16,273,048	20,515	-	-
	ASI Sterling Opportunistic Corporate Bond Fund	-	-	12,904,353	22,841

No other such cross-holdings, between other funds in the Aberdeen Standard OEIC I, were held as at 31 July 2020.

Cross Holding table as at 31 July 2019

		Holding Fund					
		Aberdeen European High Yield Bond Fund		Aberdeen Sterling Government Bond Fund		Aberdeen Strategic Bond Fund	
		Number of Units	Market Value £'000	Number of Units	Market Value £'000	Number of Units	Market Value £'000
Investor Fund	ASI Corporate Bond Fund	15,731,721	190,073	-	-	14,500,650	24,563
	ASI Multi Asset Fund	-	-	17,825,476	20,334	-	-
	ASI Sterling Opportunistic Corporate Bond Fund	-	-	-	-	14,692,146	24,887

No other such cross-holdings, between other funds in the Aberdeen Standard OEIC I, were held as at 31 July 2019.

ASI (AAM) Sterling Government Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in UK Government bonds.

Performance target: To achieve the return of the FTSE Actuaries UK Conventional Gilts All Stocks Index plus 0.5% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund.

There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund invests at least 80% in government bonds issued or guaranteed by the UK Government.
- The fund may also invest in investment grade bonds issued anywhere in the world by governments, sub-sovereigns and corporations including inflation-linked bonds. The fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.

Management process

- The management team use their discretion (active management) to identify investments after analysing individual bonds and derivatives alongside global economic and market conditions.
- In seeking to achieve the Performance Target, the FTSE Actuaries UK Conventional Gilts All Stocks Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 1.70%. Due to the fund's risk constraints the intention is that the fund's performance will not deviate significantly from that of the index over the long term.

Derivatives and techniques

- The fund will make routine use of derivatives to reduce risk, to reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives can be used to generate growth, consistent with the fund's risk profile, if market prices are expected to rise ("long positions") or fall ("short positions"). These positions can be used in overseas markets.
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI (AAM) Sterling Government Bond Fund – A Accumulation Shares increased by 9.60% compared to an increase of 9.38% in the performance target, FTSE Actuaries UK Conventional Gilts All Stocks Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

In the 12 months to the end of July, the UK gilt market was driven by geopolitical uncertainty, local political turmoil and, subsequently, the effects of the coronavirus outbreak. Gilt prices were positive, as investors moved towards assets viewed as lower risk.

In August, the new Prime Minister, Boris Johnson, took the controversial step of proroguing parliament which, coupled with a series of subsequent events, put the UK on course for a general election. In October, Johnson was able to agree a Withdrawal Agreement with the European Union (EU). However, UK parliamentary approval was not forthcoming, making a general election inevitable.

From a gilt-market perspective, December's election was a non-event. The only surprise was the margin of the Conservative victory. Mandate in hand, Johnson confirmed his desire to 'Get Brexit Done'. Accordingly, the UK will leave the EU at the end of 2020. This leaves a very short period to negotiate a very long, complex future relationship.

However, Brexit soon left the spotlight as the coronavirus evolved into a global pandemic. The UK quickly announced a record level of stimulus – totalling approximately £65.5 billion – with the latest £30 billion 'jobs package' being announced in July. The Bank of England (BoE) also made two rate cuts in March, bringing interest rates down to 0.1%, and ratcheted up its bond-buying programme.

The general macro environment was thus supportive of gilt prices. Yields plummeted, with the 10-year gilt seeing its yield almost touching 0.10% at the end of the period compared to about 0.55% at the beginning. Front-dated yields also turned negative as the BoE suggested negative rates could be part of the monetary policy toolkit (it was previously thought that the effective lower bound in the UK was 0.10%). Net gilt supply remained negative as the BoE continued its aggressive quantitative-easing programme, despite record levels of issuance. Although the central bank began to taper down its speed of bond purchases beginning in June, the era of central-bank largesse endures. For now, it seems investors can only focus on fear of missing out on the latest central-bank-fuelled rally.

Meanwhile, Brexit-related uncertainty continues to rumble along in the background. While negotiations are set to resume in mid-August, it looks likely to be yet another exercise in brinkmanship, and we do not expect any clarity until later in the year.

Portfolio Activity

The fund continued to hold an overweight duration bias over the 12-month period. Up until February, the global economic backdrop was characterised by subdued growth and low inflation amid geopolitical uncertainty. Since February, the COVID-19 pandemic dominated markets. Markets became dysfunctional in March, then central banks rode to the rescue with rate cuts and a return to quantitative easing.

As a result, the duration positioning added to the outperformance of the fund. We added a long-dated UK position to the fund when the gilt market became dysfunctional in the belief that the BoE would have to step in. Gilt yields plummeted when the BoE announced a large quantitative-easing package and our position paid off. The fund ended the period duration neutral.

Up until the COVID-19 pandemic, the fund held numerous UK short positions – we periodically added to these when we felt Brexit fears had been exaggerated or political tensions had become elevated. We held these positions throughout the UK general election period. Following the Conservative Party win, we switched from short to long on a cross-market basis. We felt the market had priced in an unrealistic hope that Boris Johnson would use his parliamentary majority to soften his stance on Brexit, and we opposed this view. This position was successful throughout January as the interest rate-cuts were priced in. In June, the fund re-established short UK positions, as we disagree with market expectations that the BoE will pursue negative interest rates. Additionally, gilts should underperform as the BoE slows gilt purchases.

The fund held a bias for a steeper UK yield curve, as we foresee greater gilt issuance on the back of an expansionary fiscal policy from the Conservative government, and latterly the fiscal response to the COVID-19 pandemic. In periods of limited gilt issuance, we reduced and closed the positions – such as throughout December and January. We re-established a position in April and May on the weight of supply in the long end of the UK curve, closing the position in June. Outside of the UK, the fund held positions in Australia, Canada, the US, Germany and France. We held relative-value positions in Germany versus Sweden and France, and the US versus Canada and Australia. The fund also held curve positions in the US, Germany and Australia.

In inflation, we took positions in US 10-year and 30-year breakevens. Throughout the period, the fund held numerous relative-value strategies, which have worked well with the increase in gilt issuance and the offsetting quantitative-easing programme.

Portfolio Outlook and Strategy

Over the next 6 to 12 months, focus will be on how the global, and specifically the UK, economies recover from the COVID-19 pandemic. As the economy continues to reopen and the UK furlough scheme ends, the full picture will be revealed.

Bubbling away in the background is Brexit. The transition period will finish at the end of 2020, with or without a deal. The market expectation is that the UK will come to a deal at some point before year-end. What that deal is, and how it impacts the UK economy is another story. In a global context, the US presidential election in November will keep markets busy.

Pan Euro Macro Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 4 because of the extent to which the following risk factors apply:

- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	188.32	176.14	175.49
Return before operating charges*	18.53	14.14	2.64
Operating charges	(1.86)	(1.96)	(1.99)
Return after operating charges*	16.67	12.18	0.65
Distributions	-	(0.53)	(0.44)
Retained distributions on accumulation shares	-	0.53	0.44
Closing net asset value per share	204.99	188.32	176.14
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	8.85%	6.91%	0.37%
Other information			
Closing net asset value (£'000)	852	833	2,928
Closing number of shares	415,551	442,462	1,662,076
Operating charges	0.95%	0.96%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	210.6	188.5	179.6
Lowest share price	186.6	170.5	170.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	142.40	133.36	133.19
Return before operating charges*	14.01	10.59	2.01
Operating charges	(1.41)	(1.15)	(1.51)
Return after operating charges*	12.60	9.44	0.50
Distributions	-	(0.40)	(0.33)
Closing net asset value per share	155.00	142.40	133.36
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	8.85%	7.08%	0.38%
Other information			
Closing net asset value (£'000)	727	769	530
Closing number of shares	468,986	540,193	397,647
Operating charges	0.95%	0.96%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	159.2	142.7	136.3
Lowest share price	141.1	129.1	129.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	194.92	181.67	180.11
Return before operating charges*	19.24	14.17	2.70
Operating charges	(1.02)	(0.92)	(1.14)
Return after operating charges*	18.22	13.25	1.56
Distributions	(0.91)	(1.41)	(1.36)
Retained distributions on accumulation shares	0.91	1.41	1.36
Closing net asset value per share	213.14	194.92	181.67
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	9.35%	7.29%	0.87%
Other information			
Closing net asset value (£'000)	96,389	110,802	83,282
Closing number of shares	45,223,824	56,844,194	45,843,150
Operating charges	0.50%	0.50%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price	218.6	195.1	184.4
Lowest share price	193.5	176.1	175.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	117.07	109.70	109.58
Return before operating charges*	11.54	8.78	1.64
Operating charges	(0.61)	(0.56)	(0.69)
Return after operating charges*	10.93	8.22	0.95
Distributions	(0.54)	(0.85)	(0.83)
Closing net asset value per share	127.46	117.07	109.70
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	9.34%	7.49%	0.87%
Other information			
Closing net asset value (£'000)	535	615	480
Closing number of shares	419,573	525,084	437,392
Operating charges	0.50%	0.50%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price	131.0	117.6	112.2
Lowest share price	116.1	106.3	106.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	110.07	100.00 ^B
Return before operating charges*	11.25	10.46
Operating charges	(0.64)	(0.39)
Return after operating charges*	10.61	10.07
Distributions	(0.53)	(1.53)
Retained distributions on accumulation shares	0.53	1.53
Closing net asset value per share	120.68	110.07
* after direct transaction costs of:	-	-
Performance		
Return after charges	9.64%	10.07%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	903	100
Operating charges	0.55%	0.55%
Direct transaction costs	-	-
Prices		
Highest share price	123.7	110.0
Lowest share price	109.50	99.75

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 28 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	108.44	100.00 ^B
Return before operating charges*	11.05	10.36
Operating charges	(0.63)	(0.38)
Return after operating charges*	10.42	9.98
Distributions	(0.53)	(1.54)
Closing net asset value per share	118.33	108.44
* after direct transaction costs of:	-	-
Performance		
Return after charges	9.61%	9.98%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	915	100
Operating charges	0.55%	0.55%
Direct transaction costs	-	-
Prices		
Highest share price	121.6	109.6
Lowest share price	107.8	99.75

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 28 November 2018.

^B The opening net asset value stated is the share class launch price.

P Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	150.15	141.00	140.86
Return before operating charges*	14.80	10.96	2.08
Operating charges	(0.51)	(0.47)	(0.51)
Return after operating charges*	14.29	10.49	1.57
Distributions	(0.97)	(1.34)	(1.43)
Closing net asset value per share	163.47	150.15	141.00
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	9.52%	7.44%	1.11%
Other information			
Closing net asset value (£'000)	21	19	19
Closing number of shares	12,825	12,825	13,578
Operating charges	0.33%	0.33%	0.36%
Direct transaction costs	-	-	-
Prices			
Highest share price	168.0	150.9	144.3
Lowest share price	149.0	136.7	136.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Q Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	150.13	140.99	140.85
Return before operating charges*	14.80	10.98	2.07
Operating charges	(0.42)	(0.42)	(0.38)
Return after operating charges*	14.38	10.56	1.69
Distributions	(1.06)	(1.42)	(1.55)
Closing net asset value per share	163.45	150.13	140.99
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	9.58%	7.49%	1.20%
Other information			
Closing net asset value (£'000)	72	68	283
Closing number of shares	44,341	45,104	200,924
Operating charges	0.27%	0.27%	0.27%
Direct transaction costs	-	-	-
Prices			
Highest share price	168.0	150.9	144.3
Lowest share price	149.0	136.7	136.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Q Gross Income shares ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	149.81	140.69	140.59
Return before operating charges*	2.41	10.95	2.03
Operating charges	(0.42)	(0.42)	(0.38)
Return after operating charges*	1.99	10.53	1.65
Distributions	-	(1.41)	(1.55)
Redemption value as at 24 October 2019	(151.80)	-	-
Closing net asset value per share	-	149.81	140.69
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	-	7.48%	1.17%
Other information			
Closing net asset value (£'000)	-	14	1,685
Closing number of shares	-	9,655	1,197,757
Operating charges	0.27%	0.27%	0.27%
Direct transaction costs	-	-	-
Prices			
Highest share price	157.4	150.6	144.0
Lowest share price	150.2	136.4	136.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Q Gross income share class closed on 23 October 2019.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	114.71	106.50	105.07
Return before operating charges*	11.35	8.32	1.57
Operating charges	(0.12)	(0.11)	(0.14)
Return after operating charges*	11.23	8.21	1.43
Distributions	(1.01)	(1.26)	(1.31)
Retained distributions on accumulation shares	1.01	1.26	1.31
Closing net asset value per share	125.94	114.71	106.50
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	9.79%	7.71%	1.36%
Other information			
Closing net asset value (£'000)	43,017	39,961	36,165
Closing number of shares	34,157,607	34,835,369	33,959,173
Operating charges	0.10%	0.10%	0.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	128.9	114.8	107.7
Lowest share price	114.1	104.6	102.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.v

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (99.33%)		139,023	98.17
Euro Denominated Bonds (1.33%)		-	-
Government Bonds (1.33%)		-	-
Sterling Denominated Bonds (96.64%)		133,131	94.01
Corporate Bonds (0.00%)		3,458	2.44
less than 5 years to maturity			
1,988,000	KFW 1.25% 2023	2,063	1.46
between 5 and 10 years to maturity			
1,307,000	BNG Bank 1.625% 2025	1,395	0.98
Government Bonds (96.64%)		129,673	91.57
less than 5 years to maturity			
6,529,000	UK (Govt of) 0.5% 2022*	6,604	4.66
2,932,000	UK (Govt of) 1.75% 2022	3,046	2.15
760,000	UK (Govt of) 2.25% 2023	816	0.58
2,678,298	UK (Govt of) 2.75% 2024	2,996	2.11
669,617	UK (Govt of) 3.75% 2021*	697	0.49
3,830,000	UK (Govt of) 4% 2022	4,079	2.88
2,793,000	UK (Govt of) 5% 2025	3,455	2.44
2,677,000	UK (Govt of) 8% 2021	2,857	2.02
between 5 and 10 years to maturity			
487,000	PRS Finance 2% 2029	538	0.38
505,000	UK (Govt of) 0.125% 2026	511	0.36
10,043,403	UK (Govt of) 1.25% 2027	10,962	7.74
2,670,000	UK (Govt of) 1.5% 2026	2,929	2.07
2,745,000	UK (Govt of) 1.625% 2028	3,116	2.20
3,025,000	UK (Govt of) 4.25% 2027	3,983	2.81
687,000	UK (Govt of) 0.875% 2029	739	0.52
between 10 and 15 years to maturity			
1,523,000	UK (Govt of) 0.375% 2030	1,560	1.10
3,017,066	UK (Govt of) 4.25% 2032	4,442	3.14
2,750,908	UK (Govt of) 4.5% 2034	4,333	3.06
3,461,000	UK (Govt of) 4.75% 2030	5,121	3.62

Holding	Investment	Market Value £'000	Percentage of total net assets
between 15 and 25 years to maturity			
922,846	UK (Govt of) 1.25% 2041	1,044	0.74
2,217,000	UK (Govt of) 1.75% 2037	2,674	1.89
2,279,338	UK (Govt of) 3.25% 2044	3,596	2.54
2,663,000	UK (Govt of) 3.5% 2045	4,411	3.11
2,365,569	UK (Govt of) 4.25% 2036	3,737	2.64
1,810,000	UK (Govt of) 4.25% 2039	3,042	2.15
1,975,000	UK (Govt of) 4.25% 2040	3,383	2.39
2,249,637	UK (Govt of) 4.5% 2042	4,100	2.89
2,118,450	UK (Govt of) 4.75% 2038	3,709	2.62
greater than 25 years to maturity			
1,330,828	UK (Govt of) 0.5% 2061	1,307	0.92
858,000	UK (Govt of) 0.625% 2050	857	0.61
1,445,429	UK (Govt of) 1.5% 2047	1,764	1.25
3,921,000	UK (Govt of) 1.625% 2054	5,158	3.64
1,159,000	UK (Govt of) 1.625% 2071	1,768	1.25
1,977,894	UK (Govt of) 1.75% 2049	2,566	1.81
1,391,000	UK (Govt of) 1.75% 2057	1,936	1.37
1,589,590	UK (Govt of) 2.5% 2065	2,825	1.99
1,561,877	UK (Govt of) 3.5% 2068	3,517	2.48
468,930	UK (Govt of) 3.75% 2052	899	0.64
2,005,710	UK (Govt of) 4% 2060	4,455	3.15
1,880,000	UK (Govt of) 4.25% 2046	3,541	2.50
1,053,000	UK (Govt of) 4.25% 2049	2,083	1.47
2,080,000	UK (Govt of) 4.25% 2055	4,517	3.19
Swedish Krona Denominated Bonds (0.00%)		3,924	2.77
Government Bonds (0.00%)		3,924	2.77
between 5 and 10 years to maturity			
41,785,000	Sweden (Kingdom of) 0.75% 2029	3,924	2.77
US Dollar Denominated Bonds (1.06%)		1,968	1.39
Government Bonds (1.06%)		1,968	1.39
between 5 and 10 years to maturity			
1,731,000	US Treasury 0.125% Index-Linked 2030	1,457	1.03
greater than 25 years to maturity			
228,000	US Treasury 1% Index-Linked 2048	256	0.18
231,000	US Treasury 1% Index-Linked 2049	255	0.18

Holding	Investment	Market Value £'000	Percentage of total net assets
Derivatives (-0.12%)		(50)	(0.04)
Forward Currency Contracts (-0.12%)		52	0.03
	Buy GBP 103,628 Sell AUD 188,000 10/09/2020	1	-
	Buy GBP 69,129 Sell EUR 77,000 10/09/2020	-	-
	Buy GBP 4,411,364 Sell SEK 51,221,000 10/09/2020	(53)	(0.04)
	Buy GBP 89,322 Sell USD 112,000 10/09/2020	4	-
	Buy GBP 514,672 Sell USD 669,000 10/09/2020	5	-
	Buy GBP 2,930,433 Sell USD 3,680,000 10/09/2020	127	0.09
	Buy SEK 6,807,000 Sell GBP 581,273 10/09/2020	12	0.01
	Buy USD 1,887,000 Sell GBP 1,480,994 10/09/2020	(44)	(0.03)
Futures (0.00%)		(118)	(0.08)
106	Long Australia 10 Year Bond Future 15/09/2020	63	0.05
49	Long Canadian 10 Year Bond Future 21/09/2020	39	0.03
27	Long Euro-Oat Future 08/09/2020	(15)	(0.01)
101	Long US 10 Year Ultra Future 21/09/2020	(165)	(0.12)
(100)	Short Long Gilt Future 28/09/2020	(124)	(0.09)
(172)	Short US 5 Year Note Future 30/09/2020	87	0.06
(4)	Short US Ultra Bond (CBT) Future 21/09/2020	(3)	-
Interest Rate Swaps (0.00%)		16	0.01
CAD 22,725,000	Pay fixed 0.79830% receive floating CAD-BA-CDOR 25/07/2024	12	0.01
CAD 7,575,000	Pay fixed 0.80000% receive floating CAD-BA-CDOR 25/07/2024	4	-
Total investment assets and liabilities		138,973	98.13
Net other assets		2,642	1.87
Total Net Assets		141,615	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities or approved derivatives within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

* A portion of this security is on loan at the year end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	13,374	8,956
Revenue	2	1,442	1,770
Expenses	3	(593)	(543)
Interest payable and similar charges		(4)	(5)
Net revenue before taxation		845	1,222
Taxation	4	-	-
Net revenue after taxation		845	1,222
Total return before distributions		14,219	10,178
Distributions	5	(845)	(1,222)
Change in net assets attributable to shareholders from investment activities		13,374	8,956

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	153,081	125,372
Amounts receivable on the issue of shares	18,839	45,819
Amounts payable on the cancellation of shares	(44,518)	(28,344)
	(25,679)	17,475
Dilution adjustment	12	13
Change in net assets attributable to shareholders from investment activities (see above)	13,374	8,956
Retained distribution on accumulation shares	827	1,265
Closing net assets attributable to shareholders	141,615	153,081

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Assets:					
Fixed assets:					
Investment assets			139,377		152,253
Current assets:					
Debtors	6	602		19,712	
Cash and bank balances	7	3,569		568	
			4,171		20,280
Total assets			143,548		172,533
Liabilities:					
Investment liabilities			(404)		(375)
Creditors	8	(1,528)		(19,073)	
Distribution payable		(1)		(4)	
			(1,529)		(19,077)
Total liabilities			(1,933)		(19,452)
Net assets attributable to shareholders			141,615		153,081

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	12,008	9,171
Derivative contracts	1,082	-
Forward currency contracts	183	(292)
Other gains	101	77
Net capital gains	13,374	8,956

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	2	1
Interest on debt securities	1,435	1,763
Stocklending revenue	5	6
Total revenue	1,442	1,770

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	442	405
Operating, administrative and servicing fees	151	138
Total expenses	593	543

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total taxation	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	845	1,222
Corporation tax at 20% (2019: 20%)	169	244
Effects of:		
Distributions treated as tax deductible	(169)	(244)
Total tax charge for year (note 4a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	439	663
Final distribution	391	609
	830	1,272
Add: Income deducted on cancellation of shares	67	56
Deduct: Income received on issue of shares	(52)	(106)
Net distribution for the year	845	1,222

Details of the distribution per share are set out in this fund's distribution tables.

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	599	811
Amounts receivable from the ACD for the issue of shares	3	12
Sales awaiting settlement	-	18,889
Total debtors	602	19,712

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	2,320	568
Cash at broker	1,249	-
Net Liquidity	3,569	568

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	34	52
Amounts payable to the ACD for cancellation of shares	67	-
Other accrued expenses	12	-
Purchases awaiting settlement	1,415	19,021
Total creditors	1,528	19,073

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	258,507	351,212	281,723	331,270
Trades in the year before transaction costs	258,507	351,212	281,723	331,270
Total net trades in the year after transaction costs	258,507	351,212	281,723	331,270

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.05% (2019: 0.05%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	442,462	197,164	(223,799)	(276)	415,551
A Income shares	540,193	8,905	(80,112)	-	468,986
I Accumulation shares	56,844,194	3,220,144	(14,840,781)	267	45,223,824
I Income shares	525,084	109,437	(214,948)	-	419,573
M Accumulation shares	100	803	-	-	903
M Income shares	100	815	-	-	915
P Income shares	12,825	-	-	-	12,825
Q Income shares	45,104	-	(763)	-	44,341
Q Gross Income shares	9,655	641	(10,296)	-	-
Z Accumulation shares	34,835,368	9,822,908	(10,500,669)	-	34,157,607

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	131,641	7,382	-	152,063	-	-
Derivatives	189	165	-	-	190	-
Total investment assets	131,830	7,547	-	152,063	190	-

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Fair value of investment assets						
Fair value of investment liabilities						
Derivatives	(307)	(97)	-	-	(375)	-
Total investment liabilities	(307)	(97)	-	-	(375)	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

The income and capital value of the fund's investments are mainly denominated in Sterling, the fund's functional currency; therefore, the financial statements are not subject to any significant risk of currency movements. This is consistent with the exposure during the prior year.

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the year end consists of:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	2,278	133,131	4,984	140,393
Australian Dollar	496	-	(40)	456
Canadian Dollar	212	-	55	267
Euro	308	-	(84)	224
Swedish Krona	-	3,924	(3,851)	73
US Dollar	2,242	-	(2,040)	202
Total	5,536	137,055	(976)	141,615

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2019				
Currency				
UK Sterling	568	148,407	2,887	151,862
Euro	-	2,037	(1,702)	335
US Dollar	-	1,619	(735)	884
Total	568	152,063	450	153,081

Other price risk

Sensitivity analysis

The sensitivity analysis of the fund's financial asset and liability positions is monitored by the Investment Manager using VaR analysis. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	1.98%	2.11%
Maximum VaR	2.62%	2.63%
Average VaR	2.36%	2.45%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	0.02%	2.22%	-	0.21%	2.45%
31 July 2019	-	2.02%	-	0.28%	2.30%

The ACD must calculate the global exposure of any fund it manages either as: 1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property. This is known as the Commitment Approach and is a measure of leverage or; 2) the market risk of the scheme property by way of the value at risk (VaR) approach. Although, the sensitivity analysis of the fund's financial asset and liability positions described above uses VaR analysis, the global exposure calculations for funds may be calculated on the Commitment Basis. The Prospectus provides further details on which method is used to calculate Global Exposure for each fund.

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	139,025	96.84%
Total Value of Securities	139,025	96.84%

	Market value £'000	Percentage of total net assets %
2019		
Investment grade securities	152,062	99.32%
Total Value of Securities	152,062	99.32%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

						Mark to Market Exposure		
	Swaps	Options	Futures	Forward Currency Contracts	Total	Collateral (held)/ pledged	Margin at clearing broker	Total by Counter- party
2020	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	(64)	(85)	(149)	-	1,248	1,099
Deutsche Bank	-	-	-	5	5	-	-	5
Goldman Sachs	-	-	-	127	127	-	-	127
RBC Dominion Securities	-	-	-	4	4	-	-	4
Royal Bank of Canada	16	-	-	-	16	-	-	16
StateStreet	-	-	-	1	1	-	-	1
Total	16	-	(64)	52	4	-	1,248	1,252

	Mark to Market Exposure							
	Swaps	Options	Futures	Forward Currency Contracts	Total	Collateral (held)/ pledged	Margin at clearing broker	Total by Counter- party
2019	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Counterparty or clearer								
BNP Paribas	-	-	-	(1)	(1)	-	-	(1)
Citigroup	-	-	-	69	69	-	-	69
Goldman Sachs	-	-	-	(90)	(90)	-	-	(90)
HSBC	-	-	-	49	49	-	-	49
Morgan Stanley	-	-	-	(6)	(6)	-	-	(6)
RBC Dominion Securities	-	-	-	(200)	(200)	-	-	(200)
UBS	-	-	-	(6)	(6)	-	-	(6)
Total	-	-	-	(185)	(185)	-	-	(185)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

	On demand	Up to	Over one year		
		one year	but not more	Over five years	Total
2020	£'000	£'000	than five years	£'000	£'000
			£'000		
Derivatives					
Investment liabilities	-	(404)	-	-	(404)
Non-derivatives					
Other creditors	-	(1,528)	-	-	(1,528)
Distribution payable	-	(1)	-	-	(1)
Total financial liabilities	-	(1,933)	-	-	(1,933)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(375)	-	-	(375)
Non-derivatives					
Other creditors	-	(19,073)	-	-	(19,073)
Distribution payable	-	(4)	-	-	(4)
Total financial liabilities	-	(19,452)	-	-	(19,452)

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £7,170,000 (2019: £Nil). 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 31 July 2020 is £8,266,000 (2019: £Nil).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Citigroup	7,170	-
Total securities on loan	7,170	-

Collateral held	2020 £'000	2019 £'000
Government Bond	8,266	-
Total collateral held	8,266	-

The gross earnings and fees paid for the year are £6,000 (2019: £7,000) and £1,000 (2019: £1,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has decreased by 3.4% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	-	-	-	0.2777
Group 2	-	-	-	0.2777
A Income shares				
Group 1	-	-	-	0.2103
Group 2	-	-	-	0.2103
I Accumulation shares				
Group 1	0.4387	-	0.4387	0.7286
Group 2	0.0221	0.4166	0.4387	0.7286
I Income shares				
Group 1	0.2635	-	0.2635	0.4399
Group 2	0.1091	0.1544	0.2635	0.4399
M Accumulation shares				
Group 1	0.2238	-	0.2238	0.3800
Group 2	0.1238	0.1000	0.2238	0.3800
M Income shares				
Group 1	0.2317	-	0.2317	0.3800
Group 2	0.1217	0.1100	0.2317	0.3800
P Income shares				
Group 1	0.4727	-	0.4727	0.6875
Group 2	0.4727	-	0.4727	0.6875
Q Income shares				
Group 1	0.5147	-	0.5147	0.7271
Group 2	0.5147	-	0.5147	0.7271
Q Gross Income shares				
Group 1	-	-	-	0.7273
Group 2	-	-	-	0.7273
Z Accumulation shares				
Group 1	0.4930	-	0.4930	0.6416
Group 2	0.0987	0.3943	0.4930	0.6416

Final interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	-	-	-	0.2509
Group 2	-	-	-	0.2509
A Income shares				
Group 1	-	-	-	0.1918
Group 2	-	-	-	0.1918
I Accumulation shares				
Group 1	0.4671	-	0.4671	0.6824
Group 2	0.1425	0.3246	0.4671	0.6824
I Income shares				
Group 1	0.2799	-	0.2799	0.4108
Group 2	0.1118	0.1681	0.2799	0.4108
M Accumulation shares				
Group 1	0.3036	-	0.3036	1.1500
Group 2	0.3036	-	0.3036	1.1500
M Income shares				
Group 1	0.2962	-	0.2962	1.1600
Group 2	0.2962	-	0.2962	1.1600
P Income shares				
Group 1	0.4961	-	0.4961	0.6503
Group 2	0.4961	-	0.4961	0.6503
Q Income shares				
Group 1	0.5431	-	0.5431	0.6946
Group 2	0.5431	-	0.5431	0.6946
Q Gross Income shares				
Group 1	-	-	-	0.6857
Group 2	-	-	-	0.6857
Z Accumulation shares				
Group 1	0.5216	-	0.5216	0.6209
Group 2	0.1341	0.3875	0.5216	0.6209

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI (AAM) Sterling Short Dated Corporate Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the medium term (3 to 5 years) by investing in Sterling denominated investment grade corporate bonds with maturities of up to 5 years.

Performance target: To achieve the return of the iBoxx Sterling Corporates (1-5 year) Index plus 0.25% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 60% in Sterling denominated investment grade corporate bonds with a maturity of up to 5 years.
- The fund may also invest in bonds of any maturity, issued anywhere in the world by governments and corporations, such as sub-sovereigns, sub-investment grade, inflation-linked, convertible, asset backed and mortgage-backed bonds. The fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to identify bonds and derivatives after analysing companies prospects and creditworthiness alongside global economic and market conditions.
- In seeking to achieve the Performance Target, the iBoxx Sterling Corporates (1-5 year) Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 1.5%. Due to the fund's risk constraints the intention is that the fund's performance will not deviate significantly from that of the index over the long term.

Please Note: The fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and techniques

- The fund will routinely use derivatives to reduce risk, reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI (AAM) Sterling Short Dated Corporate Bond Fund – A Accumulation Shares increased by 1.88% compared to an increase of 2.40% in the performance target, iBoxx Sterling Corporates (1-5 year) Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

In the early part of the review period, collapsing government bond yields and fairly stable credit spreads in most higher-quality bond markets led to fixed-income markets generating some strong returns while showing little volatility. Although yields were already lower than many investors thought possible, deteriorating economic data and the threat of policy action caused a further collapse towards the lows. However, while investment-grade credit, where the fund is focused, held in, riskier asset classes like high yield and emerging markets wobbled slightly as political and economic data provided some volatility-causing headlines. Bond yields rose in many government markets in the latter part of 2019, but corporate bonds continued to perform well as risk appetite remained healthy.

Markets entered 2020 in a constructive manner, with investment-grade spreads materially tighter. High yield and emerging markets were also strong. This more positive environment for risk assets came about as global economic data appeared to be picking up modestly and a 'phase-one' trade deal between the US and China was agreed.

Global central banks also appear to be prepared to maintain – or even extend – their accommodative stances going forward, thus providing further confidence. In late January, the coronavirus started affecting markets, which began to consider the implications for global growth. Equities fell sharply, as did commodities such as oil, as the virus spread rapidly around the world, initially causing a slowing of global supply chains and economic activity. The virus' spread and the sharp increase in cases and fatalities then led to a succession of lockdowns across the globe, which more or less halted domestic economic activity. Those sectors most affected by lockdowns and trade flows performed badly, with hotels, retail, airlines and leisure being among the worst hit.

Central banks and governments in both developed and emerging economies responded quickly, announcing rate cuts, bond-buying programmes and stimulus packages. These actions soothed financial markets, which also helped gradually reverse the dramatic spread widening seen in February and March over the subsequent months. Still, there are certainly outstanding risks in significant areas of the economy, and credit rating agencies have been taking action. Nonetheless, buyers are continuing to demand fixed-income assets, forcing yields lower and spreads tighter.

Portfolio Activity

As credit markets sold off aggressively in March, including particular weakness in the short end, the portfolio's emphasis on high quality credit and liquid names offered some protection against drawdown. However, the portfolio's underweight in duration versus benchmark dragged on relative returns as government bond yields rallied strongly over the period, with the 5-year gilt yield moving into negative territory from 0.38% to -0.12%. The fund has a structurally lower duration versus the benchmark as a minimum of 10% of the portfolio must be invested in short-dated securities.

Asset allocation was a positive contributor as overweight positions in AAA-rated supranational issuers such as Inter-American Development Bank and BNG brought defensiveness to the portfolio. Similarly, an overweight in AAA-rated mortgage-backed securities and covered bank bonds from CIBC and Santander UK offered good liquidity and capital protection, though their high-quality and floating-rate structure meant that they lagged the rally in beta and duration.

In corporates, an overweight in UK utilities, which are a significant component of the Bank of England's Corporate Bond Purchase Scheme, aided returns. An underweight to automotive manufacturers boosted performance as these issuers were severely impacted during the height of the market volatility in March. An underweight to the oil sector was beneficial, along with security selection, where off-benchmark allocation to US dollar names, such as Canadian Natural Resources, outperformed.

In property, a small position in the SGS structure of Intu detracted from returns as the retail property operator faced difficulties amid the coronavirus-related closure of shopping centres. Within transport, an underweight position in airports (particularly class-B Heathrow, which now has a low BBB rating) contributed positively to performance over the period.

Financials underperformed corporates over the period, despite a strong rally following the Conservative's decisive victory in the UK general election. As a result, the portfolio's overweight to senior and Tier-2 banking securities detracted from relative returns. In terms of security selection, the overweight position in Tier-2 bonds from Lloyds dragged on relative returns due to their more concentrated exposure to UK consumers versus peers. Security selection was positive within insurance as holdings of Aviva and Pension Insurance Corporation outperformed higher-beta names such as Generali (which left the index due to a junked composite rating).

Portfolio Outlook and Strategy

Credit markets have performed well of late and are approaching fair value and the levels seen at the end of 2019. Some of the higher-risk areas of the markets still offer value, but the economic environment means that stock selection will be crucial over the coming period. The risks to growth caused by the impacts of the coronavirus are fairly apparent and ongoing as the virus has yet to be brought under control. Although there appears to be ongoing support for bonds across most markets, we are happy to pare back risk, especially in the most fully-valued areas. Further, with the extremely low levels of government bond yields, duration has now also fallen below that of the index benchmark.

Sterling IG and Aggregate Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 3 because of the extent to which the following risk factors apply:

- The fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	103.69	100.82	100.84
Return before operating charges*	2.74	3.54	0.66
Operating charges	(0.68)	(0.67)	(0.68)
Return after operating charges*	2.06	2.87	(0.02)
Distributions	(1.71)	(1.43)	(1.30)
Retained distributions on accumulation shares	1.71	1.43	1.30
Closing net asset value per share	105.75	103.69	100.82
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.99%	2.85%	(0.02%)
Other information			
Closing net asset value (£'000)	5	23	23
Closing number of shares	5,001	22,302	23,100
Operating charges	0.65%	0.65%	0.67%
Direct transaction costs	-	-	-
Prices			
Highest share price	106.0	103.9	101.4
Lowest share price	100.3	100.4	100.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	100.13	98.73	100.03
Return before operating charges*	2.59	3.44	0.65
Operating charges	(0.65)	(0.65)	(0.67)
Return after operating charges*	1.94	2.79	(0.02)
Distributions	(1.64)	(1.39)	(1.28)
Closing net asset value per share	100.43	100.13	98.73
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.94%	2.83%	(0.02%)
Other information			
Closing net asset value (£'000)	35	5	6
Closing number of shares	34,291	5,000	6,000
Operating charges	0.65%	0.65%	0.67%
Direct transaction costs	-	-	-
Prices			
Highest share price	101.1	100.7	100.5
Lowest share price	96.08	97.94	98.98

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	104.52	101.32	101.10
Return before operating charges*	2.75	3.56	0.59
Operating charges	(0.37)	(0.36)	(0.37)
Return after operating charges*	2.38	3.20	0.22
Distributions	(2.05)	(1.75)	(1.61)
Retained distributions on accumulation shares	2.05	1.75	1.61
Closing net asset value per share	106.90	104.52	101.32
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	2.28%	3.16%	0.22%
Other information			
Closing net asset value (£'000)	18,445	29,071	26,810
Closing number of shares	17,255,589	27,814,788	26,461,490
Operating charges	0.35%	0.35%	0.37%
Direct transaction costs	-	-	-
Prices			
Highest share price	107.2	104.7	101.8
Lowest share price	101.3	101.0	100.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	100.08	98.68	100.05
Return before operating charges*	2.61	3.44	0.59
Operating charges	(0.35)	(0.35)	(0.37)
Return after operating charges*	2.26	3.09	0.22
Distributions	(1.95)	(1.69)	(1.59)
Closing net asset value per share	100.39	100.08	98.68
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	2.26%	3.13%	0.22%
Other information			
Closing net asset value (£'000)	18,610	24,255	24,160
Closing number of shares	18,537,548	24,233,769	24,483,373
Operating charges	0.35%	0.35%	0.37%
Direct transaction costs	-	-	-
Prices			
Highest share price	101.2	100.7	100.5
Lowest share price	96.08	97.92	99.02

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	104.81	101.50	101.17
Return before operating charges*	2.75	3.57	0.60
Operating charges	(0.26)	(0.26)	(0.27)
Return after operating charges*	2.49	3.31	0.33
Distributions	(2.16)	(1.85)	(1.72)
Retained distributions on accumulation shares	2.16	1.85	1.72
Closing net asset value per share	107.30	104.81	101.50
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	2.38%	3.26%	0.33%
Other information			
Closing net asset value (£'000)	18,202	26,002	22,633
Closing number of shares	16,962,525	24,808,352	22,298,789
Operating charges	0.25%	0.25%	0.27%
Direct transaction costs	-	-	-
Prices			
Highest share price	107.6	105.0	101.9
Lowest share price	101.7	101.2	101.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	100.08	98.68	100.04
Return before operating charges*	2.60	3.44	0.60
Operating charges	(0.25)	(0.25)	(0.27)
Return after operating charges*	2.35	3.19	0.33
Distributions	(2.05)	(1.79)	(1.69)
Closing net asset value per share	100.38	100.08	98.68
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	2.35%	3.23%	0.33%
Other information			
Closing net asset value (£'000)	56,172	94,747	88,478
Closing number of shares	55,957,531	94,671,398	89,663,973
Operating charges	0.25%	0.25%	0.27%
Direct transaction costs	-	-	-
Prices			
Highest share price	101.2	100.8	100.5
Lowest share price	96.08	97.93	99.02

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	103.87	100.00 ^B
Return before operating charges*	2.87	4.14
Operating charges	(0.42)	(0.27)
Return after operating charges*	2.45	3.87
Distributions	(2.16)	(1.84)
Retained distributions on accumulation shares	2.16	1.84
Closing net asset value per share	106.32	103.87
* after direct transaction costs of:	-	-
Performance		
Return after charges	2.36%	3.87%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	964	100
Operating charges	0.40%	0.40%
Direct transaction costs	-	-
Prices		
Highest share price	106.6	104.0
Lowest share price	100.8	99.78

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 29 November 2018.

^B The opening NAV is the launch price of the share class.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	102.06	100.00 ^B
Return before operating charges*	2.86	4.17
Operating charges	(0.41)	(0.27)
Return after operating charges*	2.45	3.90
Distributions	(2.12)	(1.84)
Closing net asset value per share	102.39	102.06
* after direct transaction costs of:	-	-
Performance		
Return after charges	2.40%	3.90%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	979	100
Operating charges	0.40%	0.40%
Direct transaction costs	-	-
Prices		
Highest share price	103.2	103.0
Lowest share price	97.99	99.78

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 29 November 2018.

^B The opening NAV is the launch price of the share class.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	105.38	101.86	101.35
Return before operating charges*	2.78	3.58	0.58
Operating charges	(0.06)	(0.06)	(0.07)
Return after operating charges*	2.72	3.52	0.51
Distributions	(2.38)	(2.05)	(1.91)
Retained distributions on accumulation shares	2.38	2.05	1.91
Closing net asset value per share	108.10	105.38	101.86
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	2.58%	3.46%	0.50%
Other information			
Closing net asset value (£'000)	5	5	6
Closing number of shares	5,001	5,001	6,000
Operating charges	0.05%	0.05%	0.07%
Direct transaction costs	-	-	-
Prices			
Highest share price	108.4	105.6	102.1
Lowest share price	102.3	101.6	101.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (97.44%)		107,495	96.43
Euro Denominated Bonds (1.33%)		2,945	2.64
Corporate Bonds (1.33%)		2,945	2.64
less than 5 years to maturity			
1,300,000	CK Hutchison 0.375% 2023	1,170	1.05
617,000	Getlink 3.625% 2023	564	0.50
Perpetual			
800,000	Engie 3.25% fixed to floating Perpetual	767	0.69
500,000	Volkswagen International 3.5% fixed to floating Perpetual	444	0.40
Sterling Denominated Bonds (88.27%)		96,306	86.39
Corporate Bonds (87.69%)		96,027	86.14
less than 5 years to maturity			
844,000	Aareal Bank 1.5% 2022	859	0.77
700,000	ABN Amro 1.375% 2022	711	0.64
800,000	ABN Amro 1.375% 2025	818	0.73
650,000	American Honda Finance 1.3% 2022	652	0.58
1,150,000	AMP Group Finance Services 6.875% 2022	1,220	1.09
691,000	Anheuser-Busch InBev 9.75% 2024	933	0.84
489,000	APT Pipelines 4.25% 2024	550	0.49
369,000	Australia & New Zealand Bank FRN 2022	370	0.33
800,000	Banco Santander 1.375% 2024	808	0.73
500,000	Banco Santander 2.75% 2023	522	0.47
900,000	Banque Federative du Credit Mutuel 1.75% 2024	943	0.85
1,490,000	Barclays 10% 2021	1,594	1.43
2,804,000	Barclays 2.375% 2023	2,862	2.57
676,000	Barclays 3.125% 2024	713	0.64
778,000	BMW 1.25% 2022	788	0.71
800,000	BMW 1.75% 2022	813	0.73
1,450,000	British American Tobacco 6% 2022	1,587	1.42
600,000	British Sky Broadcasting 2.875% 2020	604	0.54
1,000,000	BUPA 3.375% 2021	1,021	0.92
600,000	BUPA 5% 2023	643	0.58
651,000	Citigroup 2.75% 2024	688	0.62
949,000	Citigroup 5.875% 2024	1,097	0.98
341,000	Close Brothers 2.75% 2023	354	0.32
600,000	Cooperatieve Rabobank 1.25% 2025	612	0.55

		Market Value £'000	Percentage of total net assets
Holding	Investment		
650,000	Coventry Building Society 1.5% 2023	662	0.59
900,000	Coventry Building Society 1.875% 2023	931	0.83
214,000	Daimler 2.375% 2021	218	0.20
1,700,000	Deutsche Bank 2.625% 2024	1,727	1.55
800,000	Deutsche Pfandbriefbank 1.75% 2022	798	0.72
953,000	DNB Bank 1.375% 2023	976	0.87
899,000	DNB Bank 1.625% 2023	928	0.83
800,000	Eastern Power Networks 5.75% 2024	942	0.85
300,000	Enel 5.625% 2024	358	0.32
1,400,000	ENI 4.75% 2021	1,425	1.28
700,000	FCA Capital Ireland 1.625% 2021	695	0.62
1,153,000	Fidelity National Information Services 2.602% 2025	1,246	1.12
1,100,000	FirstGroup 5.25% 2022	1,113	1.00
948,000	Fiserv 2.25% 2025	1,004	0.90
1,800,000	Friends Life 8.25% 2022	2,002	1.80
200,000	General Motors Financial 2.25% 2024	195	0.17
500,000	Heathrow Funding 5.225% 2023	540	0.48
100,000	Heathrow Funding 7.125% 2024	113	0.10
1,706,000	HSBC 2.175% 2023	1,727	1.55
605,000	Imperial Brands 8.125% 2024	743	0.67
650,000	Imperial Brands 9% fixed to floating 2022	730	0.65
803,000	Industrial & Commercial Bank of China (London) 1.5% 2022	810	0.73
700,000	innogy Finance 5.5% 2022	764	0.68
700,000	Intu (SGS) Finance 3.875% 2023	421	0.38
500,000	Landesbank Baden-Wuerttemberg 1.5% 2025	508	0.46
2,051,000	Lend Lease Europe 6.125% 2021	2,135	1.91
950,000	Lloyds Bank 7.625% 2025	1,197	1.07
750,000	Lloyds Bank 9.625% 2023	902	0.81
209,000	MetLife Global Funding I 2.625% 2022	218	0.20
421,000	MPT Operating Partnership 2.55% 2023	420	0.38
800,000	NatWest 6.5% 2021	840	0.75
1,100,000	New York Life Global Funding 1% 2021	1,106	0.99
499,000	New York Life Global Funding 1.625% 2023	515	0.46
837,000	New York Life Global Funding 1.75% 2022	858	0.77
1,000,000	Northern Powergrid 7.25% 2022	1,153	1.03
540,000	PCL Funding III FRN 2023	537	0.48
950,000	Pension Insurance 6.5% 2024	1,108	0.99
1,100,000	RCI Banque 1.875% 2022	1,091	0.98
550,000	Royal Bank of Canada 1.375% 2024	566	0.51
622,000	RSA Insurance 1.625% 2024	632	0.57
1,000,000	Scottish Power UK 6.75% 2023	1,171	1.05

			Market Value £'000	Percentage of total net assets
Holding	Investment			
1,100,000	Segro 7% 2022		1,194	1.07
830,000	Severn Trent 1.625% 2022		849	0.76
511,000	SGSP Australia Assets 5.125% 2021		522	0.47
300,000	Siemens Financieringsmaatschappij 0.875% 2023		303	0.27
1,000,000	Svenska Handelsbanken 1.625% 2023		1,037	0.93
1,056,000	Swedbank 1.25% 2021		1,067	0.96
380,000	Thames Water 2.375% 2023		376	0.34
500,000	Toyota Finance Australia 1.625% 2022		508	0.46
600,000	United Utilities 5.75% 2022		651	0.58
425,000	Volkswagen Financial Services 1.5% 2021		425	0.38
1,000,000	Volkswagen Financial Services 1.75% 2022		1,010	0.91
600,000	Volkswagen Financial Services 1.875% 2024		607	0.54
800,000	Volkswagen Financial Services 2.125% 2024		819	0.73
200,000	Volkswagen Financial Services 2.75% 2023		208	0.19
700,000	Wells Fargo 5.25% 2023		785	0.70
between 5 and 10 years to maturity				
700,000	Banque Federative du Credit Mutuel 1.25% 2025		716	0.64
474,000	Barclays 3% 2026		504	0.45
725,000	Bavarian Sky FRN 2028		724	0.65
900,000	Credit Suisse 2.125% fixed to floating 2025		925	0.83
400,000	Credit Suisse 2.75% 2025		426	0.38
300,000	CYBG 4% 2026		307	0.28
1,000,000	CYBG 5% 2026		970	0.87
571,000	Lloyds Banking 1.875% fixed to floating 2026		579	0.52
750,000	Motor 2016-1 1.3% 2025		166	0.15
831,000	NatWest 2.875% 2026		879	0.79
760,000	Royal Bank of Canada 1.125% 2025		767	0.69
629,000	Unilever 1.5% 2026		669	0.60
600,000	Virgin Money 3.375 fixed to floating 2026		595	0.53
1,038,000	Virgin Money UK 7.875% fixed to floating 2028		1,098	0.98
between 10 and 15 years to maturity				
325,000	NatWest 3.622% fixed to floating 2030		342	0.31
850,000	Thames Water 5.75% 2030		899	0.81
between 15 and 25 years to maturity				
1,500,000	Aviva 6.625% fixed to floating 2041		1,556	1.40
1,100,000	CNP Assurances 7.375% 2041		1,171	1.05
500,000	QBE Insurance 6.115% 2042		529	0.47

			Market Value £'000	Percentage of total net assets
greater than 25 years to maturity				
1,500,000	America Movil 6.375% fixed to floating 2073		1,502	1.35
959,000	BHP Billiton 6.5% 2077		1,048	0.94
665,000	Feldspar 2016-1 FRN 2045		259	0.23
430,000	NGG 5.625% fixed to floating 2073		494	0.44
526,000	Paragon FRN 2050		457	0.41
232,000	Precise Mortgage Funding 2018-1B FRN 2054		126	0.11
1,000,000	Precise Mortgage Funding 2018-2B FRN 2055		575	0.52
400,000	Precise Mortgage Funding FRN 2056		390	0.35
700,000	RMAC FRN 2046		527	0.47
1,200,000	Yorkshire Water FRN 2046		1,237	1.11
Perpetual				
800,000	Aviva 6.125% fixed to floating Perpetual		868	0.78
910,000	Barclays 9% Perpetual		1,077	0.97
200,000	HSBC 5.875% fixed to floating Perpetual		196	0.18
200,000	Nationwide Building Society 5.875% fixed to floating Perpetual		203	0.18
1,196,000	Orange 5.75% fixed to floating Perpetual		1,305	1.17
1,300,000	Orange 5.875% fixed to floating Perpetual		1,378	1.24
1,099,000	SSE 3.875% fixed to floating Perpetual		1,100	0.99
1,200,000	Zurich 6.625% fixed to floating Perpetual		1,315	1.18
Government Bonds (0.58%)			279	0.25
less than 5 years to maturity				
273,000	CPPIB Capital 0.875% 2024		279	0.25
US Dollar Denominated Bonds (7.84%)			8,244	7.40
Corporate Bonds (7.84%)			8,244	7.40
less than 5 years to maturity				
527,000	AutoNation 3.35% 2021		402	0.36
522,000	AXA Equitable Holdings 3.9% 2023		428	0.38
1,300,000	Canadian Natural Resources 2.95% 2023		1,026	0.92
415,000	CVS Health 3.35% 2021		322	0.29
227,000	Danske Bank 5.375% 2024		196	0.17
400,000	Exelon 3.497% 2022		319	0.29
1,000,000	Marathon Petroleum 3.4% 2020		768	0.69
400,000	Microsoft 2.4% 2022		314	0.28

Holding	Investment	Market Value £'000	Percentage of total net assets
1,000,000	Mizuho Financial 2.953% 2022	791	0.71
1,000,000	Morgan Stanley FRN 2022	765	0.69
1,208,000	Penske Truck Leasing 2.7% 2023	955	0.86
886,000	UBS 2.45% 2020	679	0.61
between 5 and 10 years to maturity			
1,600,000	ABN Amro 4.4% fixed to floating 2028	1,279	1.15
Derivatives (-0.36%)		299	0.27
Forward Currency Contracts (-0.33%)		329	0.30
	Buy GBP 449,153 Sell EUR 500,000 10/09/2020	(2)	-
	Buy GBP 2,552,479 Sell EUR 2,861,000 10/09/2020	(27)	(0.02)
	Buy GBP 158,393 Sell USD 200,000 10/09/2020	6	-
	Buy GBP 8,846,069 Sell USD 11,131,000 10/09/2020	367	0.33
	Buy USD 436,000 Sell GBP 347,707 10/09/2020	(15)	(0.01)
Futures (-0.03%)		(30)	(0.03)
(49)	Short US 5 Year Note Future 30/09/2020	(30)	(0.03)
Total investment assets and liabilities		107,794	96.70
Net other assets		3,682	3.30
Total Net Assets		111,476	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.
The percentage figures in brackets show the comparative holding as at 31 July 2019.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(709)	2,414
Revenue	2	3,374	3,512
Expenses	3	(415)	(471)
Net revenue before taxation		2,959	3,041
Taxation	4	-	(60)
Net revenue after taxation		2,959	2,981
Total return before distributions		2,250	5,395
Distributions	5	(2,959)	(2,981)
Change in net assets attributable to shareholders from investment activities		(709)	2,414

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	174,108	162,116
Amounts receivable on the issue of shares	13,478	21,853
Amounts payable on the cancellation of shares	(76,474)	(13,205)
	(62,996)	8,648
Dilution adjustment	146	-
Change in net assets attributable to shareholders from investment activities (see above)	(709)	2,414
Retained distribution on accumulation shares	927	930
Closing net assets attributable to shareholders	111,476	174,108

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		107,868	169,665
Current assets:			
Debtors	6	1,819	2,894
Cash and bank balances	7	2,680	3,299
		4,499	6,193
Total assets		112,367	175,858
Liabilities:			
Investment liabilities		(74)	(636)
Creditors	8	(424)	(512)
Distribution payable		(393)	(602)
		(817)	(1,114)
Total liabilities		(891)	(1,750)
Net assets attributable to shareholders		111,476	174,108

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(1,060)	3,840
Derivative contracts	(332)	(273)
Forward currency contracts	624	(510)
Other gains/(losses)	59	(643)
Net capital (losses)/gains	(709)	2,414

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	-	2
Interest on debt securities	3,372	3,509
Stocklending revenue	2	1
Total revenue	3,374	3,512

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	342	387
Operating, administrative and servicing fees	73	84
Total expenses	415	471

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	-	60
Total taxation	-	60
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	2,959	3,041
Corporation tax at 20% (2019: 20%)	592	608
Effects of:		
Overseas taxes	-	60
Overseas tax expensed	-	(12)
Distributions treated as tax deductible	(592)	(596)
Total tax charge for year (note 4a)	-	60

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) **Factors that may affect future tax charge**

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

5. **Distributions**

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	777	758
Second interim distribution	802	636
Third interim distribution	644	732
Final distribution	583	876
	2,806	3,002
Add: Income deducted on cancellation of shares	188	29
Deduct: Income received on issue of shares	(35)	(50)
Net distribution for the year	2,959	2,981

Details of the distribution per share are set out in this fund's distribution tables.

6. **Debtors**

	2020 £'000	2019 £'000
Accrued revenue	1,762	2,545
Amounts receivable from the ACD for the issue of shares	57	349
Total debtors	1,819	2,894

7. **Liquidity**

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	2,621	3,200
Cash at broker	59	99
Net Liquidity	2,680	3,299

8. **Creditors**

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	22	41
Amounts payable to the ACD for cancellation of shares	397	471
Other accrued expenses	5	-
Total creditors	424	512

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	44,408	77,866	103,450	66,972
Corporate actions	-	1,033	-	2,414
Total net trades in the year after transaction costs	44,408	78,899	103,450	69,386

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.47% (2019: 0.32%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Closing shares 2020
A Accumulation shares	22,302	2,684	(19,985)	5,001
A Income shares	5,000	29,291	-	34,291
I Accumulation shares	27,814,788	2,013,824	(12,573,023)	17,255,589
I Income shares	24,233,769	3,667,448	(9,363,669)	18,537,548
K Accumulation shares	24,808,352	1,434,895	(9,280,722)	16,962,525
K Income shares	94,671,398	6,163,367	(44,877,234)	55,957,531
M Accumulation shares	100	864	-	964
M Income shares	100	879	-	979
Z Accumulation shares	5,001	-	-	5,001

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Bonds	279	107,216	-	-	169,649	-
Derivatives	-	373	-	-	17	-
Total investment assets	279	107,589	-	-	169,666	-
Fair value of investment liabilities						
Derivatives	(30)	(44)	-	(48)	(588)	-
Total investment liabilities	(30)	(44)	-	(48)	(588)	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

The income and capital value of the fund's investments are mainly denominated in Sterling, the fund's functional currency; therefore, the financial statements are not subject to any significant risk of currency movements. This is consistent with the exposure during the prior year.

	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Currency		
Euro	(58)	133
US Dollar	35	248
Total	(23)	381

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the year end consists of:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	31,657	67,257	12,585	111,499
Euro	1,221	1,734	(3,013)	(58)
US Dollar	2,106	6,198	(8,269)	35
Total	34,984	75,189	1,303	111,476

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2019				
Currency				
UK Sterling	41,477	115,364	16,886	173,727
Euro	993	1,322	(2,182)	133
US Dollar	2,297	11,494	(13,543)	248
Total	44,767	128,180	1,161	174,108

Other price risk

Sensitivity analysis

The sensitivity analysis of the fund's financial asset and liability positions is monitored by the Investment Manager using VaR analysis. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	0.41%	0.49%
Maximum VaR	0.90%	0.71%
Average VaR	0.60%	0.62%

VaR Table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	0.04%	0.71%	-	0.06%	0.81%
31 July 2019	(0.04%)	0.35%	-	0.19%	0.50%

The ACD must calculate the global exposure of any fund it manages either as: 1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property. This is known as the Commitment Approach and is a measure of leverage or; 2) the market risk of the scheme property by way of the value at risk (VaR) approach. Although, the sensitivity analysis of the fund's financial asset and liability positions described above uses VaR analysis, the global exposure calculations for funds may be calculated on the Commitment Basis. The Prospectus provides further details on which method is used to calculate Global Exposure for each fund.

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	102,298	91.77%
Below investment grade securities	5,197	4.66%
Unrated securities	-	-
Total Value of Securities	107,495	96.43%

2019	Market value £'000	Percentage of total net assets %
Investment grade securities	160,049	91.93%
Below investment grade securities	9,599	5.51%
Unrated securities	-	-
Total Value of Securities	169,648	97.44%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

						Mark to Market Exposure		
	Swaps	Options	Futures	Forward Currency Contracts	Total	Collateral (held)/ pledged	Margin at clearing broker	Total by Counter- party
2020	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Counterparty or clearer								
Bank of America								
Merrill Lynch	-	-	(30)	352	322	-	59	381
Deutsche Bank	-	-	-	6	6	-	-	6
Morgan Stanley	-	-	-	(2)	(2)	-	-	(2)
StateStreet	-	-	-	(27)	(27)	-	-	(27)
Total	-	-	(30)	329	299	-	59	358

						Mark to Market Exposure		
	Swaps	Options	Futures	Forward Currency Contracts	Total	Collateral (held)/ pledged	Margin at clearing broker	Total by Counter- party
2019	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Counterparty or clearer								
Bank of America	-	-	(48)	-	(48)	-	99	51
Merrill Lynch	-	-	-	(45)	(45)	-	-	(45)
Barclays	-	-	-	(491)	(491)	-	-	(491)
Goldman Sachs	-	-	-	(52)	(52)	-	-	(52)
HSBC	-	-	-	17	17	-	-	17
Morgan Stanley	-	-	-					
Total	-	-	(48)	(571)	(619)	-	99	(520)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(74)	-	-	(74)
Non-derivatives					
Other creditors	-	(424)	-	-	(424)
Distribution payable	-	(393)	-	-	(393)
Total financial liabilities	-	(891)	-	-	(891)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(636)	-	-	(636)
Non-derivatives					
Other creditors	-	(512)	-	-	(512)
Distribution payable	-	(602)	-	-	(602)
Total financial liabilities	-	(1,740)	-	-	(1,750)

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £Nil (2019: £843,000). 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 31 July 2020 is £Nil (2019: £889,000).

Counterparties	2020 £'000	2019 £'000
Citigroup	-	843
Total securities on loan	-	843

Collateral held	2020 £'000	2019 £'000
Government Bond	-	889
Total collateral held	-	889

The gross earnings and fees paid for the year are £2,000 (2019: £1,000) and £Nil (2019: £Nil).

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 1.4% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

First interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 October 2019

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
A Accumulation shares				
Group 1	0.4154	-	0.4154	0.3676
Group 2	0.4154	-	0.4154	0.3676
A Income shares				
Group 1	0.4010	-	0.4010	0.3600
Group 2	0.4010	-	0.4010	0.3600
I Accumulation shares				
Group 1	0.4977	-	0.4977	0.4468
Group 2	0.2346	0.2631	0.4977	0.4468
I Income shares				
Group 1	0.4767	-	0.4767	0.4352
Group 2	0.2163	0.2604	0.4767	0.4352
K Accumulation shares				
Group 1	0.5256	-	0.5256	0.4733
Group 2	0.3269	0.1987	0.5256	0.4733
K Income shares				
Group 1	0.5020	-	0.5020	0.4601
Group 2	0.2421	0.2599	0.5020	0.4601
M Accumulation shares				
Group 1	0.6440	-	0.6440	-
Group 2	0.0640	0.5800	0.6440	-
M Income shares				
Group 1	0.6424	-	0.6424	-
Group 2	0.0624	0.5800	0.6424	-
Z Accumulation shares				
Group 1	0.5808	-	0.5808	0.5237
Group 2	0.5808	-	0.5808	0.5237

Second interim interest distribution

Group 1 - shares purchased prior to 1 November 2019

Group 2 - shares purchased between 1 November 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.4275	-	0.4275	0.2897
Group 2	0.4275	-	0.4275	0.2897
A Income shares				
Group 1	0.4116	-	0.4116	0.2818
Group 2	0.4116	-	0.4116	0.2818
I Accumulation shares				
Group 1	0.5132	-	0.5132	0.3694
Group 2	0.3078	0.2054	0.5132	0.3694
I Income shares				
Group 1	0.4891	-	0.4891	0.3582
Group 2	0.1291	0.3600	0.4891	0.3582
K Accumulation shares				
Group 1	0.5414	-	0.5414	0.3958
Group 2	0.2908	0.2506	0.5414	0.3958
K Income shares				
Group 1	0.5143	-	0.5143	0.3830
Group 2	0.2490	0.2653	0.5143	0.3830
M Accumulation shares				
Group 1	0.4988	-	0.4988	0.3700
Group 2	0.4988	-	0.4988	0.3700
M Income shares				
Group 1	0.4882	-	0.4882	0.3700
Group 2	0.4882	-	0.4882	0.3700
Z Accumulation shares				
Group 1	0.5962	-	0.5962	0.4454
Group 2	0.5962	-	0.5962	0.4454

Third interim interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 30 April 2020

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
A Accumulation shares				
Group 1	0.4162	-	0.4162	0.3476
Group 2	0.0781	0.3381	0.4162	0.3476
A Income shares				
Group 1	0.3986	-	0.3986	0.3376
Group 2	0.3986	-	0.3986	0.3376
I Accumulation shares				
Group 1	0.4998	-	0.4998	0.4251
Group 2	0.2548	0.2450	0.4998	0.4251
I Income shares				
Group 1	0.4740	-	0.4740	0.4108
Group 2	0.2173	0.2567	0.4740	0.4108
K Accumulation shares				
Group 1	0.5273	-	0.5273	0.4513
Group 2	0.2191	0.3082	0.5273	0.4513
K Income shares				
Group 1	0.4984	-	0.4984	0.4350
Group 2	0.2081	0.2903	0.4984	0.4350
M Accumulation shares				
Group 1	0.4853	-	0.4853	0.7200
Group 2	0.4853	-	0.4853	0.7200
M Income shares				
Group 1	0.4800	-	0.4800	0.7200
Group 2	0.4800	-	0.4800	0.7200
Z Accumulation shares				
Group 1	0.5788	-	0.5788	0.5000
Group 2	0.5788	-	0.5788	0.5000

Final interest distribution

Group 1 - shares purchased prior to 1 May 2020

Group 2 - shares purchased between 1 May 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.4489	-	0.4489	0.4236
Group 2	0.4489	-	0.4489	0.4236
A Income shares				
Group 1	0.4322	-	0.4322	0.4096
Group 2	0.3526	0.0796	0.4322	0.4096
I Accumulation shares				
Group 1	0.5393	-	0.5393	0.5052
Group 2	0.2405	0.2988	0.5393	0.5052
I Income shares				
Group 1	0.5089	-	0.5089	0.4861
Group 2	0.2607	0.2482	0.5089	0.4861
K Accumulation shares				
Group 1	0.5679	-	0.5679	0.5328
Group 2	0.3332	0.2347	0.5679	0.5328
K Income shares				
Group 1	0.5341	-	0.5341	0.5112
Group 2	0.2224	0.3117	0.5341	0.5112
M Accumulation shares				
Group 1	0.5289	-	0.5289	0.7500
Group 2	0.5289	-	0.5289	0.7500
M Income shares				
Group 1	0.5107	-	0.5107	0.7500
Group 2	0.5107	-	0.5107	0.7500
Z Accumulation shares				
Group 1	0.6222	-	0.6222	0.5848
Group 2	0.6222	-	0.6222	0.5848

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI (AAM) UK Smaller Companies Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in UK smaller capitalisation equities (company shares).

Performance target: To achieve the return of the Numis Smaller Companies Plus AIM excluding Investment Companies Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 60% in smaller capitalisation equities and equity related securities of companies listed, incorporated or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- Smaller capitalisation companies are defined as any stock having a market capitalisation less than the 10th percentile stock of the overall UK equity market.
- The fund may also invest in mid and larger capitalisation companies listed, incorporated or domiciled in the UK.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using the management team's quality, growth and momentum approach. It aims to identify companies that show a range of high quality characteristics, operate in growing markets and display positive business momentum.
- In seeking to achieve the Performance Target, the Numis Smaller Companies Plus AIM excluding Investment Companies Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 10%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index.
- Please note: The fund's ability to buy and sell small and mid-capitalisation shares and the associated costs can be affected during periods of market stress. In certain circumstances investors in the fund may not be able to sell their investment when they want to.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI (AAM) UK Smaller Companies Fund – A Accumulation Shares increased by 7.01% compared to a decrease of 7.66% in the performance target, the Numis Smaller Companies Plus AIM excluding Investment Companies Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

The UK stock market was among the poorer developed markets, ending lower over the 12 months. During a period of considerable political upheaval, investors grappled with Brexit-related uncertainty and the economic fallout from the coronavirus pandemic. Smaller domestic companies outperformed large London-listed companies, which includes many global commodity firms. In May 2019, Prime Minister Theresa May resigned after failing to find political support for the deal she had agreed with the EU. The ensuing party leadership contest was won comfortably by pro-Brexit candidate Boris Johnson. An unprecedented period of political stalemate culminated in a three-month extension to Brexit, the approval of Boris Johnson's Withdrawal Act and a December election. The market rose steeply when the Conservatives won a resounding victory.

In February, UK stocks tumbled in line with their global peers, as the economic fallout from the coronavirus pandemic became clear. Income investors were particularly hard hit as hundreds of firms halted or slashed dividend payouts to boost cash buffers. Falls accelerated until late March, when the UK government and Bank of England took action to minimise corporate defaults and job losses, cutting interest rates and announcing a record spending package.

Stocks rallied in April and made further gains in May and June as the economy began to reopen after months of economic lockdown. But there has been divergence in June – with smaller companies outperforming larger stocks. The winding down of the UK furlough scheme, which had helped pay the wages of over nine million workers during the lockdown, also stoked employment concerns, adding to the uncertain climate.

Portfolio Activity

Looking at individual holdings, Kainos Group, the Belfast-based software company, was our top performer. It released an upbeat trading statement for the year, indicating that earnings would substantially beat expectations. Another strong performer is Games Workshop, which is enjoying robust demand for its games during lockdown and we believe this will continue over the short to medium term. We also benefited from holding Gamma Communications, as the company has gained from the move towards remote working, accelerated by the COVID-19 pandemic.

Looking at the fund's detractors, James Fisher and Sons was our worst performer. Dart Group (owner of Jet2) had been a strong performer, benefiting from the demise of Thomas Cook Group, but its fortunes changed when the COVID-19 pandemic changed dynamics in travel and tourism.

We recently bought two asset managers: Tatton and Liontrust, the latter has raised capital to acquire multi-manager competitor Architas. We have made purchases in property companies Primary Health Properties and Target Healthcare REIT. By contrast the pandemic proved challenging for consumer-facing companies; Cineworld's shares were hit by balance-sheet leverage concerns and we sold our shares when the virus threatened potential closures. Additionally, we reduced holdings in FDM, Midwich, Savills and Workspace, which we think will face difficulties in the coming months.

Portfolio Outlook and Strategy

It is clear that recessionary times are coming globally. The UK economy is now officially in a recession and unemployment should rise drastically as the furlough scheme unwinds. While government pledges to do what it can with VAT cuts and stamp-duty changes, we are yet to see how demand returns and whether these measures will only provide a short-term boost. This recession will certainly be more Main Street than Wall Street, and the effects will be deep and widespread.

Poorly capitalised companies and those with limited runway are still at risk of failure as the support ends. Moreover, we feel that certain companies that employ large numbers of the population will continue to struggle, most notably those in sectors like travel, leisure and hospitality. However, there are still areas of resilience; in particular, those companies operating in the areas of food production, technology and media have held up well. We also feel that companies have learnt to operate more efficiently, which may have a positive knock-on effect on consumer confidence and disposable incomes. Many companies are also starting to resume dividend payments much sooner than anticipated.

Other risks in the market come from a second wave of infections, the US elections in November and escalating US-China trade tensions. That said, right now there is little evidence of a meaningful second wave following the lifting of lockdowns across Asia and Europe. We know a second wave is not impossible but most countries are now better placed to manage it in terms of healthcare capacity and treatment. The news on a vaccine is also promising, although that might not be this year. The US elections are too close to call, so will become a bigger focus next quarter. As for trade wars, President Trump may well see taking on China as his best chance of winning the election. More generally, we feel that economic cycles will be shorter, sharper and more volatile.

Small Cap Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The shares of small and mid-cap companies may be less liquid and more volatile than those of larger companies.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	376.97	408.17	362.57
Return before operating charges*	29.60	(26.03)	51.79
Operating charges	(5.09)	(5.17)	(6.19)
Return after operating charges*	24.51	(31.20)	45.60
Distributions	(1.37)	(4.21)	(4.16)
Retained distributions on accumulation shares	1.37	4.21	4.16
Closing net asset value per share	401.48	376.97	408.17
* after direct transaction costs of:	0.57	0.81	-
Performance			
Return after charges	6.50%	(7.64%)	12.58%
Other information			
Closing net asset value (£'000)	49,829	48,951	64,695
Closing number of shares	12,411,485	12,985,385	15,849,870
Operating charges	1.30%	1.41%	1.60%
Direct transaction costs	0.15%	0.22%	-
Prices			
Highest share price	458.9	407.8	421.1
Lowest share price	276.5	326.1	361.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	199.60	214.93	189.48
Return before operating charges*	15.70	(13.68)	27.19
Operating charges	(1.77)	(1.65)	(1.74)
Return after operating charges*	13.93	(15.33)	25.45
Distributions	(1.32)	(3.31)	(3.73)
Retained distributions on accumulation shares	1.32	3.31	3.73
Closing net asset value per share	213.53	199.60	214.93
* after direct transaction costs of:	0.30	0.43	-
Performance			
Return after charges	6.98%	(7.13%)	13.43%
Other information			
Closing net asset value (£'000)	29,318	20,540	23,378
Closing number of shares	13,729,878	10,290,720	10,877,142
Operating charges	0.85%	0.85%	0.85%
Direct transaction costs	0.15%	0.22%	-
Prices			
Highest share price	243.6	214.8	221.5
Lowest share price	146.8	172.2	189.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	137.21	147.68	130.08
Return before operating charges*	10.79	(9.41)	18.71
Operating charges	(1.09)	(1.06)	(1.11)
Return after operating charges*	9.70	(10.47)	17.60
Distributions	(1.01)	(2.37)	(2.68)
Retained distributions on accumulation shares	1.01	2.37	2.68
Closing net asset value per share	146.91	137.21	147.68
* after direct transaction costs of:	0.20	0.30	-
Performance			
Return after charges	7.07%	(7.09%)	13.53%
Other information			
Closing net asset value (£'000)	443	76	601
Closing number of shares	301,245	55,360	406,762
Operating charges	0.78%	0.78%	0.78%
Direct transaction costs	0.15%	0.22%	-
Prices			
Highest share price	167.5	147.6	152.2
Lowest share price	101.0	118.3	129.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	110.99	100.00 ^B
Return before operating charges*	8.87	11.62
Operating charges	(1.02)	(0.63)
Return after operating charges*	7.85	10.99
Distributions	(0.65)	(1.52)
Retained distributions on accumulation shares	0.65	1.52
Closing net asset value per share	118.84	110.99
* after direct transaction costs of:	0.16	0.15
Performance		
Return after charges	7.07%	10.99%
Other information		
Closing net asset value (£'000)	98	-
Closing number of shares	82,660	100
Operating charges	0.90%	0.90%
Direct transaction costs	0.15%	0.22%
Prices		
Highest share price	135.6	116.1
Lowest share price	81.73	95.58

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	459.06	490.69	429.36
Return before operating charges*	36.28	(31.19)	61.79
Operating charges	(0.48)	(0.44)	(0.46)
Return after operating charges*	35.80	(31.63)	61.33
Distributions	(6.62)	(11.14)	(11.97)
Retained distributions on accumulation shares	6.62	11.14	11.97
Closing net asset value per share	494.86	459.06	490.69
* after direct transaction costs of:	0.70	0.96	-
Performance			
Return after charges	7.80%	(6.45%)	14.28%
Other information			
Closing net asset value (£'000)	2,621	2,092	17,380
Closing number of shares	529,703	455,615	3,542,069
Operating charges	0.10%	0.10%	0.10%
Direct transaction costs	0.15%	0.22%	-
Prices			
Highest share price	562.6	490.3	505.3
Lowest share price	339.3	394.4	428.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
UK Equities (95.60%)		79,348	96.40
Consumer Goods (10.61%)		14,026	17.04
72,900	Cranswick	2,608	3.17
156,867	Focusrite ⁺⁺	1,126	1.37
44,956	Games Workshop	3,945	4.79
130,309	Gear4Music ⁺⁺	662	0.80
289,892	Hilton Food	3,189	3.88
312,370	Sumo Group ⁺⁺	536	0.65
322,400	Team17 ⁺⁺	1,960	2.38
Consumer Services (13.53%)		12,538	15.23
79,859	4Imprint	1,897	2.30
178,100	Dart Group ⁺⁺	1,151	1.40
231,343	Future	3,188	3.87
137,257	GlobalData ⁺⁺	2,086	2.53
66,649	Greggs	796	0.97
480,600	Hollywood Bowl	646	0.79
272,900	Next Fifteen Communications ⁺⁺	1,021	1.24
687,400	Patisserie	-	-
428,806	Trainline	1,753	2.13
Financials (6.71%)		9,403	11.43
461,437	AJ Bell	1,991	2.42
18,769	HIE Ventures	-	-
132,564	Impax Asset Management ⁺⁺	524	0.64
79,900	Intermediate Capital	1,075	1.30
340,300	JTC	1,664	2.02
91,883	Liontrust Asset Management	1,130	1.37
141,300	Paragon	444	0.54
160,000	Safestore	1,222	1.50
916,757	Sirius Real Estate	673	0.82
110,600	Workspace	680	0.82
Health care (10.05%)		4,560	5.54
63,600	Dechra Pharmaceuticals	1,815	2.21
155,296	Ergomed ⁺⁺	867	1.05
55,283	Genus	1,878	2.28

Holding	Investment	Market Value £'000	Percentage of total net assets
Industrials (31.87%)		20,893	25.38
46,000	Avon Rubber	1,525	1.85
63,500	Diploma	1,151	1.40
546,783	DiscoverIE	3,237	3.93
120,039	Fisher (J) & Sons	1,371	1.66
129,200	Hill & Smith	1,561	1.90
343,275	Johnson Service**	319	0.39
343,140	Marshalls	2,038	2.48
399,081	Midwich**	1,564	1.90
148,324	Morgan Sindall	1,546	1.88
65,172	PayPoint	391	0.47
325,395	Robert Walters	1,347	1.64
350,000	RWS**	2,107	2.56
72,000	XP Power	2,736	3.32
Technology (15.85%)		11,694	14.21
29,000	AVEVA	1,202	1.46
93,400	Computacenter	1,851	2.25
97,300	FDM	904	1.10
62,938	First Derivatives**	1,696	2.06
400,000	GB**	2,668	3.24
307,157	Kainos	3,373	4.10
Telecommunications (6.98%)		6,234	7.57
251,870	Gamma Communication**	3,967	4.82
169,418	Telecom Plus	2,267	2.75
Collective Investment schemes (0.03%)		1,577	1.92
1,577	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc*	1,577	1.92
Total investment assets		80,925	98.32
Net other assets		1,384	1.68
Total Net Assets		82,309	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

* Managed by subsidiaries of Standard Life Aberdeen plc.

** AIM listed.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	1	3,653	(9,386)
Revenue	2	1,153	2,137
Expenses	3	(877)	(943)
Net revenue before taxation		276	1,194
Taxation	4	-	-
Net revenue after taxation		276	1,194
Total return before distributions		3,929	(8,192)
Distributions	5	(363)	(1,194)
Change in net assets attributable to shareholders from investment activities		3,566	(9,386)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	71,659	106,054
Amounts receivable on the issue of shares	19,516	7,136
Amounts payable on the cancellation of shares	(12,867)	(33,374)
	6,649	(26,238)
Dilution adjustment	40	120
Change in net assets attributable to shareholders from investment activities (see above)	3,566	(9,386)
Retained distribution on accumulation shares	395	1,109
Closing net assets attributable to shareholders	82,309	71,659

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		80,925	68,531
Current assets:			
Debtors	6	176	2,064
Cash and bank balances	7	1,427	1,218
		1,603	3,282
Total assets		82,528	71,813
Liabilities:			
Creditors	8	(219)	(154)
		(219)	(154)
Total liabilities		(219)	(154)
Net assets attributable to shareholders		82,309	71,659

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	3,653	(9,382)
Other losses	-	(4)
Net capital gains/(losses)	3,653	(9,386)

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	12	17
Overseas dividends	-	198
Stocklending revenue	2	9
UK dividends	1,060	1,816
UK REIT	79	97
Total revenue	1,153	2,137

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	798	857
Operating, administrative and servicing fees	79	86
Total expenses	877	943

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total taxation	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	276	1,194
Corporation tax at 20% (2019: 20%)	55	239
Effects of:		
Revenue not subject to taxation	(212)	(403)
Excess allowable expenses	157	164
Total tax charge for year (note 4a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) **Factors that may affect future tax charge**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £6,478,000 (2019: £6,321,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. **Distributions**

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	369	485
Final distribution	26	624
	395	1,109
Add: Income deducted on cancellation of shares	11	135
Deduct: Income received on issue of shares	(43)	(50)
Net distribution for the year	363	1,194
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	276	1,194
Shortfall transfer from capital to revenue	87	-
Total distributions	363	1,194

6. **Debtors**

	2020 £'000	2019 £'000
Accrued revenue	143	100
Amounts receivable from the ACD for the issue of shares	33	1,964
Total debtors	176	2,064

7. **Liquidity**

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	1,427	1,218
	1,427	1,218
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	1,577	25
Net Liquidity	3,004	1,243

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	70	70
Amounts payable to the ACD for cancellation of shares	17	84
Other accrued expenses	7	-
Purchases awaiting settlement	125	-
Total creditors	219	154

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	27,872	36,435	20,798	61,578
Collective investment schemes	14,736	35,549	13,185	35,524
Corporate actions	-	-	-	2,236
Trades in the year before transaction costs	42,608	71,984	33,983	99,338
Commissions				
Equities	19	22	(13)	(64)
Total commissions	19	22	(13)	(64)
Taxes				
Equities	82	102	-	-
Total taxes	82	102	-	-
Total transaction costs	101	124	(13)	(64)
Total net trades in the year after transaction costs	42,709	72,108	33,970	99,274

	Purchases		Sales	
Total transaction costs expressed as a percentage of asset type cost	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	0.07	0.06	0.06	0.10
Taxes				
Equities	0.30	0.28	0.00	-

Total transaction costs expressed as a percentage of net asset value	2020 %	2019 %
Commissions	0.04	0.10
Taxes	0.10	0.12

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.97% (2019: 0.37%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	12,985,385	955,816	(1,452,714)	(77,002)	12,411,485
I Accumulation shares	10,290,720	6,807,808	(3,357,340)	(11,310)	13,729,878
K Accumulation shares	55,360	164,327	(82,783)	164,341	301,245
M Accumulation shares	100	8,690	(4,112)	77,982	82,660
Z Accumulation shares	455,615	118,682	(44,594)	-	529,703

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	79,348	-	-	68,506	-	-
Collective Investment Schemes	-	1,577	-	-	25	-
Total investment assets	79,348	1,577	-	68,506	25	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

The income and capital value of the fund's investments are mainly denominated in Sterling, the fund's functional currency; therefore, the financial statements are not subject to any significant risk of currency movements. This is consistent with the exposure during the prior year.

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £4,046,000 (2019: £3,427,000).

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £219,000 (2019: £154,000).

14. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 17.3% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	1.3706	-	1.3706	1.2436
Group 2	0.4242	0.9464	1.3706	1.2436
I Accumulation shares				
Group 1	1.2041	-	1.2041	1.2890
Group 2	0.4708	0.7333	1.2041	1.2890
K Accumulation shares				
Group 1	0.8717	-	0.8717	0.9294
Group 2	0.0861	0.7856	0.8717	0.9294
M Accumulation shares				
Group 1	0.5829	-	0.5829	0.2300
Group 2	0.4029	0.1800	0.5829	0.2300
Z Accumulation shares				
Group 1	4.6114	-	4.6114	4.6019
Group 2	1.5650	3.0464	4.6114	4.6019

Final dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	-	-	-	2.9693
Group 2	-	-	-	2.9693
I Accumulation shares				
Group 1	0.1110	-	0.1110	2.0212
Group 2	0.1038	0.0072	0.1110	2.0212
K Accumulation shares				
Group 1	0.1348	-	0.1348	1.4390
Group 2	0.1311	0.0037	0.1348	1.4390
M Accumulation shares				
Group 1	0.0643	-	0.0643	1.2900
Group 2	0.0640	0.0003	0.0643	1.2900
Z Accumulation shares				
Group 1	2.0055	-	2.0055	6.5426
Group 2	1.4115	0.5940	2.0055	6.5426

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI American Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in North American equities (company shares).

Performance target: To achieve the return of the S&P 500 Index plus 3% per annum over rolling three years (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in the US or companies that derive a significant proportion of their revenues or profits from US operations or have a significant proportion of their assets there.
- The fund may also invest up to 20% in companies listed, incorporated or domiciled in Canada or Latin America.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the S&P 500 Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the S&P 500 Index over the long term.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI American Equity Fund – A Accumulation Shares increased by 1.76% compared to an increase of 2.52% in the performance target, the S&P 500 Index, (lagged by one day).

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

The fund returns to the reporting date are based on dealing net asset values (NAVs) using a 13:00 Central European Time (CET) valuation point. For US equity funds, this means the dealing NAV uses security prices at close of the previous working day. The benchmark index, if unadjusted, would use the closing prices of the reporting date. When a US equity benchmark is compared against a US equity fund, this valuation point difference may produce a significant distortion in benchmark-relative performance. In order to neutralise this distortion, the benchmark returns shown are to the day previous to the reporting date.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

The 12-month period ended 31 July 2020, was extremely challenging for global financial markets. For much of the second half of 2019, investors were buoyed by generally positive economic data reports and news of a phase one agreement in the US-China trade dispute. However, the onset of COVID-19 pandemic in the first quarter of 2020 led to fears that the subsequent economic impact would result in a recession deeper than the global financial crisis of 2008-2009. US stock prices fell sharply in February and March 2020, before experiencing a strong rally during the last several months of the review period, as investors gained more comfort in an improving macroeconomic backdrop given more widespread "reopenings." The US broader-market S&P 500 Index ended the period with a modest gain of 2.5% in sterling terms. The information technology, consumer discretionary and healthcare sectors garnered double-digit returns and were the strongest performers within the index. Conversely, the primary market laggards included energy, financials and industrials, which posted double-digit losses for the review period.

In response to the market carnage, in mid-March 2020, the US Federal Reserve (Fed) reduced its benchmark interest rate by 100 basis points to a range of 0.0% to 0.25%, and maintained the rate through the end of the review period. In a statement issued following its meeting in late July, the Fed commented that the COVID-19 pandemic "poses considerable risks to the economic outlook over the medium term." On the economic front, US GDP grew at an annualised rate of 2.1% in both the third and fourth quarters of 2019. However, the pandemic wreaked havoc on the economy in the first half of 2020. US GDP decreased at an annualized rate of 5.0% in the first three months of the year, and then tumbled 32.9% in the second quarter - the largest decline since the US government began tracking the data on a quarterly basis in 1947. The sharp decline in for the quarter was attributable mainly to reductions in consumer spending, exports and private inventory investment.

Portfolio Activity

The fund modestly underperformed the benchmark S&P 500 Index for the 12-month period ended 31 July 2020. An underweight allocation to the information technology sectors, as well as stock selection in healthcare and communication services, weighed on fund performance for the review period. The largest individual stock detractors from performance included diversified financial services company Charles Schwab Corp., oil and gas company EOG Resources, and the absence of a holding in tech giant Apple Inc.

Charles Schwab Corp.'s results for the first two quarters of its 2020 fiscal year did not meet the market's expectations. The company posted lower net interest income relative to the same periods in 2019, attributable to lower deployment of client cash balances. However, this was partially offset by its strong asset-gathering over the quarters. Regarding the absence of a position in Apple, while we acknowledge the company's innovations, we historically have had concerns with the lack of visibility into its business and its high dependence on a single product. We also have questioned the sustainability of the company's revenue growth and margin profile over longer periods. We exited the fund's position in EOG Resources in March 2020 as lower oil demand coupled with a price war among OPEC+ members presented a poor outlook for the E&P industry.

Fund performance was bolstered mainly by stock selection in the industrials, consumer discretionary and real estate sectors. The primary contributors to performance among individual holdings were internet retailing giant Amazon.com, tech giant Microsoft Corp., and data centre-focused REIT Equinix Inc.

Amazon has benefited as the COVID-19 pandemic accelerates the ongoing shift of consumerism into online platforms, where the company is the dominant and pre-eminent player. Microsoft garnered positive results over the reporting period driven by strength across all three of its businesses, particularly in the Intelligent Cloud segment. Shares of Equinix moved higher over the review period as data centres have benefited from acceleration in digitisation as result of the rapid spread of COVID-19 infections.

Portfolio Outlook and Strategy

We continue to witness uncertainty in market behaviour - albeit with what currently appears to be a positive directional move. As many countries and states in the US began their phased-in reopenings of their economies during the second quarter, the market has been more optimistic that the economy can eventually move past the impact of the initial lockdowns.

The second-quarter corporate earnings season has begun in earnest. The important early takeaways include the health of consumers, which has fared better than investors had feared. This is illustrated by data from payments companies that have reported seeing overall US credit-card spending as positive. Thus far, earnings appear to be exceeding investors' significantly lowered expectations, with companies generally seeing a level of recovery from the trough at a faster rate than the market initially had believed. However, earnings outlooks remain cloudy as the lack of a systemized approach to conquering the coronavirus in the US fuels concerns of a second wave. We continue to approach management teams' commentary with greater scrutiny over corporate performance and forward outlooks as we formulate our team's view for the balance of the year. We believe a wider-than-normal range of views in the market leads to opportunities for longer-term-minded, bottom-up investors such as the ASI North American Equity team.

As we head into the latter months of what has been a roller-coaster ride of 2020, we continue to monitor the trajectory of COVID-19 containment in the US, including the progress of vaccine and therapy trials. At the same time, we are expanding our focus to the US presidential election in November and the potential policy agendas being put forth by each candidate - and ultimately their implications to relevant sectors and to the portfolio's company holdings.

North American Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	3,002.37	2,597.62	2,273.82
Return before operating charges*	155.21	442.23	362.08
Operating charges	(39.29)	(37.48)	(38.28)
Return after operating charges*	115.92	404.75	323.80
Distributions	-	-	-
Retained distributions on accumulation shares	-	-	-
Closing net asset value per share	3,118.29	3,002.37	2,597.62
* after direct transaction costs of:	1.45	1.22	1.17
Performance			
Return after charges	3.86%	15.58%	14.24%
Other information			
Closing net asset value (£'000)	74,862	79,995	64,365
Closing number of shares	2,400,746	2,664,410	2,477,832
Operating charges	1.32%	1.42%	1.62%
Direct transaction costs	0.05%	0.05%	0.05%
Prices			
Highest share price	3,293	3,060	2,622
Lowest share price	2,472	2,306	2,196

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	3,320.61	2,857.23	2,482.31
Return before operating charges*	172.18	488.78	397.55
Operating charges	(28.68)	(25.40)	(22.63)
Return after operating charges*	143.50	463.38	374.92
Distributions	(3.66)	(14.96)	(15.32)
Retained distributions on accumulation shares	3.66	14.96	15.32
Closing net asset value per share	3,464.11	3,320.61	2,857.23
* after direct transaction costs of:	1.60	1.35	1.28
Performance			
Return after charges	4.32%	16.22%	15.10%
Other information			
Closing net asset value (£'000)	48,777	52,892	46,094
Closing number of shares	1,408,077	1,592,846	1,613,246
Operating charges	0.87%	0.87%	0.87%
Direct transaction costs	0.05%	0.05%	0.05%
Prices			
Highest share price	3,652	3,384	2,884
Lowest share price	2,742	2,544	2,409

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	117.98	100.00 ^B
Return before operating charges*	6.33	18.62
Operating charges	(1.08)	(0.64)
Return after operating charges*	5.25	17.98
Distributions	(0.06)	(0.74)
Retained distributions on accumulation shares	0.06	0.74
Closing net asset value per share	123.23	117.98
* after direct transaction costs of:	0.06	0.03
Performance		
Return after charges	4.45%	17.98%
Other information		
Closing net asset value (£'000)	66	-
Closing number of shares	52,595	100
Operating charges	0.92%	0.92%
Direct transaction costs	0.05%	0.05%
Prices		
Highest share price	129.9	120.2
Lowest share price	97.54	90.11

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 28 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	189.91	162.19	139.85
Return before operating charges*	9.95	27.92	22.52
Operating charges	(0.23)	(0.20)	(0.18)
Return after operating charges*	9.72	27.72	22.34
Distributions	(1.63)	(2.11)	(1.97)
Retained distributions on accumulation shares	1.63	2.11	1.97
Closing net asset value per share	199.63	189.91	162.19
* after direct transaction costs of:	0.09	0.08	0.07
Performance			
Return after charges	5.12%	17.09%	15.97%
Other information			
Closing net asset value (£'000)	2,980	6,315	6,833
Closing number of shares	1,492,905	3,325,193	4,213,000
Operating charges	0.12%	0.12%	0.12%
Direct transaction costs	0.05%	0.05%	0.05%
Prices			
Highest share price	209.7	193.6	163.7
Lowest share price	157.6	144.8	136.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
North American Equities (98.01%)		123,637	97.59
Communication Services (7.19%)		15,160	11.97
Media & Entertainment (5.78%)		15,160	11.97
6,699	Alphabet 'A'	7,594	6.00
133,256	Comcast 'A'	4,344	3.43
36,155	Walt Disney	3,222	2.54
Telecommunication Services (1.41%)		-	-
Consumer Discretionary (13.17%)		14,395	11.37
Consumer Services (3.82%)		2,440	1.93
73,872	Service Corporation International	2,440	1.93
Retailing (9.35%)		11,955	9.44
3,439	Amazon.com	8,290	6.55
92,524	TJX	3,665	2.89
Consumer Staples (9.98%)		7,400	5.84
Food & Staples Retailing (5.26%)		7,400	5.84
147,299	Alimentation Couche-Tard 'B'	3,893	3.07
14,141	Costco Wholesale	3,507	2.77
Food Beverage & Tobacco (2.04%)		-	-
Household & Personal Products (2.68%)		-	-
Energy (4.57%)		-	-
Financials (14.73%)		16,429	12.97
Banks (6.47%)		5,526	4.36
94,005	Citigroup	3,583	2.83
22,682	First Republic Bank	1,943	1.53

Holding	Investment	Market Value £'000	Percentage of total net assets
Diversified Financials (8.26%)		10,903	8.61
48,370	American Express	3,438	2.71
59,899	Intercontinental Exchange	4,415	3.49
120,781	Schwab (Charles)	3,050	2.41
Health Care (13.40%)		14,144	11.16
Health Care Equipment & Services (8.98%)		12,100	9.55
57,697	Baxter International	3,797	3.00
136,129	Boston Scientific	4,000	3.16
18,665	United Health	4,303	3.39
Pharmaceuticals, Biotechnology & Life Sciences (4.42%)		2,044	1.61
25,174	PRA Health Sciences	2,044	1.61
Industrials (6.67%)		12,686	10.01
Capital Goods (2.02%)		4,105	3.24
48,189	Trane Technologies	4,105	3.24
Commercial & Professional Services (2.19%)		3,945	3.11
64,169	IHS Markit	3,945	3.11
Transportation (2.46%)		4,636	3.66
85,293	CSX	4,636	3.66
Information Technology (19.37%)		29,118	22.98
Semiconductors & Semiconductor Equipment (2.05%)		-	-
Software & Services (15.15%)		29,118	22.98
13,677	Adobe	4,631	3.65
40,363	Fidelity National Information Services	4,499	3.55
67,360	Microsoft	10,524	8.31
24,719	Nice ADR	3,865	3.05
38,597	Visa 'A'	5,599	4.42

Holding	Investment	Market Value £'000	Percentage of total net assets
Technology Hardware & Equipment (2.17%)		-	-
Materials (4.05%)		6,181	4.88
17,323	Air Products & Chemicals	3,782	2.99
16,834	Ecolab	2,399	1.89
Real Estate (1.78%)		3,614	2.85
6,042	Equinix	3,614	2.85
Utilities (3.10%)		4,510	3.56
21,093	NextEra Energy	4,510	3.56
Collective Investment Schemes (2.84%)		5,246	4.14
6,885	Aberdeen Standard Liquidity Fund (Lux) - US Dollar Fund Z1 Inc ⁺	5,246	4.14
Total investment assets		128,883	101.73
Net other liabilities		(2,198)	(1.73)
Total Net Assets		126,685	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	5,136	19,034
Revenue	2	1,447	1,949
Expenses	3	(1,371)	(1,395)
Interest payable and similar charges		(5)	(3)
Net revenue before taxation		71	551
Taxation	4	(208)	(252)
Net (expense)/revenue after taxation		(137)	299
Total return before distributions		4,999	19,333
Distributions	5	(102)	(320)
Change in net assets attributable to shareholders from investment activities		4,897	19,013

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	139,202	117,292
Amounts receivable on the issue of shares	73,202	78,999
Amounts payable on the cancellation of shares	(90,663)	(76,413)
	(17,461)	2,586
Dilution adjustment	(29)	3
Change in net assets attributable to shareholders from investment activities (see above)	4,897	19,013
Retained distribution on accumulation shares	76	308
Closing net assets attributable to shareholders	126,685	139,202

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		128,883	140,379
Current assets:			
Debtors	6	3,098	92
Cash and bank balances	7	190	472
		3,288	564
Total assets		132,171	140,943
Liabilities:			
Creditors	8	(5,486)	(1,741)
		(5,486)	(1,741)
Total liabilities		(5,486)	(1,741)
Net assets attributable to shareholders		126,685	139,202

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	5,311	19,046
Forward currency contracts	(64)	(5)
ACD fee rebate on collective investment scheme holdings	-	4
Other losses	(111)	(11)
Net capital gains	5,136	19,034

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	38	18
Overseas dividends	1,362	1,920
Overseas REIT	46	8
Stocklending revenue	1	3
Total revenue	1,447	1,949

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,221	1,249
Operating, administrative and servicing fees	150	146
Total expenses	1,371	1,395

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	208	252
Total taxation	208	252

(b)

Factors affecting current tax charge for the year

The tax assessed for the year is the greater than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:

	2020 £'000	2019 £'000
Net revenue before taxation	71	551
Corporation tax at 20% (2019: 20%)	14	110
Effects of:		
Revenue not subject to taxation	(272)	(383)
Overseas taxes	207	252
Overseas tax expensed	(1)	-
Excess allowable expenses	260	272
Capitalised revenue subject to taxation	-	1
Total tax charge for year (note 4a)	208	252

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £7,299,000 (2019: £7,039,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	76	308
Add: Income deducted on cancellation of shares	35	48
Deduct: Income received on issue of shares	(9)	(36)
Net distribution for the year	102	320

Details of the distribution per share are set out in this fund's distribution tables.

Movement between net revenue and distributions

Net (expense)/revenue after taxation	(137)	299
Shortfall transfer from capital to revenue	239	21
Total distributions	102	320

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	77	80
Amounts receivable from the ACD for the issue of shares	3,021	12
Total debtors	3,098	92

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	190	1,208
	190	1,208
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	-	3,971
Aberdeen Standard Liquidity Fund (Lux) - US Dollar Fund*	5,246	-
Net Liquidity	5,406	5,179

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	106	128
Amounts payable to the ACD for cancellation of shares	355	1,613
Other accrued expenses	13	-
Purchases awaiting settlement	5,012	-
Total creditors	5,486	1,741

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	81,025	75,515	99,359	73,748
Collective investment schemes	103,724	75,233	102,250	74,106
Trades in the year before transaction costs	184,749	150,748	201,609	147,854
Commissions				
Equities	24	27	(34)	(28)
Total commissions	24	27	(34)	(28)
Taxes				
Equities	-	-	(2)	(1)
Total taxes	-	-	(2)	(1)
Total transaction costs	24	27	(36)	(29)
Total net trades in the year after transaction costs	184,773	150,775	201,573	147,825

	Purchases		Sales	
Total transaction costs expressed as a percentage of asset type cost	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	0.03	0.04	0.03	0.04

Total transaction costs expressed as a percentage of net asset value	2020 %	2019 %
Commissions	0.05	0.03

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.05% (2019: 0.03%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	2,664,410	2,156,756	(2,406,006)	(14,414)	2,400,746
I Accumulation shares	1,592,846	230,885	(426,997)	11,343	1,408,077
M Accumulation shares	100	6,650	(872)	46,717	52,595
Z Accumulation shares	3,325,193	361,234	(2,193,522)	-	1,492,905

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	123,637	-	-	136,408	-	-
Collective Investment Schemes	-	5,246	-	-	3,971	-
Total investment assets	123,637	5,246	-	136,408	3,971	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Currency		
Canadian Dollar	3,894	8,317
US Dollar	120,244	128,176
Total	124,138	136,493

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £6,207,000 (2019: £6,825,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £6,444,000 (2019: £7,019,000).

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £5,486,000 (2019: £1,741,000).

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £Nil (2019: £1,912,000). 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 31 July 2020 is £Nil (2019: £2,067,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Citigroup	-	1,912
Total securities on loan	-	1,912

Collateral held	2020 £'000	2019 £'000
Equities	-	2,067
Total collateral held	-	2,067

The gross earnings and fees paid for the year are £1,000 (2019: £4,000) and £Nil (2019: £1,000).

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 6.6% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution table

For the year ended 31 July 2020 (in pence per share)

Final dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
I Accumulation shares				
Group 1	3.6649	-	3.6649	14.9479
Group 2	0.8485	2.8164	3.6649	14.9479
M Accumulation shares				
Group 1	0.0634	-	0.0634	0.7400
Group 2	-	0.0634	0.0634	0.7400
Z Accumulation shares				
Group 1	1.6300	-	1.6300	2.1049
Group 2	1.2090	0.4210	1.6300	2.1049

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Asia Pacific and Japan Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in Asia Pacific, including Japan equities (company shares).

Performance target: To achieve the return of the MSCI AC Asia Pacific Index plus 3% per annum over rolling three years (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index

Investment Policy

Portfolio securities

- The fund invests at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in Asia Pacific including Japan countries, or companies that derive a significant proportion of their revenues or profits or have a significant proportion of their assets there.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the MSCI AC Asia Pacific Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index, is not ordinarily expected exceed 12.5%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the MSCI AC Asia Pacific Index.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with risk profile of the fund ("Efficient Portfolio Management").
- usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI Asia Pacific and Japan Equity Fund - A Accumulation Shares increased by 2.11% compared to a decrease of 0.36% in the performance target, the MSCI AC Asia Pacific Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

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Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Asia Pacific stocks experienced extreme swings in the second half of the year under review, but ended the 12 months flat.

Markets started on the back foot as re-escalating US-China tensions and mounting fears about global growth dampened risk appetite. Attacks on Saudi oil facilities triggered oil-price volatility, adding to investor jitters. But as China and the US approached a partial trade deal and key central banks loosened monetary policy, Asian markets tracked their global counterparts higher to end 2019 on a positive note. The buoyant mood did not last long. The rapid spread of COVID-19 from China to the rest of the world sparked recession fears, and risk assets sold off as countries imposed lockdowns that brought economies to a standstill. Oil prices plunged after Saudi-Russia talks on output cuts failed, adding to the gloom. In the three months to end-March, Asian equities suffered their worst quarter since the Global Financial Crisis. But as governments and central banks unleashed unprecedented support and lockdowns gradually lifted, regional stocks bounced back to recover almost all their losses.

By market, China topped the leaderboard as it led the region's economic recovery. In contrast, the failure of certain countries to contain the virus dragged down some Southeast Asian markets. Japan also lagged, as its good start in flattening the pandemic curve gave way to rising infections near the period-end, which weighed on its economic outlook. An appreciating yen, thanks to its safe haven status, further hobbled exporters.

Portfolio Activity

The fund outperformed the benchmark, chiefly due to stellar contributions from our Japanese holdings which defied the broader market retreat. Bourse operator Japan Exchange was buoyed by higher trading volumes amid volatile markets; drugmaker Chugai Pharmaceutical gained on the continued delivery of its rich pipeline of drugs and clarity on its future earnings; automation firm Keyence was sought after by investors for its robust balance sheet; while Nippon Paint was aided by a weaker oil price that reduced its costs and hopes of Chinese stimulus that would buoy demand. Their contribution was capped by metal-processing machine maker Amada, which declined on fears of COVID-19 dampening demand, and insurer Tokio Marine, which was similarly pressured by concerns over its exposure to claims from small businesses affected by the pandemic.

The position in the Aberdeen Standard SICAV I – China A Share Equity Fund proved beneficial as some of its domestic-oriented holdings outperformed. Our direct holding in contract researcher Wuxi Biologics also did well, as it continued to benefit from healthy demand for global outsourcing, despite COVID-19 and rising US-China tensions. Their performance outweighed weakness in Ping An Insurance, which lagged as sales of health and life insurance had yet to recover fully. Our lack of exposure to Alibaba Group also detracted, as it was lifted by affiliate Ant Group's plan to list concurrently in Hong Kong and on Shanghai's Star Market.

Technology-related holdings aided fund performance too. TSMC and Samsung Electronics rallied on increased demand for electronics as more people worked from home during the pandemic. News that US-based Intel planned to outsource some production of its next-generation chips lifted their share prices as well. Chinese internet giant Tencent's video games and digital entertainment offerings benefited from people spending more time at home amid the pandemic-induced lockdowns.

On the other hand, our exposure to India dented returns. Cigarette producer ITC was hampered by the slowing domestic economy and fears of an increase in taxes on the sector. Nevertheless, the company has historically executed well against such a backdrop, maintaining its resilience in margins. Housing Development Finance Co slipped as COVID-19 further clouded India's economic outlook. We remain confident of its quality and expect it to gain market share as state-owned lenders and non-bank financial companies suffer funding and asset-quality challenges. Not holding India's Reliance Industries also proved costly, as it was bolstered by a flurry of foreign investments. We are monitoring these developments with interest. For the time being, we remain on the sidelines until there are tangible improvements that we seek in its returns, gearing, free cash flow and attitude towards corporate governance.

Elsewhere, the fund's positions in the Aberdeen New Thai Investment Trust and Aberdeen Standard Asia Focus hampered performance. Their underlying holdings in Hong Kong and Southeast Asia were respectively dampened by political uncertainty and lacklustre recovery after the lockdowns were eased.

In the first-half review, we reported the initiations of Hong Kong-listed Budweiser Brewing Company APAC, China's CNOOC, AS One and Recruit Holdings in Japan, and Australia's Xero. We also mentioned the exits from Naver, Keppel Corp, HSBC and Public Bank.

In the second half, with valuations more attractive amid market swings, we introduced a number of stocks that we had been tracking for some time. These included five in Japan: electronics giant Sony Corp has a dominant market share in its image-sensor business, which we are upbeat about; Asahi Intecc is a well-regarded producer of high-quality interventional guide wires and catheters; Hoya is a leading maker of medical and high-tech optical products; Shiseido is an established cosmetics brand that is well-placed to capitalise on the rising affluence of China's middle class; and Astellas Pharma, which we previously owned and divested on concerns surrounding its expiring patents. Since then, we believe it has invested well in technology, as well as leading-edge research and development, giving it a solid product pipeline. Against these, we exited advanced semiconductor solutions supplier Renesas Electronics, baby-product maker Pigeon Corp, computer network system designer Net One Systems and Japan Tobacco.

There were four additions in Australia and New Zealand. Altium is a leading developer of electronic design automation software used in semiconductor chip manufacturing. Goodman Group owns, develops and manages industrial real estate across 17 countries, and should benefit from domestic and global trends for prime industrial assets. Macquarie Group has asset management, banking and financial advisory businesses. Greater demand for infrastructure and renewables investments globally underpin its prospects. Fisher & Paykel Healthcare makes heated humidification products for use in respiratory care, as well as masks to treat sleep apnea. Against these, we exited Woodside Petroleum on concerns that the oil-price collapse would greatly hinder its expansion plans.

In China, we established positions in another four names. Meituan Dianping is uniquely placed to capture the trend of rising online consumption. Its "super app", with more than 400 million users, is peerless and offers a broad range of services, such as food delivery, travel bookings and wedding planning. Private-education provider New Oriental Education & Technology focuses on language training, after-school tutoring, test preparation and online learning, and has built up a reputable brand in a fragmented market. GDS, one of China's top internet data-centre providers, is well-placed to benefit from a supportive policy environment and the structural growth of cloud adoption, given its scale and market leadership. China Merchants Bank, among the mainland's most progressive lenders, is nimble, well-incentivised and commercially run, with one of the best retail franchises locally. Conversely, we sold lens maker Sunny Optical, online classifieds marketplace 58.com and online car portal Autohome.

Elsewhere, we introduced Singapore's CapitaLand, which provides exposure to various real estate segments globally, and plans to divest non-core assets and redeploy capital to enhance profitability; Asian Paints, a leading decorative paint supplier in India that benefits from rising paint demand given its unparalleled distribution network, broad product portfolio and good management; South Korean lithium-ion battery maker Samsung SDI, one of five global players dominating the electric-vehicle battery market, for which there are substantial barriers to entry; and Macau casino operator Sands China, a leading player in the mass-affluent market, which is expected to grow in tandem with the region's increasing wealth. Against these, we exited South Korea's AmorePacific, Hong Kong-listed ASM Pacific Technology, Swire Pacific, and Hong Kong-based conglomerate Jardine Strategic, India's Grasim Industries and HDFC Bank, lenders Public Bank, United Overseas Bank, Standard Chartered, as well as Unilever Indonesia, due to waning conviction in their growth prospects.

Portfolio Outlook and Strategy

The recent jump in COVID-19 infections in Asia and other parts of the world further muddies the outlook for the region. As the market attempts to put a finger on when conditions will normalise against a shifting pandemic, we expect volatility to persist in the coming months. Also complicating matters is a worrying geopolitical backdrop, especially as provocations between the US and China intensify in the lead-up to the US presidential elections in November. Nevertheless, we see a silver lining in the form of better data through the second half of the year as economies re-open. Already, this is borne out by improving leading manufacturing indicators for most Asian countries. Accommodative central banks also provide some support for stocks.

Asia is home to a surfeit of good quality companies, with robust balance sheets, clear earnings drivers and healthy cash levels. These traits position them well to ride out the difficult conditions. In addition, the region remains the fastest-growing in the world, with structural growth drivers that will continue to play out in years to come. These include trends that have accelerated during the pandemic, such as e-commerce and online activity, and secular shifts, including rising demand for healthcare and infrastructure. We stay disciplined in putting capital to work on our best ideas: ensuring the fund's largest weights are in quality companies with the highest potential returns.

Asia Pacific Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- Investing in China A shares involves special considerations and risks, including greater price volatility, a less developed regulatory and legal framework, exchange rate risk/controls, settlement, tax, quota, liquidity and regulatory risks.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The fund may invest in companies with Variable Interest Entity (VIE) structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the legal and regulatory framework.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	260.68	240.18	230.82
Return before operating charges*	10.34	24.48	13.97
Operating charges	(4.02)	(3.98)	(4.61)
Return after operating charges*	6.32	20.50	9.36
Distributions	(1.33)	(1.36)	(0.51)
Retained distributions on accumulation shares	1.33	1.36	0.51
Closing net asset value per share	267.00	260.68	240.18
* after direct transaction costs of:	0.17	0.09	0.10
Performance			
Return after charges	2.42%	8.54%	4.06%
Other information			
Closing net asset value (£'000)	37,701	32,389	40,153
Closing number of shares	14,120,069	12,425,032	16,718,059
Operating charges	1.58%	1.69%	1.93%
Direct transaction costs	0.07%	0.04%	0.04%
Prices			
Highest share price	281.1	264.6	252.5
Lowest share price	213.4	212.5	224.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	174.70	160.08	152.69
Return before operating charges*	6.99	16.39	9.26
Operating charges	(1.94)	(1.77)	(1.87)
Return after operating charges*	5.05	14.62	7.39
Distributions	(1.66)	(1.77)	(1.54)
Retained distributions on accumulation shares	1.66	1.77	1.54
Closing net asset value per share	179.75	174.70	160.08
* after direct transaction costs of:	0.11	0.06	0.07
Performance			
Return after charges	2.89%	9.13%	4.84%
Other information			
Closing net asset value (£'000)	80,867	95,009	88,615
Closing number of shares	44,989,209	54,383,792	55,357,612
Operating charges	1.13%	1.13%	1.18%
Direct transaction costs	0.07%	0.04%	0.04%
Prices			
Highest share price	189.2	177.3	167.7
Lowest share price	143.4	141.9	148.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	117.50	100.00 ^B
Return before operating charges*	4.79	18.35
Operating charges	(1.35)	(0.85)
Return after operating charges*	3.44	17.50
Distributions	(1.25)	(1.38)
Retained distributions on accumulation shares	1.25	1.38
Closing net asset value per share	120.94	117.50
* after direct transaction costs of:	0.08	0.03
Performance		
Return after charges	2.93%	17.50%
Other information		
Closing net asset value (£'000)	176	-
Closing number of shares	146,106	100
Operating charges	1.18%	1.18%
Direct transaction costs	0.07%	0.04%
Prices		
Highest share price	127.3	119.2
Lowest share price	96.51	98.75

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (92.02%)		108,558	91.42
European Equities (0.55%)		894	0.75
Netherlands (0.55%)		894	0.75
3,312	ASML	894	0.75
Japanese Equities (25.30%)		33,272	28.02
178,100	Amada	909	0.77
9,400	As One	758	0.64
29,000	Asahi Intecc	615	0.52
44,800	Astellas Pharmaceuticals	532	0.45
65,700	Chugai Pharmaceutical	2,241	1.89
12,400	Daikin Industries	1,647	1.39
29,500	Denso Corporation	822	0.69
9,900	Fanuc	1,263	1.06
10,900	Hoya	817	0.69
140,800	Japan Exchange Group	2,535	2.13
31,800	Kansai Paint	465	0.39
10,400	Keyence	3,313	2.79
53,600	Makita	1,555	1.31
23,700	Nippon Paint	1,225	1.03
48,300	Recruit	1,136	0.96
12,500	SCSK	480	0.40
53,400	Seven & I	1,233	1.04
3,800	Shimano	629	0.53
30,000	Shin-Etsu Chemical	2,653	2.23
26,100	Shionogi	1,176	0.99
12,500	Shiseido	526	0.44
20,200	Sony	1,174	0.99
28,500	Stanley Electric	514	0.43
19,500	Sysmex	1,141	0.96
47,200	Tokio Marine	1,508	1.27
36,200	Toyota Motor	1,622	1.37
195,800	Yahoo Japan	783	0.66
North America Equities (1.48%)		1,277	1.08
United States (1.48%)		1,277	1.08
20,613	Huazhu Group	539	0.46
18,926	Yum China	738	0.62

			Market Value £'000	Percentage of total net assets
Holding	Investment			
Pacific Basin Equities (54.33%)			68,884	58.00
Australia (5.99%)			9,536	8.03
36,400	Altium		651	0.55
129,317	Aristocrat Leisure		1,825	1.54
103,816	BHP		1,718	1.45
13,667	Cochlear		1,413	1.19
13,943	CSL		2,057	1.73
78,600	Goodman		720	0.60
8,028	Macquarie		538	0.45
400,000	Medibank Private		614	0.52
China (9.54%)			15,382	12.95
129,000	Anhui Conch Cement 'H'		743	0.63
167,000	China Conch Venture		547	0.46
142,500	China Merchants Bank 'H'		506	0.43
13,974	GDS ADR		855	0.72
53,400	Meituan Dianping 'B'		1,007	0.85
4,480	New Oriental Education & Technology ADR		479	0.40
385,500	Ping An Insurance 'H'		3,111	2.62
127,000	Tencent		6,667	5.61
93,500	Wuxi Biologics		1,467	1.23
Hong Kong (8.99%)			7,972	6.71
308,000	AIA		2,121	1.79
462,000	Budweiser Brewing		1,274	1.07
90,000	China Mobile		470	0.39
610,000	China Resources Land		1,937	1.63
1,016,000	CNOOC		819	0.69
37,148	Hong Kong Exchanges & Clearing		1,351	1.14
India (8.76%)			6,650	5.60
7,804	Asian Paints		137	0.11
24,916	Hindustan Unilever		561	0.47
82,648	Housing Development Finance		1,504	1.27
305,296	ITC		603	0.51
102,688	Kotak Mahindra Bank		1,428	1.20
80,746	Tata Consultancy Services		1,884	1.59
12,714	UltraTech Cement		533	0.45

Holding	Investment	Market Value £'000	Percentage of total net assets
Indonesia (4.03%)		4,068	3.43
3,011,600	Astra International	805	0.68
1,505,800	Bank Central Asia	2,446	2.06
4,971,000	Bank Rakyat Indonesia	817	0.69
Macau (0.00%)		548	0.46
186,000	Sands China	548	0.46
Malaysia (0.62%)		-	-
New Zealand (0.00%)		2,485	2.09
191,857	Auckland International Airport	596	0.50
38,000	Fisher & Paykel Healthcare	683	0.57
24,610	Xero	1,206	1.02
Philippines (1.46%)		1,533	1.29
41,960	Ayala	471	0.40
906,900	Ayala Land	467	0.39
563,151	Bank of the Philippine Islands	595	0.50
Singapore (5.66%)		4,036	3.40
299,800	Capitaland	458	0.38
103,600	City Developments	471	0.40
85,133	DBS	934	0.79
259,100	Oversea-Chinese Banking	1,232	1.04
682,900	Singapore Telecommunications	941	0.79
South Korea (4.39%)		8,655	7.29
5,897	LG Chemical	2,142	1.81
186,539	Samsung Electronics (Preference)	5,905	4.97
2,393	Samsung SDI	608	0.51
Taiwan (4.17%)		7,278	6.13
252,107	Taiwan Mobile	688	0.58
595,504	Taiwan Semiconductors Manufacturing	6,590	5.55

Holding	Investment	Market Value £'000	Percentage of total net assets
Thailand (0.72%)		741	0.62
693,000	Bangkok Dusit Medical Services (Alien Market)	371	0.31
39,900	Siam Cement (Alien Market)	370	0.31
UK Equities (10.36%)		4,231	3.57
Basic Materials (0.87%)		993	0.84
21,510	Rio Tinto	993	0.84
Financials (9.49%)		3,238	2.73
407,536	Aberdeen New Thai Investment Trust ⁺	1,703	1.44
157,000	Aberdeen Standard Asia Focus ⁺	1,535	1.29
Collective Investment Schemes (5.92%)		8,640	7.28
532,333	Aberdeen Standard SICAV I-China A Share Equity Fund Z Acc ⁺	8,640	7.28
Total investment assets		117,198	98.70
Net other assets		1,546	1.30
Total Net Assets		118,744	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	1,446	8,930
Revenue	2	2,711	2,778
Expenses	3	(1,499)	(1,471)
Interest payable and similar charges		(1)	-
Net revenue before taxation		1,211	1,307
Taxation	4	(56)	(177)
Net revenue after taxation		1,155	1,130
Total return before distributions		2,601	10,060
Distributions	5	(1,006)	(1,130)
Change in net assets attributable to shareholders from investment activities		1,595	8,930

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	127,398	128,768
Amounts receivable on the issue of shares	21,172	9,512
Amounts payable on the cancellation of shares	(32,382)	(20,945)
	(11,210)	(11,433)
Dilution adjustment	25	-
Change in net assets attributable to shareholders from investment activities (see above)	1,595	8,930
Retained distribution on accumulation shares	936	1,133
Closing net assets attributable to shareholders	118,744	127,398

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		117,198	124,769
Current assets:			
Debtors	6	281	1,167
Cash and bank balances		1,503	3,160
		1,784	4,327
Total assets		118,982	129,096
Liabilities:			
Provisions for liabilities	7	(68)	(217)
Creditors	8	(170)	(1,481)
		(170)	(1,481)
Total liabilities		(238)	(1,698)
Net assets attributable to shareholders		118,744	127,398

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	1,444	8,946
Forward currency contracts	13	3
Other losses	(11)	(19)
Net capital gains	1,446	8,930

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	1	2
Income from Overseas Collective Investment Schemes		
Franked income	123	165
Overseas dividends	2,202	2,153
Overseas REIT	7	-
Stocklending revenue	3	3
UK dividends	375	455
Total revenue	2,711	2,778

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,354	1,332
Operating, administrative and servicing fees	145	139
Total expenses	1,499	1,471

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	205	177
Total current tax	205	177
Deferred tax (note 4(c))	(149)	-
Total taxation (note 4b)	56	177

	2020 £'000	2019 £'000
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	1,211	1,307
Corporation tax at 20% (2019: 20%)	242	261
Effects of:		
Revenue not subject to taxation	(540)	(554)
Overseas taxes	205	177
Excess allowable expenses	298	293
Deferred tax charge in statement of total return for year	(149)	-
Total tax charge for year (note 4a)	56	177
Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.		
(c) Deferred tax		
Deferred tax charge in statement of total return for year (note 4a)	(149)	-
Provision at the end of the year	(149)	-
(d) Factors that may affect future tax charge		
At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £6,363,000 (2019: £6,065,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.		
5. Distributions		
The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:		
	2020 £'000	2019 £'000
Distribution	936	1,133
Add: Income deducted on cancellation of shares	114	49
Deduct: Income received on issue of shares	(44)	(52)
Net distribution for the year	1,006	1,130
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	1,155	1,130
Transaction CGT	(149)	-
Total distributions	1,006	1,130

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	188	139
Amounts receivable from the ACD for the issue of shares	68	38
Overseas withholding tax recoverable	25	17
Sales awaiting settlement	-	973
Total debtors	281	1,167

7. Provisions for liabilities

	2020 £'000	2019 £'000
The provisions for liabilities comprise:		
CGT liability	68	217
	68	217

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	119	133
Amounts payable to the ACD for cancellation of shares	38	52
Other accrued expenses	13	-
Purchases awaiting settlement	-	1,296
Total creditors	170	1,481

9. Related Party Transactions

Aberdeen Standard Fund Manager Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Manager Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Manager Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	35,197	18,919	43,825	25,560
Collective investment schemes	1,929	-	2,518	4,946
Corporate actions	-	30	-	-
Trades in the year before transaction costs	37,126	18,949	46,343	30,506

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Commissions				
Equities	20	9	(18)	(14)
Total commissions	20	9	(18)	(14)
Taxes				
Equities	13	5	(28)	(15)
Total taxes	13	5	(28)	(15)
Total transaction costs	33	14	(46)	(29)
Total net trades in the year after transaction costs	37,159	18,963	46,297	30,477

Total transaction costs expressed as a percentage of asset type cost	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	0.06	0.05	0.04	0.06
Taxes				
Equities	0.04	0.03	0.06	0.06

Total transaction costs expressed as a percentage of net asset value	2020 %	2019 %
Commissions	0.03	0.02
Taxes	0.03	0.02

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.31% (2019: 0.27%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	12,425,032	5,413,510	(3,539,336)	(179,137)	14,120,069
I Accumulation shares	54,383,792	4,135,386	(13,699,343)	169,374	44,989,209
M Accumulation shares	100	1,668	(239)	144,577	146,106

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	108,558	-	-	117,228	-	-
Collective Investment Schemes	-	8,640	-	-	7,541	-
Total investment assets	108,558	8,640	-	117,228	7,541	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Australian Dollar	10,309	5,824
Euro	895	706
Hong Kong Dollar	22,585	22,208
Indian Rupee	6,636	10,376
Indonesian Rupiah	4,089	5,127
Japanese Yen	33,292	32,290
Malaysian Ringgit	-	787
Philippines Peso	1,533	1,859
Singapore Dollar	4,056	7,244
South Korean Won	8,690	5,631
Taiwan Dollar	7,321	5,386
Thai Baht	741	918
US Dollar	11,250	12,960
Total	111,397	111,316

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £5,570,000 (2019: £5,566,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £5,860,000 (2019: £6,238,000).

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £238,000 (2019: £1,698,000).

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £Nil (2019: £587,000). 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 31 July 2020 is £Nil (2019: £649,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Credit Suisse Securities (Europe) Limited	-	587
Total securities on loan	-	587

Collateral held	2020 £'000	2019 £'000
Equities	-	649
Total collateral held	-	649

The gross earnings and fees paid for the year are £4,000 (2019: £4,000) and £1,000 (2019: £1,000).

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 15.7% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution table

For the year ended 31 July 2020 (in pence per share)

Final dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	1.3275	-	1.3275	1.3578
Group 2	0.8016	0.5259	1.3275	1.3578
I Accumulation shares				
Group 1	1.6595	-	1.6595	1.7738
Group 2	1.1325	0.5270	1.6595	1.7738
M Accumulation shares				
Group 1	1.2524	-	1.2524	1.3800
Group 2	0.6114	0.6410	1.2524	1.3800

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Asia Pacific Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in Asia Pacific, excluding Japan equities (company shares).

Performance target: To achieve the return of the MSCI AC Asia Pacific ex Japan Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund invests at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in Asia Pacific excluding Japan countries, or companies that derive a significant proportion of their revenues or profits or have a significant proportion of their assets there.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the MSCI AC Asia Pacific ex Japan Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index, is not ordinarily expected to exceed 12.5%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the MSCI AC Asia Pacific ex Japan Index over the long term.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI Asia Pacific Equity Fund - A Accumulation Shares increased by 0.26% compared to an increase of 1.94% in the performance target, the MSCI AC Asia Pacific ex Japan Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

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Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Asia Pacific stocks experienced extreme swings in the second half of the year under review, but ended the 12 months flat.

Markets started on the back foot as re-escalating US-China tensions and mounting fears about global growth dampened risk appetite. Attacks on Saudi oil facilities triggered oil-price volatility, adding to investor jitters. But as China and the US approached a partial trade deal and key central banks loosened monetary policy, Asian markets tracked their global counterparts higher to end 2019 on a positive note. The buoyant mood did not last long. The rapid spread of COVID-19 from China to the rest of the world sparked recession fears, and risk assets sold off as countries imposed lockdowns that brought economies to a standstill. Oil prices plunged after Saudi-Russia talks on output cuts failed, adding to the gloom. In the three months to end-March, Asian equities suffered their worst quarter since the Global Financial Crisis. But as governments and central banks unleashed unprecedented support and lockdowns gradually lifted, regional stocks bounced back to recover almost all their losses.

By market, China topped the leaderboard as it led the region's economic recovery. In contrast, the failure of certain countries to contain the virus dragged down some Southeast Asian markets.

Portfolio Activity

The position in the Aberdeen Standard SICAV I – China A Share Equity Fund proved beneficial as some of its domestic-oriented holdings outperformed. Our direct holdings in the mainland did well too. Contract researcher Wuxi Biologics continued to benefit from healthy demand for global outsourcing, despite COVID-19 and rising US-China tensions. China Tourism Group Duty Free re-rated on news of its takeover of Hainan Duty Free, which strengthened its market leadership. Beijing's wide-ranging stimulus programme for the Hainan offshore duty-free market

provided a further boost. Their performance outweighed weakness in Ping An Insurance, which lagged as sales of health and life insurance had yet to recover fully. Our lack of exposure to Alibaba Group also detracted, as it was lifted by affiliate Ant Group's plans to list concurrently in Hong Kong and on Shanghai's Star Market.

Technology-related holdings aided fund performance as well. Chinese internet giant Tencent's video games and digital entertainment offerings benefited from people spending more time at home amid the pandemic-induced lockdowns. Chipmakers TSMC and Samsung Electronics similarly rallied on increased demand for electronics as more people worked from home. News that US-based Intel planned to outsource some production of its next-generation chips lifted their share prices as well. Meanwhile, chip-equipment supplier ASML rose on the back of an expected recovery in the memory chip and smartphone demand.

Elsewhere, South Korea's LG Chem benefited from its expanding capacity and increasingly positive prospects for electric vehicles. Not holding Australian banks, which occupy large benchmark positions, also boosted performance. Their earnings are expected to remain muted as credit growth stays anaemic.

On the other hand, our exposure to India dented returns. Cigarette producer ITC was hampered by the slowing domestic economy and fears of an increase in taxes on the sector. Nevertheless, the company has historically executed well against such a backdrop, maintaining its resilience in margins. Housing Development Finance Co slipped as COVID-19 further clouded India's economic outlook. We remain confident of its quality and expect it to gain market share as state-owned lenders and non-bank financial companies suffer funding and asset-quality challenges. Not holding India's Reliance Industries also proved costly, as it was bolstered by a flurry of foreign investments. We are monitoring these developments with interest. For the time being, we remain on the sidelines until there are tangible improvements that we seek in its returns, gearing, free cash flow and attitude towards corporate governance.

In Southeast Asia, the fund's position in the Aberdeen New Thai Investment Trust was dampened by the country's lacklustre economic recovery after the lockdown eased. Indonesian conglomerate Astra International fell amid weaker consumption expectations and a depreciating rupiah, while Philippine developer Ayala Land declined on concerns over property demand and heightened political risks. Hong Kong-based Jardine Strategic and Singapore lender Oversea-Chinese Banking Corp detracted as well.

In the first-half review, we reported the initiations of Hong Kong-listed Budweiser Brewing Company APAC, as well as China's CNOOC and 58.com. We also mentioned the exit from Indian motorcycle-maker Hero Motocorp.

In the second half, with valuations more attractive amid market swings, we introduced several stocks that we had been tracking for some time. These included several names in China hitched to domestic consumption: China Tourism Group Duty Free, the largest duty-free retailer domestically, has an enlarged scale following recent acquisitions which should drive higher margins; Kweichow Moutai, a high-end Chinese liquor maker, has a wide

domestic business moat backed by a good brand equity; SAIC Motor, the largest domestic carmaker by capacity, has a well-entrenched nationwide distribution network, and is supported by a focus on financing, rentals, and after-sales services; Private-education provider New Oriental Education & Technology focuses on language training, after-school tutoring, test preparation and online learning, and has built up a reputable brand in a fragmented market.

We also added: Meituan Dianping, a "super app" with over 400 million users, is peerless and offers a broad range of services, such as food delivery, travel bookings and wedding planning on its platform; GDS, one of China's top internet data-centre providers, is well-placed to benefit from a supportive policy environment and the structural growth of cloud adoption, given its scale and market leadership; China Merchants Bank, among the mainland's most progressive lenders, is nimble, well-incentivised and commercially run, with one of the best retail franchises locally. Against these, we sold lens maker Sunny Optical, telco China Mobile and online car portal Autohome.

We also initiated three stocks in Australia and New Zealand. Xero, which develops accounting software for smaller businesses, holds a good position in its core Australian and New Zealand markets and could transform into a global software player with the advent of cloud-based solutions; Goodman Group, which owns, develops and manages industrial real estate across 17 countries, rides on promising domestic and global trends for prime industrial asset; New Zealand-based Fisher & Paykel Healthcare makes medical devices for respiratory care and sleep apnea, and stands to benefit from higher industry awareness and use of nasal high-flow therapy resulting from the pandemic. Conversely, we exited Woodside Petroleum on concerns that the oil-price collapse would greatly hinder its expansion plans.

Elsewhere, we introduced Singapore's CapitaLand, which provides exposure to various real estate segments globally, and plans to divest non-core assets and redeploy capital to enhance profitability; Asian Paints, a leading decorative paint supplier in India that benefits from rising paint demand given its unparalleled distribution network, broad product portfolio and good management; South Korean lithium-ion battery maker Samsung SDI, one of five global players dominating the electric-vehicle battery market, for which there are substantial barriers to entry; and Macau casino operator Sands China, a leading player in the mass-affluent market, which is expected to grow in tandem with the region's increasing wealth. Against these, we sold South Korea's AmorePacific Group, Hong Kong-based Hang Lung Group and Swire Pacific, India's Grasim Industries and HDFC Bank, Indonesia's Bank Rakyat and Unilever Indonesia, as well as other lenders Public Bank, United Overseas Bank, HSBC and Standard Chartered, for better opportunities elsewhere.

Portfolio Outlook and Strategy

The recent jump in COVID-19 infections in Asia and other parts of the world further muddies the outlook for the region. As the market attempts to put a finger on when conditions will normalise against a shifting pandemic, we expect volatility to persist in the coming months. Also complicating matters is a worrying geopolitical backdrop, especially as provocations between the US and China intensify in the lead-up to the US presidential elections in November. Nevertheless, we see a silver lining in the form of better data through the second half of the year as economies re-open. Already, this is borne out by improving leading manufacturing indicators for most Asian countries. Accommodative central banks also provide some support for stocks.

Asia is home to a surfeit of good quality companies, with robust balance sheets, clear earnings drivers and healthy cash levels. These traits position them well to ride out the difficult conditions. In addition, the region remains the fastest-growing in the world, with structural growth drivers that will continue to play out in years to come. These include trends that have accelerated during the pandemic, such as e-commerce and online activity, and secular shifts, including rising demand for healthcare and infrastructure. We stay disciplined in putting capital to work on our best ideas: ensuring the fund's largest weights are in quality companies with the highest potential returns.

Asia Pacific Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- Investing in China A shares involves special considerations and risks, including greater price volatility, a less developed regulatory and legal framework, exchange rate risk/controls, settlement, tax, quota, liquidity and regulatory risks.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The fund may invest in companies with Variable Interest Entity (VIE) structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the legal and regulatory framework.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	298.48	271.39	261.74
Return before operating charges*	7.37	31.95	14.91
Operating charges	(4.68)	(4.86)	(5.26)
Return after operating charges*	2.69	27.09	9.65
Distributions	(1.38)	(1.66)	(1.34)
Retained distributions on accumulation shares	1.38	1.66	1.34
Closing net asset value per share	301.17	298.48	271.39
* after direct transaction costs of:	0.28	0.19	0.06
Performance			
Return after charges	0.90%	9.98%	3.69%
Other information			
Closing net asset value (£'000)	241,441	259,027	295,801
Closing number of shares	80,168,848	86,782,562	108,993,397
Operating charges	1.65%	1.77%	1.96%
Direct transaction costs	0.10%	0.07%	0.02%
Prices			
Highest share price	312.9	303.0	281.0
Lowest share price	238.6	236.9	253.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	266.75	243.93	236.42
Return before operating charges*	6.58	28.62	13.47
Operating charges	(4.18)	(4.27)	(4.75)
Return after operating charges*	2.40	24.35	8.72
Distributions	(1.24)	(1.53)	(1.21)
Closing net asset value per share	267.91	266.75	243.93
* after direct transaction costs of:	0.25	0.16	0.05
Performance			
Return after charges	0.90%	9.98%	3.69%
Other information			
Closing net asset value (£'000)	20,691	22,955	21,970
Closing number of shares	7,723,137	8,605,338	9,006,661
Operating charges	1.65%	1.77%	1.96%
Direct transaction costs	0.10%	0.07%	0.02%
Prices			
Highest share price	279.7	272.3	253.8
Lowest share price	213.2	212.9	229.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	325.67	294.49	281.89
Return before operating charges*	8.14	34.77	16.11
Operating charges	(3.72)	(3.59)	(3.51)
Return after operating charges*	4.42	31.18	12.60
Distributions	(2.91)	(3.43)	(3.62)
Retained distributions on accumulation shares	2.91	3.43	3.62
Closing net asset value per share	330.09	325.67	294.49
* after direct transaction costs of:	0.31	0.20	0.06
Performance			
Return after charges	1.36%	10.59%	4.47%
Other information			
Closing net asset value (£'000)	406,008	458,849	539,646
Closing number of shares	122,999,423	140,893,971	183,247,520
Operating charges	1.20%	1.21%	1.21%
Direct transaction costs	0.10%	0.07%	0.02%
Prices			
Highest share price	342.9	330.6	303.8
Lowest share price	261.0	257.5	273.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	152.36	139.20	134.91
Return before operating charges*	3.80	16.42	7.70
Operating charges	(1.74)	(1.68)	(1.68)
Return after operating charges*	2.06	14.74	6.02
Distributions	(1.36)	(1.58)	(1.73)
Closing net asset value per share	153.06	152.36	139.20
* after direct transaction costs of:	0.14	0.09	0.03
Performance			
Return after charges	1.35%	10.59%	4.46%
Other information			
Closing net asset value (£'000)	29,594	28,261	26,136
Closing number of shares	19,334,319	18,549,189	18,774,844
Operating charges	1.20%	1.21%	1.21%
Direct transaction costs	0.10%	0.07%	0.02%
Prices			
Highest share price	160.4	156.2	145.4
Lowest share price	122.1	121.7	130.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Accumulation shares ^A	2020 pence per share
Change in net assets per share	
Opening net asset value per share	100.00 ^B
Return before operating charges*	7.46
Operating charges	(0.66)
Return after operating charges*	6.80
Distributions	(1.34)
Retained distributions on accumulation shares	1.34
Closing net asset value per share	106.80
* after direct transaction costs of:	0.09
Performance	
Return after charges	6.80%
Other information	
Closing net asset value (£'000)	279,034
Closing number of shares	261,260,300
Operating charges	0.69%
Direct transaction costs	0.10%
Prices	
Highest share price	110.9
Lowest share price	84.31

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A K Accumulation share class was launched on 15 August 2019.

^B The opening net asset value stated is the share class launch price.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	118.82	100.00 ^B
Return before operating charges*	3.26	19.75
Operating charges	(1.40)	(0.93)
Return after operating charges*	1.86	18.82
Distributions	(0.87)	(1.54)
Retained distributions on accumulation shares	0.87	1.54
Closing net asset value per share	120.68	118.82
* after direct transaction costs of:	0.11	0.05
Performance		
Return after charges	1.57%	18.82%
Other information		
Closing net asset value (£'000)	83	-
Closing number of shares	68,730	100
Operating charges	1.25%	1.26%
Direct transaction costs	0.10%	0.07%
Prices		
Highest share price	125.4	120.6
Lowest share price	95.45	100.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	117.28	100.00 ^B
Return before operating charges*	3.11	19.75
Operating charges	(1.38)	(0.93)
Return after operating charges*	1.73	18.82
Distributions	(0.85)	(1.54)
Closing net asset value per share	118.16	117.28
* after direct transaction costs of:	0.11	0.05
Performance		
Return after charges	1.48%	18.82%
Other information		
Closing net asset value (£'000)	22	-
Closing number of shares	18,224	100
Operating charges	1.25%	1.26%
Direct transaction costs	0.10%	0.07%
Prices		
Highest share price	123.6	120.6
Lowest share price	94.13	100.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	366.55	328.15	310.99
Return before operating charges*	9.40	39.20	17.84
Operating charges	(0.69)	(0.80)	(0.68)
Return after operating charges*	8.71	38.40	17.16
Distributions	(6.81)	(8.70)	(7.24)
Retained distributions on accumulation shares	6.81	8.70	7.24
Closing net asset value per share	375.26	366.55	328.15
* after direct transaction costs of:	0.35	0.25	0.07
Performance			
Return after charges	2.38%	11.70%	5.52%
Other information			
Closing net asset value (£'000)	8,861	6,918	91,054
Closing number of shares	2,361,364	1,887,420	27,747,781
Operating charges	0.20%	0.21%	0.21%
Direct transaction costs	0.10%	0.07%	0.02%
Prices			
Highest share price	389.8	372.1	337.3
Lowest share price	295.7	287.5	302.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (92.31%)		875,810	88.85
European Equities (0.57%)		14,165	1.44
Netherlands (0.57%)		14,165	1.44
52,460	ASML	14,165	1.44
Pacific Basin Equities (85.16%)		832,952	84.50
Australia (6.97%)		97,093	9.85
1,364,662	Aristocrat Leisure	19,260	1.95
1,045,800	BHP	17,306	1.76
181,256	Cochlear	18,738	1.90
227,664	CSL	33,587	3.41
895,100	Goodman	8,202	0.83
China (15.49%)		233,796	23.72
1,946,500	Anhui Conch Cement 'H'	11,204	1.14
330,000	China International Travel Service 'A'	8,756	0.89
1,141,000	China Merchants Bank 'H'	4,055	0.41
8,559,000	CNOOC ADR	6,900	0.70
130,597	GDS ADR	7,988	0.81
165,550	Huazhu Group	4,330	0.44
67,823	Kweichow Moutai 'A'	12,429	1.26
679,400	Meituan Dianping 'B'	12,817	1.30
67,190	New Oriental Education & Technology ADR	7,177	0.73
4,056,500	Ping An Insurance 'H'*	32,740	3.32
2,092,900	SAIC Motor 'A'	4,155	0.42
1,776,000	Tencent	93,234	9.46
1,181,500	Wuxi Biologics	18,538	1.88
242,789	Yum China	9,473	0.96
Hong Kong (15.04%)		86,338	8.76
2,910,800	AIA	20,045	2.04
522,000	ASM Pacific Technology	4,467	0.45
3,640,400	Budweiser Brewing	10,038	1.02
6,900,000	China Resources Land	21,910	2.22
534,278	Hong Kong Exchanges & Clearing	19,434	1.97
402,152	Jardine Strategic Holdings	6,189	0.63
2,426,218	Swire Properties	4,255	0.43

Holding	Investment	Market Value £'000	Percentage of total net assets
India (14.21%)		86,808	8.81
63,899	Asian Paints	1,119	0.11
369,729	Hindustan Unilever	8,322	0.85
1,175,539	Housing Development Finance	21,385	2.17
4,297,058	ITC	8,492	0.86
1,174,374	Kotak Mahindra Bank	16,328	1.66
980,600	SBI Life Insurance	9,103	0.93
749,647	Tata Consultancy Services	17,486	1.77
109,000	UltraTech Cement	4,573	0.46
Indonesia (5.12%)		34,734	3.52
44,246,500	Astra	11,833	1.20
14,099,900	Bank Central Asia	22,901	2.32
Macau (0.00%)		5,820	0.59
1,976,800	Sands China	5,820	0.59
Malaysia (0.84%)		-	-
New Zealand (0.00%)		10,086	1.02
160,000	Fisher & Paykel Healthcare	2,874	0.29
147,191	Xero	7,212	0.73
Philippines (2.58%)		14,881	1.51
19,403,640	Ayala Land	9,987	1.01
4,635,682	Bank of the Philippine Islands	4,894	0.50
Singapore (8.68%)		51,997	5.27
2,468,500	Capitaland	3,772	0.38
1,649,700	City Developments	7,498	0.76
918,555	DBS	10,080	1.02
1,691,300	Keppel*	5,065	0.51
2,996,543	Oversea-Chinese Banking	14,252	1.45
8,222,279	Singapore Telecommunications	11,330	1.15

Holding	Investment	Market Value £'000	Percentage of total net assets
South Korea (7.03%)		99,338	10.08
32,981	LG Chemical	11,980	1.21
2,602,030	Samsung Electronics (Preference)	82,368	8.36
19,656	Samsung SDI	4,990	0.51
Sri Lanka (1.23%)		5,860	0.59
7,400,530	DFCC Bank	1,808	0.18
8,932,929	John Keells	4,052	0.41
Taiwan (5.27%)		88,691	9.00
2,364,305	Taiwan Mobile	6,457	0.66
7,430,827	Taiwan Semiconductors Manufacturing	82,234	8.34
Thailand (2.70%)		17,510	1.78
7,261,900	Bangkok Dusit Medical Services (Alien Market)	3,886	0.39
3,814,000	Central Pattana (Alien Market)	4,496	0.46
983,100	Siam Cement (Alien Market)	9,128	0.93
UK Equities (6.58%)		28,693	2.91
Basic Materials (1.45%)		9,458	0.96
204,972	Rio Tinto	9,458	0.96
Financials (5.13%)		19,235	1.95
1,786,130	Aberdeen New Thai Investment Trust*	7,466	0.76
1,203,400	Aberdeen Standard Asia Focus*	11,769	1.19
Collective Investment Schemes (6.49%)		89,213	9.05
5,496,369	Aberdeen Standard SICAV I-China A Share Equity Fund Z Acc*	89,213	9.05
Total investment assets		965,023	97.90
Net other assets		20,711	2.10
Total Net Assets		985,734	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

* Managed by subsidiaries of Standard Life Aberdeen plc.

* A portion of this security is on loan at the year end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(1,401)	62,490
Revenue	2	19,845	18,831
Expenses	3	(10,469)	(10,055)
Interest payable and similar charges		(1)	(3)
Net revenue before taxation		9,375	8,773
Taxation	4	821	(1,169)
Net revenue after taxation		10,196	7,604
Total return before distributions		8,795	70,094
Distributions	5	(7,840)	(7,604)
Change in net assets attributable to shareholders from investment activities		955	62,490

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	776,010	974,607
Amounts receivable on the issue of shares	303,343	120,990
Amounts payable on the cancellation of shares	(103,562)	(389,153)
	199,781	(268,163)
Dilution adjustment	644	642
Change in net assets attributable to shareholders from investment activities (see above)	955	62,490
Retained distribution on accumulation shares	8,344	6,434
Closing net assets attributable to shareholders	985,734	776,010

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		965,023	766,718
Current assets:			
Debtors	6	13,627	8,559
Cash and bank balances		10,214	7,314
		23,841	15,873
Total assets		988,864	782,591
Liabilities:			
Provisions for liabilities	7	(166)	(2,520)
Creditors	8	(2,605)	(3,637)
Distribution payable		(359)	(424)
		(2,964)	(4,061)
Total liabilities		(3,130)	(6,581)
Net assets attributable to shareholders		985,734	776,010

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	312	62,998
Forward currency contracts	(30)	17
Other losses	(1,683)	(497)
Transaction charges	-	(28)
Net capital (losses)/gains	(1,401)	62,490

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	2	23
Income from Overseas Collective Investment Schemes		
Franked income	804	937
Overseas dividends	16,436	15,146
Overseas REIT	75	-
Stocklending revenue	33	3
UK dividends	2,495	2,722
Total revenue	19,845	18,831

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	8,870	8,546
Operating, administrative and servicing fees	1,599	1,509
Total expenses	10,469	10,055

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	1,535	1,169
Total current tax	1,535	1,169
Deferred tax (note 4(c))	(2,356)	(2,520)
Total taxation (note 4b)	(821)	(1,351)

	2020 £'000	2019 £'000
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	9,375	8,773
Corporation tax at 20% (2019: 20%)	1,875	1,755
Effects of:		
Revenue not subject to taxation	(3,947)	(3,764)
Overseas taxes	1,535	1,169
Overseas tax expensed	(1)	-
Excess allowable expenses	2,073	2,009
Deferred tax	(2,356)	(2,520)
Total tax charge for year (note 4a)	(821)	1,169
Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.		
(c) Deferred tax		
Deferred tax charge at the start of the year	2,522	-
Deferred tax charge in statement of total return for year (note 4a)	(2,356)	(2,520)
Provision at the end of the year	166	(2,520)
(d) Factors that may affect future tax charge		
At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £50,872,000 (2019: £48,799,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.		

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	8,703	6,858
Add: Income deducted on cancellation of shares	425	1,174
Deduct: Income received on issue of shares	(1,288)	(428)
Net distribution for the year	7,840	7,604
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	10,196	7,604
Deferred tax	(2,356)	-
Total distributions	7,840	7,604

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	4,838	3,654
Amounts receivable from the ACD for the issue of shares	2,272	317
Overseas withholding tax recoverable	384	288
Sales awaiting settlement	6,133	4,300
Total debtors	13,627	8,559

7. Provisions for liabilities

	2020 £'000	2019 £'000
The provisions for liabilities comprise:		
Capital gains tax payable	166	2,520
	166	2,520

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	827	890
Amounts payable to the ACD for cancellation of shares	1,634	349
Other accrued expenses	144	-
Purchases awaiting settlement	-	2,398
Total creditors	2,605	3,637

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	410,766	116,541	234,898	349,167
Collective investment schemes	32,495	1,378	12,019	26,372
Corporate actions	-	691	-	3
Trades in the year before transaction costs	443,261	118,610	246,917	375,542

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Commissions				
Equities	227	73	(131)	(242)
Total commissions	227	73	(131)	(242)
Taxes				
Equities	241	63	(254)	(300)
Total taxes	241	63	(254)	(300)
Total transaction costs	468	136	(385)	(542)
Total net trades in the year after transaction costs	443,729	118,746	246,532	375,000

Total transaction costs expressed as a percentage of asset type cost	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	0.06	0.06	0.06	0.07
Taxes				
Equities	0.06	0.05	0.11	0.09

Total transaction costs expressed as a percentage of net asset value	2020 %	2019 %
Commissions	0.04	0.04
Taxes	0.06	0.05

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.26% (2019: 0.24%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	86,782,562	2,275,750	(6,972,954)	(1,916,510)	80,168,848
A Income shares	8,605,338	1,015,018	(1,827,101)	(70,118)	7,723,137
I Accumulation shares	140,893,971	755,264	(20,379,636)	1,729,824	122,999,423
I Income shares	18,549,189	3,349,842	(2,673,676)	108,964	19,334,319
K Accumulation shares	-	271,522,398	(10,262,098)	-	261,260,300
M Accumulation shares	100	1,060	(104)	67,674	68,730
M Income shares	100	804	(31)	17,351	18,224
Z Accumulation shares	1,887,420	1,269,097	(795,153)	-	2,361,364

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	875,810	-	-	716,348	-	-
Collective Investment Schemes	-	89,213	-	-	50,370	-
Total investment assets	875,810	89,213	-	716,348	50,370	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Australian Dollar	89,936	38,683
China Renminbi	25,340	-
Euro	14,170	4,431
Hong Kong Dollar	265,589	203,975
Indian Rupee	87,375	110,012
Indonesian Rupiah	36,654	39,717
Malaysian Ringgit	-	6,533
Philippines Peso	14,881	20,198
Singapore Dollar	52,160	68,817
South Korean Won	99,823	54,864
Sri Lankan Rupee	5,860	9,547
Taiwan Dollar	89,206	41,508
Thai Baht	18,561	20,955
US Dollar	127,716	92,338
Total	927,271	711,578

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £46,364,000 (2019: £35,579,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £48,251,000 (2019: £38,336,000).

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £3,130,000 (2019: £6,581,000).

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £21,250,000 (2019: £220,000). 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 31 July 2020 is £23,004,000 (2019: £325,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Credit Suisse Securities (Europe) Limited	-	220
UBS	21,250	-
Total securities on loan	21,250	220

Collateral held	2020 £'000	2019 £'000
Equities	23,004	325
Total collateral held	23,004	325

The gross earnings and fees paid for the year are £39,000 (2019: £5,000) and £6,000 (2019: £1,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 13.6% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution table

For the year ended 31 July 2020 (in pence per share)

Final dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	1.3835	-	1.3835	1.6550
Group 2	0.9457	0.4378	1.3835	1.6550
A Income shares				
Group 1	1.2353	-	1.2353	1.5262
Group 2	0.1382	1.0971	1.2353	1.5262
I Accumulation shares				
Group 1	2.9122	-	2.9122	3.4306
Group 2	1.6456	1.2666	2.9122	3.4306
I Income shares				
Group 1	1.3623	-	1.3623	1.5764
Group 2	0.7304	0.6319	1.3623	1.5764
K Accumulation shares				
Group 1	1.3366	-	1.3366	-
Group 2	0.8948	0.4418	1.3366	-
M Accumulation shares				
Group 1	0.8727	-	0.8727	1.5400
Group 2	0.6181	0.2546	0.8727	1.5400
M Income shares				
Group 1	0.8465	-	0.8465	1.5400
Group 2	0.5665	0.2800	0.8465	1.5400
Z Accumulation shares				
Group 1	6.8077	-	6.8077	8.6996
Group 2	4.0919	2.7158	6.8077	8.6996

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI China A Share Equity Fund

For the period 20 August 2019 to 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in China A equities (company shares).

Performance target: To achieve the return of the MSCI China A Onshore Index, plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in China A equities of companies listed on Chinese Stock Exchanges authorised by the China Securities Regulatory Commission. The fund may also invest in China A equities through RQFII, the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programme in equities and equity related securities.
- The fund may also invest in China B equities, China H equities and participator notes.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the MSCI China A Onshore Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index, is not ordinarily expected to exceed 12.5%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the MSCI China A Onshore Index.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the period ended 31 July 2020, the value of ASI China A Share Equity Fund – M Accumulation Shares increased by 20.21% compared to an increase of 19.80% in the performance target, the MSCI China A Onshore Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

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Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Onshore Chinese equities rose significantly in sterling terms during the eleven months to July 2020. Its stock market was a star performer, outpacing developed and emerging markets in all regions. During the review period, A-shares initially rallied on worldwide monetary easing, progress in US-China trade talks, and greater technology demand amid the roll-out of the fifth-generation (5G) telecommunications network. The benchmark was further supported when index provider MSCI increased the proportion of A-shares in its major emerging-market indices. The move spurred asset managers that tracked these benchmarks to move in tandem, channelling inflows to the asset class.

However, sentiment nosedived in the new year following lockdowns at home and abroad to contain the coronavirus. Subsequently, the stock market rebounded when domestic infections tapered off, allowing economic activity to resume ahead of other large economies, still afflicted by high infection rates. Post-lockdown, share prices continued to rally on a credit boom that fuelled retail investor interest. Even flaring US-China tensions and fears about slowing export demand as the pandemic continued to challenge the US and Europe failed to daunt the ebullient mood.

On the policy shift to revive the economy, we view Beijing's prioritisation of job creation over growth targets as a positive step. Stimulus measures included easy credit, national support for the semiconductor industry and the acceleration of smart infrastructure development.

Portfolio Activity

The fund's performance was on par with the benchmark. The main contributor was our retail holding, China Tourism Group. It is benefiting from the development of Hainan's free-trade zone and more policies favouring duty-free purchases. Growth in online pre-orders and downtown stores is also boosting demand. More recently, the leading duty-free operator gained market share from South Korean rivals as Chinese holiday-makers focused on domestic excursions. Elsewhere, product price hikes by baijiu makers, Kweichow Moutai and Wuliangye Yibin, supported gains. Also helping the fund was Foshan Haitian Flavoring. The leading condiment maker increased its retail channels to offset lower restaurant volumes during the lockdown. However, Yonghui Superstores pared gains when China emerged from its lockdown as investors felt that grocery demand could ease as people were no longer confined to the home.

In healthcare, Aier Eye Hospital's acquisition of about 30 hospitals helped its top-line growth. Meanwhile, Hangzhou Tigermed benefited from firm demand for third-party clinical research. For the industrial sector, cement producer Anhui Conch Cement contributed on the back of local government subsidies for home purchases and lower down-payments. Its share price also gained on its inclusion in Hong Kong's Hang Seng Index.

Conversely, our exposure to transportation stocks detracted. Holding operators of the airports in Shanghai and Shenzhen proved detrimental with the cancellation of many international flights amid the prolonged pandemic. During the period, we pared our position in Shenzhen Airport, which was hurt by diminished traffic to Hong Kong after civil unrest rocked the Special Administration Region. We then introduced the Guangzhou Baiyun International Airport. Guangzhou is one of China's three international aviation hubs along with Beijing and Shanghai. We believe it stands to benefit from a recovery in domestic traffic and the growth of its duty-free segment. In the longer term, we believe the Shanghai International Airport is likely to benefit from the development of China's nascent duty-free retail sector.

In financials, insurers suffered from declining bond yields as governments lowered lending rates. Going forward, the recent loosening of restrictions on the equities assets that insurers may invest in could support the sector. While Ping An Insurance detracted, we remain upbeat about the financial conglomerate as it benefits from rising domestic wealth levels and low penetration rates. Its risk management is also robust, which we consider as vital given the group's broad business structure. Meanwhile, banking stocks were weighed by fears that their life-lines for small businesses could result in more bad debt. Among them were Ping An Bank and China Merchants Bank.

Among property stocks, holding China Vanke hindered performance due to the cyclical slowdown in demand and the lockdown in the first quarter of 2020. Waivers of rents and related fees to help tenants whose businesses were disrupted by the coronavirus outbreak hurt its profitability. Sentiment on the property giant was also muted by news of its dividend cancellation to shore up capital following delays in construction and sales launches during the lockdown. Elsewhere in the tech sector, not holding Shenzhen-based Luxshare weighed on the fund. Shares of the Airpod maker rallied when it emerged as a contender to Taiwan's Foxconn for manufacturing Apple products.

In the eleven months following the fund's inception, we introduced several industrial holdings. Other than Guangzhou Baiyun Airport, these included Centre Testing International, NARI Technology, and Shanghai M&G Stationery. Centre Testing is the largest private testing, inspection and certification company (TIC) on the mainland, and potentially a global giant in our view. It has a solid track record, supported by effective management incentives, disciplined execution and a diverse customer base. The opening of new facilities and acquisitions have helped it gain market share, alongside ventures into promising areas of 5G, rail transit and aerospace. We believe the growing trend where TIC services are outsourced, coupled with tighter regulations, will benefit its long-term prospects. Power grid equipment maker NARI Technology is likely to benefit from the increase in infrastructure spending and upgrading of grid lines over the years to come. Shanghai M&G owns a popular stationery brand for the younger generation and is a key supplier to offices.

We also initiated Glodon and Yunnan Energy New Material. Leading software provider for construction budgeting Glodon is expanding into growing markets for cloud-based solutions and construction management. Yunnan Energy New Material is the world's largest maker of lithium-ion battery separators. We believe it benefits from government support in the adoption of clean-energy vehicles, which has fueled demand for lithium-ion batteries. Against this, we exited PetroChina. The oil exploration and production company detracted as the collapse in oil prices amid lower demand and a price war dented the sector's outlook. We also sold off our fringe positions in China World Trade Center, Ningbo Zhoushan Port, and Beijing Tongrentang to fund better opportunities elsewhere.

Portfolio Outlook and Strategy

Amid geopolitical tensions, we remain focused on the domestic economy, which should be relatively shielded from any full-blown conflict with the US. While macro indicators show that the economy is recovering, we remain conscious of the risk of a second wave of COVID-19 infections. Many businesses have been changed: some for better, others for worse. This accentuates the importance of bottom-up analysis and stock picking.

Structural growth drivers, such as the adoption of cloud applications, 5G, and artificial intelligence, are still intact. Domestic consumption and a rising middle class will propel growth in the long run, as China weans itself from reliance on export revenue. We remain convinced that the best way to invest in A-shares sustainably is through exposure to the rapidly expanding premium-consuming class. Higher disposable income is spurring demand for health-care products, wealth management services and insurance. We believe our strategy of identifying high-quality businesses from bottom-up will prove resilient.

Asia Pacific Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund’s share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 7 because of the extent to which the following risk factors apply:

- Investing in China A shares involves special considerations and risks, including greater price volatility, a less developed regulatory and legal framework, exchange rate risk/controls, settlement, tax, quota, liquidity and regulatory risks.
- A concentrated portfolio may be more volatile than a more broadly diversified one. The fund’s investments are concentrated in China. This may result in greater volatility than portfolios which are more geographically diversified.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses. The fund does not make extensive use of derivatives.
- The fund invests in Chinese equities. Investing in China involves a greater risk of loss than investing in more developed markets due to, among other factors, greater government intervention, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This fund offers no guarantee against loss or that the fund’s objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund’s ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

I Accumulation shares ^A	2020 pence per share
Change in net assets per share	
Opening net asset value per share	100.00 ^B
Return before operating charges*	21.66
Operating charges	(1.29)
Return after operating charges*	20.37
Distributions	(0.55)
Retained distributions on accumulation shares	0.55
Closing net asset value per share	120.37
* after direct transaction costs of:	0.21
Performance	
Return after charges	20.37%
Other information	
Closing net asset value (£'000)	2,129
Closing number of shares	1,768,187
Operating charges	1.19%
Direct transaction costs	0.19%
Prices	
Highest share price	125.9
Lowest share price	90.52

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A I Accumulation share class was launched on 20 August 2019.

^B The opening net asset value stated is the share class launch price.

K Accumulation shares ^A	2020 pence per share
Change in net assets per share	
Opening net asset value per share	100.00 ^B
Return before operating charges*	21.55
Operating charges	(0.66)
Return after operating charges*	20.89
Distributions	(1.01)
Retained distributions on accumulation shares	1.01
Closing net asset value per share	120.89
* after direct transaction costs of:	0.19
Performance	
Return after charges	20.89%
Other information	
Closing net asset value (£'000)	1
Closing number of shares	1,000
Operating charges	0.69%
Direct transaction costs	0.19%
Prices	
Highest share price	126.4
Lowest share price	90.70

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A K Accumulation share class was launched on 20 August 2019.

^B The opening net asset value stated is the share class launch price.

M Accumulation shares ^A	2020 pence per share
Change in net assets per share	
Opening net asset value per share	100.00 ^B
Return before operating charges*	21.57
Operating charges	(1.26)
Return after operating charges*	20.31
Distributions	(0.99)
Retained distributions on accumulation shares	0.99
Closing net asset value per share	120.31
* after direct transaction costs of:	0.20
Performance	
Return after charges	20.31%
Other information	
Closing net asset value (£'000)	882
Closing number of shares	733,305
Operating charges	1.24%
Direct transaction costs	0.19%
Prices	
Highest share price	125.9
Lowest share price	90.49

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 20 August 2019.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares ^A	2020 pence per share
Change in net assets per share	
Opening net asset value per share	100.00 ^B
Return before operating charges*	21.70
Operating charges	(0.18)
Return after operating charges*	21.52
Distributions	(1.56)
Retained distributions on accumulation shares	1.56
Closing net asset value per share	121.52
* after direct transaction costs of:	0.19
Performance	
Return after charges	21.52%
Other information	
Closing net asset value (£'000)	6,076
Closing number of shares	5,000,000
Operating charges	0.19%
Direct transaction costs	0.19%
Prices	
Highest share price	127.1
Lowest share price	90.94

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Z Accumulation share class was launched on 20 August 2019.

^B The opening net asset value stated is the share class launch price.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities		8,733	96.09
Pacific Basin Equities		8,733	96.09
China		8,733	96.09
77,530	Aier Eye Hospital Group 'A'	384	4.23
44,200	Anhui Conch Cement 'A'	296	3.26
70,200	Bank of Ningbo 'A'	222	2.44
97,800	Beijing Sinnet Technology 'A'	279	3.07
35,300	Centre Testing International 'A'	90	0.99
162,000	China Construction Bank 'H'	91	1.00
35,293	China International Travel Service 'A'	937	10.31
52,800	China Life Insurance 'A'	210	2.31
119,300	China Merchants Bank 'A'	453	4.99
44,800	China Resources Sanjiu Medical & Pharmaceutical 'A'	148	1.63
101,400	China Vanke 'H'	243	2.67
20,791	Foshan Haitian Flavouring & Food 'A'	341	3.75
64,900	Fuyao Glass Industry 'A'	173	1.90
10,000	Glodon 'A'	84	0.92
53,400	Guangzhou Baiyun International Airport 'A'	83	0.91
93,800	Haier Smart Home 'A'	184	2.03
113,200	Hangzhou Hikvision Digital Technology 'A'	457	5.03
21,371	Hangzhou Robam Appliances 'A'	89	0.98
19,100	Hangzhou Tigermed Consulting 'A'	225	2.48
162,000	Industrial & Commercial Bank of China 'H'	73	0.80
35,700	Inner Mongolia Yili Industrial 'A'	143	1.57
4,000	Kweichow Moutai 'A'	733	8.07
35,200	Midea 'A'	276	3.04
35,700	NARI Technology 'A'	83	0.91
143,600	Ping An Bank 'A'	209	2.30
74,800	Ping An Insurance 'A'	620	6.82
44,500	SAIC Motor 'A'	88	0.97
35,000	Shanghai International Airport 'A'	260	2.86
13,900	Shanghai M&G Stationery 'A'	99	1.09
85,600	Shenzhen Airport 'A'	93	1.02
2,600	Shenzhen Mindray Bio-Medical Electronics 'A'	99	1.09
62,986	Venustech 'A'	272	2.99
19,500	Wuliangye Yibin 'A'	463	5.10
157,400	Yonghui Superstores 'A'	154	1.69
9,100	Yunnan Energy New Material 'A'	79	0.87

Holding	Investment	Market Value £'000	Percentage of total net assets
Collective Investment Schemes		177	1.95
177	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc*	177	1.95
Total investment assets		8,910	98.04
Net other assets		178	1.96
Total Net Assets		9,088	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

* Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of total return

For the period 20 August 2019 to 31 July 2020

	Notes	2020 £'000	£'000
Income:			
Net capital gains	1		1,035
Revenue	2	120	
Expenses	3	(15)	
Net revenue before taxation		105	
Taxation	4	(12)	
Net revenue after taxation			93
Total return before distributions			1,128
Distributions	5		(93)
Change in net assets attributable to shareholders from investment activities			1,035

Statement of change in net assets attributable to shareholders

For the period 20 August 2019 to 31 July 2020

	2020 £'000	£'000
Opening net assets attributable to shareholders		-
Amounts receivable on the issue of shares	8,523	
Amounts payable on the cancellation of shares	(567)	
		7,956
Dilution adjustment		2
Change in net assets attributable to shareholders from investment activities (see above)		1,035
Retained distribution on accumulation shares		95
Closing net assets attributable to shareholders		9,088

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	£'000
Assets:			
Fixed assets:			
Investment assets			8,910
Current assets:			
Debtors	6	44	
Cash and bank balances	7	141	
			185
Total assets			9,095
Liabilities:			
Creditors	8	(7)	
			(7)
Total liabilities			(7)
Net assets attributable to shareholders			9,088

Notes to the Financial Statements

For the period 20 August 2019 to 31 July 2020

1. Net Capital Gains

	2020 £'000
Non-derivative securities	1,045
Other losses	(10)
Net capital gains	1,035

2. Revenue

	2020 £'000
Bank and margin interest	1
Overseas dividends	119
Total revenue	120

3. Expenses

	2020 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:	
Authorised Corporate Director's periodic charge	5
Operating, administrative and servicing fees	10
Total expenses	15

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000
(a) Analysis of charge in period	
Overseas taxes	12
Total taxation	12
(b) Factors affecting current tax charge for the period	
The tax assessed for the period is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:	
Net revenue before taxation	105
Corporation tax at 20%	21
Effects of:	
Revenue not subject to taxation	(24)
Overseas taxes	12
Excess allowable expenses	3
Total tax charge for period (note 4a)	12

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the period end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £3,000 due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current period.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000
Distribution	95
Add: Income deducted on cancellation of shares	3
Deduct: Income received on issue of shares	(5)
Net distribution for the period	93

Details of the distribution per share are set out in this fund's distribution tables.

6. Debtors

	2020 £'000
Accrued revenue	10
Amounts receivable from the ACD for the issue of shares	34
Total debtors	44

7. Liquidity

	2020 £'000
Cash and bank balances	
Cash at bank	141
	141
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	177
Net Liquidity	318

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. Creditors

	2020 £'000
Accrued expenses payable to ACD	2
Amounts payable to the ACD for cancellation of shares	3
Other accrued expenses	2
Total creditors	7

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting period are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the period end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the period.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases 2020 £'000	Sales 2020 £'000
Trades in the period		
Equities	12,483	4,805
Collective investment schemes	3,437	3,260
Trades in the period before transaction costs	15,920	8,065
Commissions		
Equities	7	(1)
Total commissions	7	(1)
Taxes		
Equities	2	(1)
Total taxes	2	(1)
Total transaction costs	9	(2)
Total net trades in the period after transaction costs	15,929	8,063

	Purchases 2020 %	Sales 2020 %
Total transaction costs expressed as a percentage of asset type cost		
Commissions		
Equities	0.06	0.01
Taxes		
Equities	0.01	0.02

	2020 %
Total transaction costs expressed as a percentage of net asset value	
Commissions	0.14
Taxes	0.05

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.05%, this is representative of the average spread on the assets held during the period.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the period	Cancellations during the period	Closing shares 2020
I Accumulation shares	-	1,854,744	(86,557)	1,768,187
K Accumulation shares	-	1,000	-	1,000
M Accumulation shares	-	1,158,020	(424,715)	733,305
Z Accumulation shares	-	5,000,000	-	5,000,000

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000
Fair value of investment assets	Level 1	Level 2	Level 3
Equities	8,733	-	-
Collective Investment Schemes	-	177	-
Total investment assets	8,733	177	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000
China Renminbi	8,326
Hong Kong Dollar	423
Total	8,749

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £437,000.

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the period end consists of:

2020	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Currency			
UK Sterling	311	28	339
China Renminbi	-	8,326	8,326
Hong Kong Dollar	6	417	423
Total	317	8,771	9,088

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £445,000.

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020.

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £7,000.

14. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 14.7% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution table

For the year ended 31 July 2020 (in pence per share)

Final dividend distribution

Group 1 - shares purchased prior to 20 August 2019

Group 2 - shares purchased between 20 August 2019 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20
I Accumulation shares			
Group 1	0.5506	-	0.5506
Group 2	0.4808	0.0698	0.5506
K Accumulation shares			
Group 1	1.0110	-	1.0110
Group 2	1.0110	-	1.0110
M Accumulation shares			
Group 1	0.9916	-	0.9916
Group 2	0.6181	0.3735	0.9916
Z Accumulation shares			
Group 1	1.5585	-	1.5585
Group 2	1.5585	-	1.5585

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Corporate Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in Sterling denominated investment grade corporate bonds.

Performance Target: To achieve the return of the iBoxx Sterling Collateralized & Corporates Index plus 1% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 60% in Sterling denominated investment grade corporate bonds.
- The fund may also invest in bonds issued anywhere in the world by governments and corporations, such as sub-sovereigns, sub-investment grade, inflation-linked, convertible, asset backed and mortgage-backed bonds. The fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to identify bonds and derivatives after analysing companies prospects and creditworthiness alongside global economic and market conditions.
- In seeking to achieve the performance target, the iBoxx Sterling Collateralized & Corporates Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 3.5%. Due the fund's risk constraints, the intention is that the fund's performance profile will not deviate significantly from the iBoxx Sterling Collateralized & Corporates Index over the longer term.

Please Note: The fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and techniques

- The fund will routinely use derivatives to reduce risk or reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI Corporate Bond Fund - A Accumulation Shares increased by 6.59% compared to an increase of 6.29% in the performance target, the iBoxx Sterling Collateralized & Corporates Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

In the early part of the review period, collapsing government bond yields and fairly stable credit spreads in most higher-quality bond markets led to fixed-income markets overall generating some strong returns while showing little volatility. Although yields were already lower than many investors thought possible, deteriorating economic data and the threat of policy action caused a further collapse towards lows. However, while investment-grade credit, where the fund is focused, held in, riskier asset classes like high yield and emerging markets wobbled slightly as political and economic data provided some volatility-causing headlines. Bond yields rose in many government markets in the latter part of 2019, but corporate bonds continued to perform well as risk appetite remained healthy.

Markets entered 2020 in a constructive manner, with investment-grade spreads materially tighter. High yield and emerging markets were also strong. This more positive environment for risk assets came about as global economic data appeared to be picking up modestly and a 'phase-one' trade deal between the US and China was agreed.

Global central banks also appear to be prepared to maintain – or even extend – their accommodative stances going forward, thus providing further confidence. In late January, the coronavirus started affecting markets, which began to consider the implications for global growth. Equities fell sharply, as did commodities such as oil, as the virus spread rapidly around the world, initially causing a slowing of global supply chains and economic activity. The virus' spread and the sharp increase in cases and fatalities then led to a succession of lockdowns across the globe, which more or less halted domestic economic activity. Those sectors most affected by lockdowns and trade flows performed badly, with hotels, retail, airlines and leisure being among the worst hit.

Central banks and governments in both developed and emerging economies responded quickly, announcing rate cuts, bond-buying programmes and stimulus packages. These actions soothed financial markets, which also helped gradually reverse the dramatic spread widening seen in February and March over the subsequent months. Still, there are certainly outstanding risks in significant areas of the economy, and credit rating agencies have been taking action. Nonetheless, buyers are continuing to demand fixed-income assets, forcing yields lower and spreads tighter.

Portfolio Activity

The portfolio performed strongly because of strong sector allocation and stock selection. The fund's exposure to credit markets was focused on the lower-quality areas of the market and the financial sectors relative to non-financials. Both factors have been material drivers of performance over the period, with positioning in financials being especially beneficial. Overweight positions in sectors such as banks and utilities, which performed well, were particularly helpful. Meanwhile, underweight positions in sectors such as transportation and autos also boosted performance, especially during the height of the COVID-19 crisis.

Within the transport sector, UK airports are material issuers in the domestic market. The fund's exposure is largely in the country's prime airport infrastructure, Heathrow, and this position was increased when spreads widened dramatically in March 2020.

Portfolio Outlook and Strategy

Credit markets have performed well of late and are approaching fair value and levels seen at the end of 2019. Some of the higher-risk areas of the markets still offer value, but the economic environment means that stock selection will be crucial over the coming period. The risks to growth caused by the impacts of the coronavirus are fairly apparent and ongoing as the virus has yet to be brought under control. Although there appears to be ongoing support for bonds across most markets, we are happy to pare back risk, especially in the most fully valued areas. Furthermore, with the extremely low levels of government bond yields, duration has now also fallen below that of the index benchmark.

Sterling IG Aggregate Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 3 because of the extent to which the following risk factors apply:

- The fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations. The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	173.71	161.79	163.28
Return before operating charges*	12.48	13.67	0.31
Operating charges	(1.85)	(1.75)	(1.80)
Return after operating charges*	10.63	11.92	(1.49)
Distributions	(3.62)	(3.71)	(3.41)
Retained distributions on accumulation shares	3.62	3.71	3.41
Closing net asset value per share	184.34	173.71	161.79
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	6.12%	7.37%	(0.91%)
Other information			
Closing net asset value (£'000)	7,997	2,951	3,080
Closing number of shares	4,338,132	1,699,063	1,903,778
Operating charges	1.04%	1.06%	1.10%
Direct transaction costs	-	-	-
Prices			
Highest share price	185.6	174.5	166.6
Lowest share price	159.3	158.6	161.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	118.78	113.13	116.58
Return before operating charges*	8.45	9.43	0.25
Operating charges	(1.25)	(1.21)	(1.28)
Return after operating charges*	7.20	8.22	(1.03)
Distributions	(2.45)	(2.57)	(2.42)
Closing net asset value per share	123.53	118.78	113.13
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	6.06%	7.27%	0.88%
Other information			
Closing net asset value (£'000)	306,068	375,801	373,680
Closing number of shares	247,766,425	316,391,933	330,316,081
Operating charges	1.04%	1.06%	1.10%
Direct transaction costs	-	-	-
Prices			
Highest share price	124.9	120.0	118.9
Lowest share price	107.8	110.3	113.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	201.80	187.08	187.86
Return before operating charges*	14.54	15.85	0.35
Operating charges	(1.23)	(1.13)	(1.13)
Return after operating charges*	13.31	14.72	(0.78)
Distributions	(5.14)	(5.19)	(4.88)
Retained distributions on accumulation shares	5.14	5.19	4.88
Closing net asset value per share	215.11	201.80	187.08
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	6.60%	7.87%	(0.42%)
Other information			
Closing net asset value (£'000)	38,205	12,835	12,385
Closing number of shares	17,760,419	6,359,940	6,619,886
Operating charges	0.59%	0.59%	0.60%
Direct transaction costs	-	-	-
Prices			
Highest share price	216.5	202.7	192.0
Lowest share price	185.6	183.7	185.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	122.64	116.80	120.38
Return before operating charges*	8.76	9.75	0.24
Operating charges	(0.74)	(0.70)	(0.72)
Return after operating charges*	8.02	9.05	(0.48)
Distributions	(3.10)	(3.21)	(3.10)
Closing net asset value per share	127.56	122.64	116.80
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	6.54%	7.75%	(0.40%)
Other information			
Closing net asset value (£'000)	12,972	12,654	12,588
Closing number of shares	10,169,380	10,317,633	10,776,801
Operating charges	0.59%	0.59%	0.60%
Direct transaction costs	-	-	-
Prices			
Highest share price	129.1	124.1	122.9
Lowest share price	111.4	113.9	117.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Gross Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	230.55	213.74	214.62
Return before operating charges*	16.61	18.11	0.41
Operating charges	(1.40)	(1.30)	(1.29)
Return after operating charges*	15.21	16.81	(0.88)
Distributions	(5.87)	(5.93)	(5.58)
Retained distributions on accumulation shares	5.87	5.93	5.58
Closing net asset value per share	245.76	230.55	213.74
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	6.60%	7.86%	(0.41%)
Other information			
Closing net asset value (£'000)	654	663	1,228
Closing number of shares	266,141	287,744	574,378
Operating charges	0.59%	0.59%	0.60%
Direct transaction costs	-	-	-
Prices			
Highest share price	247.4	231.6	219.4
Lowest share price	212.0	209.9	212.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	109.33	100.00 ^B
Return before operating charges*	8.02	9.78
Operating charges	(0.72)	(0.45)
Return after operating charges*	7.30	9.33
Distributions	(2.58)	(2.41)
Retained distributions on accumulation shares	2.58	2.41
Closing net asset value per share	116.63	109.33
* after direct transaction costs of:	-	-
Performance		
Return after charges	6.68%	9.33%
Other information		
Closing net asset value (£'000)	26	-
Closing number of shares	21,834	100
Operating charges	0.64%	0.64%
Direct transaction costs	-	-
Prices		
Highest share price	117.4	109.8
Lowest share price	100.7	99.35

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	106.84	100.00 ^B
Return before operating charges*	7.90	9.70
Operating charges	(0.70)	(0.45)
Return after operating charges*	7.20	9.25
Distributions	(2.62)	(2.41)
Closing net asset value per share	111.42	106.84
* after direct transaction costs of:	-	-
Performance		
Return after charges	6.74%	9.25%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	928	100
Operating charges	0.64%	0.64%
Direct transaction costs	-	-
Prices		
Highest share price	112.8	108.3
Lowest share price	97.30	99.35

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

P Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	115.70	110.19	113.55
Return before operating charges*	8.26	9.19	0.25
Operating charges	(0.40)	(0.38)	(0.40)
Return after operating charges*	7.86	8.81	(0.15)
Distributions	(3.22)	(3.30)	(3.21)
Closing net asset value per share	120.34	115.70	110.19
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	6.79%	8.00%	(0.13%)
Other information			
Closing net asset value (£'000)	83,161	89,703	95,371
Closing number of shares	69,106,228	77,532,196	86,553,128
Operating charges	0.34%	0.34%	0.35%
Direct transaction costs	-	-	-
Prices			
Highest share price	121.9	117.1	115.9
Lowest share price	105.1	107.5	110.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

P Gross Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	119.21	113.53	117.00
Return before operating charges*	8.50	9.47	0.24
Operating charges	(0.41)	(0.39)	(0.41)
Return after operating charges*	8.09	9.08	(0.17)
Distributions	(3.31)	(3.40)	(3.30)
Closing net asset value per share	123.99	119.21	113.53
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	6.79%	8.00%	(0.15%)
Other information			
Closing net asset value (£'000)	2,761	3,903	3,982
Closing number of shares	2,227,019	3,273,900	3,507,607
Operating charges	0.34%	0.34%	0.35%
Direct transaction costs	-	-	-
Prices			
Highest share price	125.6	120.7	119.5
Lowest share price	108.3	110.7	114.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Q Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	115.68	110.17	113.54
Return before operating charges*	8.27	9.20	0.22
Operating charges	(0.32)	(0.31)	(0.29)
Return after operating charges*	7.95	8.89	(0.07)
Distributions	(3.30)	(3.38)	(3.30)
Closing net asset value per share	120.33	115.68	110.17
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	6.87%	8.07%	(0.06%)
Other information			
Closing net asset value (£'000)	343,936	463,453	806,074
Closing number of shares	285,839,321	400,623,726	731,639,990
Operating charges	0.27%	0.27%	0.26%
Direct transaction costs	-	-	-
Prices			
Highest share price	121.9	117.1	115.9
Lowest share price	105.1	107.5	110.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Q Gross Income shares ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	119.22	113.54	117.02
Return before operating charges*	7.88	9.49	0.23
Operating charges	(0.33)	(0.32)	(0.30)
Return after operating charges*	7.55	9.17	(0.07)
Distributions	(2.57)	(3.49)	(3.41)
Redemption value as at 14 July 2020	(124.20)	-	-
Closing net asset value per share	-	119.22	113.54
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	6.33%	8.08%	(0.06%)
Other information			
Closing net asset value (£'000)	-	1,969	37,922
Closing number of shares	-	1,651,239	33,399,891
Operating charges	0.27%	0.27%	0.26%
Direct transaction costs	-	-	-
Prices			
Highest share price	125.1	120.7	119.5
Lowest share price	108.3	110.8	114.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Q Gross Income share class was closed on 14 July 2020.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	223.97	206.61	206.43
Return before operating charges*	16.19	17.56	0.39
Operating charges	(0.21)	(0.20)	(0.21)
Return after operating charges*	15.98	17.36	0.18
Distributions	(6.87)	(6.80)	(6.42)
Retained distributions on accumulation shares	6.87	6.80	6.42
Closing net asset value per share	239.95	223.97	206.61
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	7.13%	8.40%	0.09%
Other information			
Closing net asset value (£'000)	159,389	361,993	320,755
Closing number of shares	66,427,040	161,623,206	155,249,358
Operating charges	0.09%	0.09%	0.10%
Direct transaction costs	-	-	-
Prices			
Highest share price	241.5	225.0	211.5
Lowest share price	206.6	203.2	204.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (95.47%)		906,661	94.92
Euro Denominated Bonds (3.11%)		28,475	2.98
Corporate Bonds (3.11%)		28,475	2.98
between 5 and 10 years to maturity			
3,600,000	International Consolidated Airlines 1.5% 2027*	2,297	0.24
12,850,000	Lehman Brothers 4.625% 2019**	-	-
greater than 25 years to maturity			
4,100,000	AIG 4.875% 2067	3,204	0.34
Perpetual			
11,360,000	NatWest 1.721% fixed to floating Perpetual	9,210	0.96
3,500,000	Telefonica 3.875% fixed to floating Perpetual	3,195	0.33
3,290,000	UniCredit 7.5% fixed to floating Perpetual	3,143	0.33
4,120,000	UniCredit 9.25% fixed to floating Perpetual	3,960	0.42
3,900,000	Volkswagen International 3.5% fixed to floating Perpetual	3,466	0.36
Sterling Denominated Bonds (89.48%)		855,816	89.60
Corporate Bonds (87.28%)		828,594	86.75
less than 5 years to maturity			
4,300,000	Autolink Concessionaires M6 8.39% 2022	983	0.10
4,000,000	Banco Santander 1.375% 2024	4,041	0.42
4,120,000	Bank of America 2.3% 2025	4,386	0.46
14,190,000	Barclays 2.375% 2023	14,484	1.52
8,073,000	BP 2.03% 2025	8,501	0.89
1,800,000	City Greenwich Lewisham Rail Link 9.375% 2020	55	0.01
5,600,000	Deutsche Bank 2.625% 2024	5,689	0.60
4,902,000	FirstGroup 8.75% 2021	5,021	0.53
4,120,000	Heathrow Finance 5.75% 2025*	4,272	0.45
4,120,000	HSBC 6.5% 2024	4,871	0.51
5,440,000	Intu (SGS) Finance 4.125% 2023	2,842	0.30
3,290,000	Lloyds Bank 9.625% 2023	3,955	0.41
2,379,000	Scottish Widows 5.5% 2023	2,598	0.27
3,740,000	Severn Trent 1.625% 2022	3,827	0.40
3,290,000	Total Capital International 1.25% 2024	3,405	0.36
2,880,000	Unite (USAF) II 3.374% 2023	2,985	0.31

Holding	Investment	Market Value £'000	Percentage of total net assets
between 5 and 10 years to maturity			
3,700,000	Abertis Infraestructuras 3.375% 2026	3,929	0.41
1,980,000	APT Pipelines 3.5% 2030	2,239	0.23
2,470,000	AT&T 4.375% 2029	3,010	0.32
8,740,000	Barclays 3% 2026	9,301	0.97
3,442,000	BAT International Finance 2.25% 2028	3,473	0.36
4,265,000	BP 2.274% 2026	4,609	0.48
6,180,000	British American Tobacco 4% 2026	6,961	0.73
4,269,000	British Land 2.375% 2029	4,376	0.46
3,818,000	Citigroup 1.75% 2026	3,930	0.41
5,060,000	CPUK 3.69% 2028	5,148	0.54
5,110,000	Credit Suisse FRN 2025	5,254	0.55
2,754,000	CRH 4.125% 2029	3,322	0.35
4,076,000	Danske Bank 2.25% fixed to floating 2028	4,130	0.43
773,000	Eversholt 6.359% 2025	955	0.10
4,316,000	Gatwick 6.125% 2026	5,121	0.54
2,975,000	Grainger 3% 2030	3,081	0.32
2,060,000	Hammerson 3.5% 2025	1,846	0.19
3,473,000	Hammerson 6% fixed to floating 2026	3,445	0.36
883,000	Hammerson 7.25% 2028	909	0.10
5,259,000	HSBC 2.256% 2026	5,389	0.56
6,140,000	innogy Finance 6.25% 2030	8,780	0.92
8,230,000	Kraft Heinz Foods 4.125% 2027	8,836	0.93
2,345,000	MPT Operating Partnership 3.692% 2028	2,354	0.25
2,772,000	National Express 2.375% 2028	2,698	0.28
4,428,000	National Grid Electricity Transmission 1.125% 2028	4,499	0.47
3,105,000	New York Life Global Funding 1.25% 2026	3,200	0.34
3,302,000	NewRiver REIT 3.5% 2028	2,925	0.31
5,760,000	NIE Finance 6.375% 2026	7,522	0.79
4,338,000	Northern Gas Networks 4.875% 2027	5,392	0.56
4,940,000	Northumbrian Water 1.625% 2026	5,138	0.54
4,364,000	Northumbrian Water 2.375% 2027	4,745	0.50
1,590,000	Notting Hill Genesis 2.875% 2029	1,737	0.18
2,900,000	Orsted 2.125% 2027	3,143	0.33
4,120,000	Paragon FRN 2026*	4,125	0.43
1,460,000	Prudential 5.875% 2029	1,948	0.20
7,553,000	Quadgas Finance 3.375% 2029	8,024	0.84
2,770,000	Royal Bank of Canada 1.125% 2025	2,796	0.29
2,682,000	Severn Trent 6.25% 2029	3,858	0.40
4,606,000	Smith (DS) 2.875% 2029	4,692	0.49
2,655,000	Southern Gas Networks 4.875% 2029	3,473	0.36

Holding	Investment	Market Value £'000	Percentage of total net assets
4,280,000	Thames Water 6.75% 2028	6,039	0.63
5,800,000	Total Capital 1.66% 2026	6,130	0.64
2,230,000	Trafford Centre 7.03%% 2029	1,254	0.13
2,359,000	Tritax Big Box REIT 2.625% 2026	2,534	0.27
4,996,000	Unite Group 3.5% 2028	5,201	0.54
3,710,000	Virgin Media 5% 2027	3,860	0.40
4,940,000	Virgin Money 3.375% fixed to floating 2026	4,899	0.51
1,810,000	Virgin Money UK 4% fixed to floating 2027	1,836	0.19
3,944,000	Virgin Money UK 7.875% fixed to floating 2028*	4,172	0.44
3,985,000	Welltower 4.8% 2028	4,640	0.49
1,480,000	Wessex Water Services Finance 1.5% 2029	1,517	0.16
3,953,000	Westfield Stratford City Finance 1.642% 2026	3,995	0.42
between 10 and 15 years to maturity			
1,650,000	America Movil 4.948% 2033	2,229	0.23
4,120,000	Annington Funding 3.685% 2034	4,882	0.51
2,725,000	APT Pipelines 3.125% 2031	3,026	0.32
3,290,000	AT&T 5.2% 2033	4,483	0.47
6,590,000	Barclays 3.75% 3.75% fixed to floating 2030	6,817	0.71
6,690,000	Broadgate Financing 5.098% 2033	7,438	0.78
8,470,000	Canary Wharf Finance 6.455% 2033	1,980	0.21
2,060,000	Centrica 7% 2033	3,211	0.34
10,142,000	Digital Stout 3.75% 2030	12,089	1.27
4,100,000	EDF 6.125% 2034	6,169	0.65
1,448,000	Experian 3.25% 2032	1,719	0.18
6,579,000	Fidelity National Information Services 3.36% 2031	7,710	0.81
5,118,000	Fiserv 3% 2031	5,813	0.61
1,650,000	Gatwick 4.625% 2034	1,954	0.21
8,400,000	Great Rolling Stock 6.5% 2031*	8,845	0.93
905,000	Greene King 5.702% fixed to floating 2034	771	0.08
2,208,000	Greene King FRN 2033	1,458	0.15
2,959,000	Heathrow Funding 6.45% fixed to floating 2031	4,218	0.44
5,400,000	Innogy 4.75% 2034	7,345	0.77
6,900,000	Meadowhall Finance 4.986% 2032	5,644	0.59
1,690,000	Meadowhall Finance 4.988% 2032	1,413	0.15
6,098,000	Morrison (Wm) 2.5% 2031	6,564	0.69
5,760,000	Network Rail 4.375% 2030	8,042	0.84
2,900,000	Orange 3.25% 2032	3,438	0.36
5,950,000	Premiertel 6.175% 2032	6,417	0.67
3,130,000	Thames Water 4.375% 2034	4,120	0.43
3,990,000	Thames Water 5.75% 2030	4,220	0.44

Holding	Investment	Market Value £'000	Percentage of total net assets
4,970,000	Tritax Big Box REIT 3.125% 2031	5,568	0.58
2,960,000	Welltower 4.5% 2034	3,462	0.36
4,940,000	Western Power 5.75% 2032	7,235	0.76
between 15 and 25 years to maturity			
3,290,000	America Movil 4.375% 2041	4,462	0.47
8,523,000	Anheuser-Busch InBev 2.85% 2037	9,355	0.98
4,388,000	Aspire Defence 4.674% 2040 'A'	5,347	0.56
843,000	Aspire Defence 4.674% 2040 'B'	1,027	0.11
1,758,000	Aster Treasury 4.5% 2043	2,689	0.28
3,300,000	AT&T 7% 2040	5,539	0.58
9,060,000	Aviva 6.125% 2036	10,845	1.14
7,410,000	Aviva 6.625% fixed to floating 2041	7,687	0.81
2,299,000	Berkshire Hathaway Finance 2.375% 2039	2,659	0.28
1,700,000	British Telecom 6.375% 2037	2,684	0.28
3,130,000	Cadent Finance 2.625% 2038	3,539	0.37
2,172,000	Comcast 1.875% 2036	2,290	0.24
3,822,000	Connect Plus 2.607% 2039	4,189	0.44
7,450,000	E.ON Finance 6.75% 2039	13,062	1.37
3,300,000	EDF 5.5% 2037	4,838	0.51
7,400,000	EDF 5.5% 2041	11,242	1.18
3,290,000	Enel 5.75% 2037	4,997	0.52
3,290,000	Enel 5.75% 2040*	5,155	0.54
1,650,000	Eversholt 3.529% 2042	1,842	0.19
4,209,000	Eversholt Funding 2.742% 2040	4,382	0.46
2,470,000	Gatwick 3.125% 2039	2,515	0.26
820,000	Gatwick 6.5% 2041	1,217	0.13
660,000	GE Capital 6.25% 2038	850	0.09
1,090,000	GE Capital 8% 2039	1,588	0.17
1,810,000	General Electric 5.375% 2040	2,128	0.22
3,290,000	GlaxoSmithKline 5.25% 2042	5,511	0.58
2,470,000	HSBC 6% 2040	3,191	0.33
2,470,000	Midland Heart Capital 5.087% 2044	3,745	0.39
2,470,000	Morhomes 3.4% 2038	2,879	0.30
7,410,000	RMPA Services 5.337% 2038	7,580	0.79
4,260,000	Scottish Hydro 2.25% 2035	4,707	0.49
3,100,000	SLM Student Loan Trust FRN 2038	2,210	0.23
2,060,000	Southern Gas Networks 3.1% 2036	2,504	0.26
3,930,000	Southern Water Services Finance 3% 2037	4,146	0.43
300,000	Tesco 5.6611% 2041	401	0.04
7,304,000	Tesco 5.744% 2040	9,537	1.00
1,406,000	Tesco 7.6227% 2039	1,813	0.19

		Market Value £'000	Percentage of total net assets
Holding	Investment		
3,327,000	THFC Funding No 1 5.125% 2035	4,914	0.51
3,634,000	United Utilities Water Finance 1.875% 2042	3,868	0.40
7,113,000	Verizon Communications 3.375% 2036	8,980	0.94
1,835,000	Wheatley 4.375% 2044*	2,617	0.27
greater than 25 years to maturity			
3,350,000	American International FRN 2067	2,850	0.30
4,300,000	Annington Funding 3.935% 2047	5,494	0.58
3,090,000	Aviva 5.125% 2050	3,570	0.37
4,025,000	Berkshire Hathaway Finance 2.625% 2059	5,093	0.53
5,350,000	BHP Billiton 6.5% 2077	5,846	0.61
2,610,000	Blend Funding 3.459% 2047	3,430	0.36
1,990,000	Cadent Finance 2.75% 2046	2,325	0.24
1,650,000	Catalyst Housing 3.125% 2047	2,072	0.22
4,942,000	Channel Link 3.043% 2050	5,105	0.53
3,320,000	Dignity 4.6956% 2049	2,591	0.27
1,400,000	EDF 6% 2114	2,486	0.26
3,050,000	Engie 5% 2060	5,961	0.62
2,602,000	Heathrow Funding 4.625% 2046	3,569	0.37
6,980,000	Income Contingent Student Loans 2 2007-2009 2.5% 2058	6,128	0.64
7,820,000	NGG 5.625% fixed to floating 2073	8,980	0.94
2,470,000	Notting Hill Housing Trust 3.25% 2048	2,958	0.31
2,060,000	Notting Hill Housing Trust 4.375% 2054	3,055	0.32
2,350,000	Orange 5.375% 2050	4,135	0.43
2,470,000	Paragon 3.625% 2047	3,128	0.33
10,000,000	Paragon FRN 2050	8,697	0.91
7,000,000	Precise Mortgage Funding 2018-2B FRN 2055	4,024	0.42
4,480,000	Prudential 5.625% FRN 2051	5,127	0.54
3,300,000	RL Finance 4.875% fixed to floating 2049	3,497	0.37
5,005,000	RMAC FRN 2046	3,769	0.39
2,070,000	Thames Water 7.738% 2058	4,490	0.47
225,000	University of Cambridge 2.35% 2078	365	0.04
2,212,000	University of Oxford 2.544% 2117	3,423	0.36
3,458,000	Vodafone 3% 2056	3,944	0.41
3,170,000	Wellcome Trust 2.517% 2118	5,047	0.53
1,890,000	WM Treasury 2 3.25% 2048	2,500	0.26
2,165,000	Wrekin Housing 2.5% 2048	2,571	0.27
Perpetual			
2,640,000	Aviva 6.125% fixed to floating Perpetual	2,866	0.30
8,890,000	AXA 5.453% fixed to floating Perpetual	9,990	1.05
4,842,000	Barclays 6.375% fixed to floating Perpetual	4,689	0.49

Holding	Investment	Market Value £'000	Percentage of total net assets
4,893,000	BP Capital Markets 4.25% fixed to floating Perpetual	5,052	0.53
2,300,000	Cheltenham & Gloucester 11.75% Perpetual	4,637	0.49
3,000,000	EDF 6% fixed to floating Perpetual	3,239	0.34
3,710,000	HSBC 5.844% fixed to floating Perpetual	4,948	0.52
5,604,000	HSBC 5.875% fixed to floating Perpetual	5,501	0.58
4,120,000	Lloyds Bank 13% fixed to floating Perpetual	7,056	0.74
2,060,000	Lloyds Banking Group 7.625% fixed to floating Perpetual	2,128	0.22
9,723,000	National Westminster Bank 7.125% fixed to floating Perpetual	10,740	1.12
1,684,000	Nationwide Building Society 5.75% fixed to floating Perpetual	1,715	0.18
2,079,000	Nationwide Building Society 5.875% fixed to floating Perpetual	2,107	0.22
2,822,000	Orange 5.75% fixed to floating Perpetual	3,079	0.32
1,650,000	Rabobank 6.91% fixed to floating Perpetual	2,644	0.28
3,946,000	SSE 3.74% fixed to floating Perpetual	4,064	0.43
6,590,000	SSE 3.875% fixed to floating Perpetual	6,593	0.69
Government Bonds (2.20%)		27,222	2.85
between 15 and 25 years to maturity			
7,820,000	UK (Govt of) 4.5% 2042	14,250	1.49
greater than 25 years to maturity			
10,000,000	UK (Govt of) 1.75% 2049	12,972	1.36
US Dollar Denominated Bonds (2.88%)		22,370	2.34
Corporate Bonds (2.88%)		22,370	2.34
between 10 and 15 years to maturity			
9,352,000	AT&T 2.75% 2031	7,627	0.80
3,815,000	Charter Communications Operating 2.8% 2031	3,059	0.32
greater than 25 years to maturity			
4,173,000	BHP Billiton Finance FRN 2075	3,752	0.39
5,092,000	NatWest Markets 7.125% 2093	5,997	0.63
Perpetual			
3,710,000	Australia & New Zealand Banking FRN Perpetual	1,935	0.20
Equities (0.39%)		4,089	0.43
UK Equities (0.39%)		4,089	0.43
Financials (0.39%)		4,089	0.43
2,760,000	National Westminster Bank (Preference)	4,089	0.43

Holding	Investment	Market Value £'000	Percentage of total net assets
Collective Investment Schemes (3.29%)		34,791	3.64
8,057,919	ASI European High Yield Bond Fund Z Acc ⁺	9,900	1.04
14,062,595	ASI Strategic Bond Fund Z Acc ⁺	24,891	2.60
Derivatives (-0.23%)		(46)	-
Credit Default Swaps (-0.02%)		(695)	(0.07)
USD 5,000,000	Sell Petroleos Mexicanos Sa Senior 20/06/2025 1%	(695)	(0.07)
Forward Currency Contracts (-0.19%)		987	0.10
	Buy EUR 2,118,000 Sell GBP 1,902,384 10/09/2020	7	-
	Buy EUR 3,109,000 Sell GBP 2,816,595 10/09/2020	(13)	-
	Buy EUR 3,281,000 Sell GBP 2,930,542 10/09/2020	28	-
	Buy EUR 4,489,000 Sell GBP 4,077,937 10/09/2020	(31)	-
	Buy EUR 6,891,000 Sell GBP 6,235,253 10/09/2020	(22)	-
	Buy EUR 8,060,000 Sell GBP 7,342,338 10/09/2020	(76)	(0.01)
	Buy GBP 728,157 Sell AUD 1,321,000 10/09/2020	6	-
	Buy GBP 2,422,323 Sell EUR 2,689,000 10/09/2020	(2)	-
	Buy GBP 6,089,911 Sell EUR 6,780,000 10/09/2020	(23)	-
	Buy GBP 45,900,900 Sell EUR 51,127,000 10/09/2020	(193)	(0.02)
	Buy GBP 2,653,515 Sell USD 3,319,000 10/09/2020	125	0.01
	Buy GBP 37,153,593 Sell USD 46,657,000 10/09/2020	1,614	0.17
	Buy USD 4,948,000 Sell GBP 3,816,735 10/09/2020	(48)	(0.01)
	Buy USD 5,139,000 Sell GBP 4,038,730 10/09/2020	(124)	(0.01)
	Buy USD 9,413,000 Sell GBP 7,431,261 10/09/2020	(261)	(0.03)
Futures (-0.02%)		(338)	(0.03)
(212)	Short Euro-Bobl Future 08/09/2020	(145)	(0.01)
(178)	Short US 10 Year Note Future 21/09/2020	(193)	(0.02)
Total investment assets and liabilities		945,495	98.99
Net other assets		9,675	1.01
Total Net Assets		955,170	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺ Managed by subsidiaries of Standard Life Aberdeen plc.

^{*} A portion of this security is on loan at the period end.

^{**} Defaulted.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	48,061	61,794
Revenue	2	39,363	49,041
Expenses	3	(5,798)	(6,508)
Interest payable and similar charges		(4)	(4)
Net revenue before taxation		33,561	42,529
Taxation	4	-	-
Net revenue after taxation		33,561	42,529
Total return before distributions		81,622	104,323
Distributions	5	(33,561)	(42,529)
Change in net assets attributable to shareholders from investment activities		48,061	61,794

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	1,325,925	1,667,065
Amounts receivable on the issue of shares	36,118	70,370
Amounts payable on the cancellation of shares	268,772	(485,326)
Amounts payable on inspecie transfers*	(196,787)	-
	(429,441)	(414,956)
Dilution adjustment	715	802
Change in net assets attributable to shareholders from investment activities (see above)	48,061	61,794
Retained distribution on accumulation shares	9,902	11,211
Unclaimed distributions	8	9
Closing net assets attributable to shareholders	955,170	1,325,925

* Relating to an in specie transfer on 27 July 2020.

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		947,321	1,315,023
Current assets:			
Debtors	6	20,354	41,331
Cash and bank balances	7	2,848	2,302
		23,202	43,633
Total assets		970,523	1,358,656
Liabilities:			
Investment liabilities		(1,826)	(3,362)
Creditors	8	(9,134)	(19,059)
Bank overdrafts	7	(30)	(3,827)
Distribution payable		(4,363)	(6,483)
		(13,527)	(29,369)
Total liabilities		(15,353)	(32,731)
Net assets attributable to shareholders		955,170	1,325,925

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	44,102	65,928
Derivative contracts	691	(306)
Forward currency contracts	2,603	(3,429)
Other gains/(losses)	665	(399)
Net capital gains	48,061	61,794

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	6	79
Derivative revenue	52	61
Income from UK Collective Investment Schemes		
Interest income	1,536	2,261
Interest on debt securities	37,305	46,332
Stocklending revenue	162	74
UK dividends	302	234
Total revenue	39,363	49,041

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	4,933	5,629
Operating, administrative and servicing fees	865	879
Total expenses	5,798	6,508

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total taxation	-	-

(b)

Factors affecting current tax charge for the year

The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:

	2020 £'000	2019 £'000
Net revenue before taxation	33,561	42,529
Corporation tax at 20% (2019: 20%)	6,712	8,506
Effects of:		
Revenue not subject to taxation	(60)	(47)
Distributions treated as tax deductible	(6,652)	(8,459)
Total tax charge for year (note 4a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Factors that may affect future tax charge

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	9,229	11,719
Second interim distribution	8,445	11,306
Third interim distribution	7,955	9,241
Final distribution	5,748	9,494
	31,377	41,760
Add: Income deducted on cancellation of shares	2,435	1,047
Deduct: Income received on issue of shares	(251)	(278)
Net distribution for the year	33,561	42,529

Details of the distribution per share are set out in this fund's distribution tables.

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	11,783	17,192
Amounts receivable from the ACD for the issue of shares	58	327
Sales awaiting settlement	8,513	23,812
Total debtors	20,354	41,331

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	1,299	137
Cash at broker	849	1,865
Collateral cash pledged to counterparties ⁻	700	300
	2,848	2,302
Bank overdrafts		
Collateral cash pledged by counterparties [^]	(30)	-
Overdraft at bank	-	(3,827)
	(30)	(3,827)
Net Liquidity	2,818	(1,525)

⁻ This reflects cash the fund retains beneficial ownership of however which is currently being used to manage bilateral counterparty exposure on out of the money derivative positions.

[^] This reflects cash the fund has taken receipt of to support in the money derivative positions and mitigate counterparty risk to the fund.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	381	512
Amounts payable to the ACD for cancellation of shares	8,676	2,336
Other accrued expenses	77	-
Purchases awaiting settlement	-	16,211
Total creditors	9,134	19,059

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Bonds	646,795	593,767	846,668	950,944
Collective investment schemes	-	-	10,182	11,675
In specie transactions	-	-	196,552	-
Corporate actions	-	986	-	5,808
Trades in the year before transaction costs	646,795	594,753	1,053,403	968,427

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Commissions				
Bonds	-	24	-	-
Total commissions	-	24	-	-
Taxes				
Bonds	-	1	-	-
Total taxes	-	1	-	-
Total transaction costs	-	25	-	-
Total net trades in the year after transaction costs	646,795	594,778	1,053,403	968,427

Total transaction costs expressed as a percentage of asset type cost	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Commissions				
Bonds	-	0.49	-	-
Taxes				
Bonds	-	0.01	-	-

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 1.10% (2019: 0.87%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	1,699,063	2,719,929	(1,327,326)	1,246,466	4,338,132
A Income shares	316,391,933	4,116,335	(72,858,154)	116,311	247,766,425
I Accumulation shares	6,359,940	802,521	(1,400,204)	11,998,162	17,760,419
I Income shares	10,317,633	379,615	(1,666,711)	1,138,843	10,169,380
I Gross Accumulation shares	287,744	39,375	(60,978)	-	266,141
M Accumulation shares	100	18,859	(14,563)	17,438	21,834
M Income shares	100	828	-	-	928
P Income shares	77,532,196	1,503,872	(9,809,720)	(120,120)	69,106,228
P Gross Income shares	3,273,900	-	(1,045,372)	(1,509)	2,227,019
Q Income shares	400,623,726	890,028	(114,470,098)	(1,204,335)	285,839,321
Q Gross Income shares	1,651,239	100	(1,651,339)	-	-
Z Accumulation shares	161,623,206	9,717,506	(93,154,632)	(11,759,040)	66,427,040

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	27,222	879,439	-	34,384	1,236,685	-
Equities	4,089	-	-	-	-	-
Collective Investment Schemes	-	34,791	-	-	43,636	-
Derivatives	-	1,780	-	-	318	-
Total investment assets	31,311	916,010	-	34,384	1,280,639	-
Fair value of investment liabilities						
Derivatives	(338)	(1,488)	-	-	(3,363)	-
Total investment liabilities	(338)	(1,488)	-	-	(3,363)	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

The income and capital value of the fund's investments are mainly denominated in Sterling, the fund's functional currency; therefore, the financial statements are not subject to any significant risk of currency movements. This is consistent with the exposure during the prior year.

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the year end consists of:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	51,790	809,774	95,880	957,444
Australian Dollar	-	-	-	(722)
Euro	9,598	19,264	(29,348)	(486)
US Dollar	6,147	16,683	(23,896)	(1,066)
Total	67,535	845,721	41,914	955,170

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2019				
Currency				
UK Sterling	261,008	927,916	137,109	1,326,033
Euro	37,829	3,916	(41,837)	(92)
US Dollar	14,985	23,891	(38,892)	(16)
Total	313,822	955,723	56,380	1,325,925

Other price risk

Sensitivity analysis

The sensitivity analysis of the fund's financial asset and liability positions is monitored by the Investment Manager using VaR analysis. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	1.44%	1.82%
Maximum VaR	2.68%	2.68%
Average VaR	1.99%	2.42%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	0.04%	2.29%	-	0.27%	2.60%
31 July 2019	0.01%	1.42%	-	0.44%	1.87%

The ACD must calculate the global exposure of any fund it manages either as: 1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property. This is known as the Commitment Approach and is a measure of leverage or; 2) the market risk of the scheme property by way of the value at risk (VaR) approach. Although, the sensitivity analysis of the fund's financial asset and liability positions described above uses VaR analysis, the global exposure calculations for funds may be calculated on the Commitment Basis. The Prospectus provides further details on which method is used to calculate Global Exposure for each fund.

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	845,047	88.47%
Below investment grade securities	61,614	6.45%
Unrated securities	-	-
Total Value of Securities	906,661	94.92%

2019	Market value £'000	Percentage of total net assets %
Investment grade securities	1,124,281	84.79%
Below investment grade securities	141,570	10.68%
Unrated securities	-	-
Total Value of Securities	1,265,851	95.47%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

2020	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	(338)	(48)	(386)	(30)	849	433
BNP Paribas	-	-	-	(31)	(31)	-	-	(31)
Citigroup	(695)	-	-	(269)	(964)	700	-	(264)
Deutsche Bank	-	-	-	(261)	(261)	-	-	(261)
Goldman Sachs	-	-	-	1,612	1,612	-	-	1,612
HSBC	-	-	-	125	125	-	-	125
RBC Dominion Securities	-	-	-	(23)	(23)	-	-	(23)
Standard Chartered	-	-	-	(28)	(28)	-	-	(28)
StateStreet	-	-	-	(90)	(90)	-	-	(90)
Total	(695)	-	(338)	987	(46)	670	849	1,473

2019	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	-	(239)	(239)	-	1,865	1,626
Barclays	-	-	-	(129)	(129)	-	-	(129)
Citigroup	-	-	-	28	28	-	-	28
Goldman Sachs	-	-	-	(1,384)	(1,384)	-	-	(1,384)
HSBC	-	-	-	(879)	(879)	-	-	(879)

2019	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
JP Morgan	(319)	-	-	-	(319)	300	-	(19)
Morgan Stanley	-	-	-	(45)	(45)	-	-	(45)
Royal Bank of Canada	-	-	-	(28)	(28)	-	-	(28)
StateStreet	-	-	-	25	25	-	-	25
UBS	-	-	-	(75)	(75)	-	-	(75)
Total	(319)	-	-	(2,726)	(3,045)	300	1,865	(880)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(1,131)	(695)	-	(1,826)
Non-derivatives					
Amounts held at futures clearing houses and brokers	(30)	-	-	-	(30)
Other creditors	-	(9,134)	-	-	(9,134)
Distribution payable	-	(4,363)	-	-	(4,363)
Total financial liabilities	(30)	(14,628)	(695)	-	(15,353)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(3,043)	-	(319)	(3,362)
Non-derivatives					
Other creditors	-	(22,886)	-	-	(22,886)
Distribution payable	-	(6,483)	-	-	(6,483)
Total financial liabilities	-	(32,412)	-	(319)	(32,731)

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £14,648,000 (2019: £15,302,000). 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 31 July 2020 is £17,745,000 (2019: £16,170,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Barclays	12,307	15,302
Credit Suisse	2,341	-
Total securities on loan	14,648	15,302

Collateral held	2020 £'000	2019 £'000
Government Bond	17,745	16,170
Total collateral held	17,745	16,170

The gross earnings and fees paid for the year are £191,000 (2019: £87,000) and £29,000 (2019: £13,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 1.3% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

First interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 October 2019

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
A Accumulation shares				
Group 1	0.9820	-	0.9820	0.8892
Group 2	0.8515	0.1305	0.9820	0.8892
A Income shares				
Group 1	0.6715	-	0.6715	0.6217
Group 2	0.6124	0.0591	0.6715	0.6217
I Accumulation shares				
Group 1	1.3730	-	1.3730	1.2646
Group 2	0.7030	0.6700	1.3730	1.2646
I Income shares				
Group 1	0.8344	-	0.8344	0.7895
Group 2	0.3367	0.4977	0.8344	0.7895
I Gross Accumulation shares				
Group 1	1.5687	-	1.5687	1.4441
Group 2	1.1327	0.4360	1.5687	1.4441
M Accumulation shares				
Group 1	0.5377	-	0.5377	-
Group 2	0.0477	0.4900	0.5377	-
M Income shares				
Group 1	0.5463	-	0.5463	-
Group 2	0.0463	0.5000	0.5463	-
P Income shares				
Group 1	0.8612	-	0.8612	0.8151
Group 2	0.4902	0.3710	0.8612	0.8151
P Gross Income shares				
Group 1	0.8873	-	0.8873	0.8400
Group 2	0.8873	-	0.8873	0.8400

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
Q Income shares				
Group 1	0.8818	-	0.8818	0.8345
Group 2	0.4301	0.4517	0.8818	0.8345
Q Gross Income shares				
Group 1	0.9081	-	0.9081	0.8600
Group 2	0.9081	-	0.9081	0.8600
Z Accumulation shares				
Group 1	1.8105	-	1.8105	1.6588
Group 2	0.7669	1.0436	1.8105	1.6588

Second interim interest distribution

Group 1 - shares purchased prior to 1 November 2019

Group 2 - shares purchased between 1 November 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.9021	-	0.9021	0.8781
Group 2	0.2751	0.6270	0.9021	0.8781
A Income shares				
Group 1	0.6134	-	0.6134	0.6106
Group 2	0.2819	0.3315	0.6134	0.6106
I Accumulation shares				
Group 1	1.2836	-	1.2836	1.2355
Group 2	0.6640	0.6196	1.2836	1.2355
I Income shares				
Group 1	0.7747	-	0.7747	0.7661
Group 2	0.4571	0.3176	0.7747	0.7661
I Gross Accumulation shares				
Group 1	1.4662	-	1.4662	1.4113
Group 2	0.1631	1.3031	1.4662	1.4113
M Accumulation shares				
Group 1	0.7125	-	0.7125	0.5600
Group 2	0.7125	-	0.7125	0.5600
M Income shares				
Group 1	0.6939	-	0.6939	0.5600
Group 2	0.6939	-	0.6939	0.5600
P Income shares				
Group 1	0.8051	-	0.8051	0.7916
Group 2	0.4191	0.3860	0.8051	0.7916
P Gross Income shares				
Group 1	0.8295	-	0.8295	0.8156
Group 2	0.8295	-	0.8295	0.8156

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
Q Income shares				
Group 1	0.8258	-	0.8258	0.8108
Group 2	0.3448	0.4810	0.8258	0.8108
Q Gross Income shares				
Group 1	0.8508	-	0.8508	0.8355
Group 2	0.8508	-	0.8508	0.8355
Z Accumulation shares				
Group 1	1.7159	-	1.7159	1.6258
Group 2	0.7135	1.0024	1.7159	1.6258

Third interim interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 30 April 2020

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
A Accumulation shares				
Group 1	0.8653	-	0.8653	0.9550
Group 2	0.2504	0.6149	0.8653	0.9550
A Income shares				
Group 1	0.5854	-	0.5854	0.6605
Group 2	0.1613	0.4241	0.5854	0.6605
I Accumulation shares				
Group 1	1.2352	-	1.2352	1.3177
Group 2	0.5627	0.6725	1.2352	1.3177
I Income shares				
Group 1	0.7413	-	0.7413	0.8118
Group 2	0.3416	0.3997	0.7413	0.8118
I Gross Accumulation shares				
Group 1	1.4113	-	1.4113	1.5054
Group 2	1.0514	0.3599	1.4113	1.5054
M Accumulation shares				
Group 1	0.6707	-	0.6707	0.9200
Group 2	0.6707	-	0.6707	0.9200
M Income shares				
Group 1	0.6820	-	0.6820	0.9200
Group 2	0.6820	-	0.6820	0.9200
P Income shares				
Group 1	0.7710	-	0.7710	0.8339
Group 2	0.5004	0.2706	0.7710	0.8339
P Gross Income shares				
Group 1	0.7944	-	0.7944	0.8592
Group 2	0.7944	-	0.7944	0.8592

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
Q Income shares				
Group 1	0.7910	-	0.7910	0.8529
Group 2	0.4034	0.3876	0.7910	0.8529
Q Gross Income shares				
Group 1	0.8147	-	0.8147	0.8791
Group 2	0.8147	-	0.8147	0.8791
Z Accumulation shares				
Group 1	1.6566	-	1.6566	1.7183
Group 2	0.5875	1.0691	1.6566	1.7183

Final interest distribution

Group 1 - shares purchased prior to 1 May 2020

Group 2 - shares purchased between 1 May 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.8678	-	0.8678	0.9866
Group 2	0.1971	0.6707	0.8678	0.9866
A Income shares				
Group 1	0.5843	-	0.5843	0.6784
Group 2	0.2948	0.2895	0.5843	0.6784
I Accumulation shares				
Group 1	1.2517	-	1.2517	1.3697
Group 2	0.4833	0.7684	1.2517	1.3697
I Income shares				
Group 1	0.7456	-	0.7456	0.8381
Group 2	0.2095	0.5361	0.7456	0.8381
I Gross Accumulation shares				
Group 1	1.4283	-	1.4283	1.5653
Group 2	0.4908	0.9375	1.4283	1.5653
M Accumulation shares				
Group 1	0.6623	-	0.6623	0.9300
Group 2	0.5103	0.1520	0.6623	0.9300
M Income shares				
Group 1	0.6939	-	0.6939	0.9300
Group 2	0.6939	-	0.6939	0.9300
P Income shares				
Group 1	0.7781	-	0.7781	0.8628
Group 2	0.3047	0.4734	0.7781	0.8628
P Gross Income shares				
Group 1	0.8017	-	0.8017	0.8890
Group 2	0.8017	-	0.8017	0.8890

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
Q Income shares				
Group 1	0.7989	-	0.7989	0.8829
Group 2	0.3532	0.4457	0.7989	0.8829
Q Gross Income shares				
Group 1	-	-	-	0.9145
Group 2	-	-	-	0.9145
Z Accumulation shares				
Group 1	1.6888	-	1.6888	1.7956
Group 2	1.0894	0.5994	1.6888	1.7956

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Diversified Income Fund

For the year ended 31 July 2020

Investment Objective

To generate a positive return through income and some capital growth over the long term (5 years or more) by investing in a globally diversified portfolio of assets whilst reducing the risk of losses. Invested capital is however at risk and there is no guarantee that this will be attained over any time period.

Performance Target: To exceed the return of 1 Month GBP LIBOR by 5% per annum over rolling five year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

1 Month GBP LIBOR has been chosen as a proxy for the return on cash deposits.

Investment Policy

Portfolio Securities

- The fund invests globally in a range of asset classes, derivatives, money-market instruments and cash.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments) to gain exposure to a broad mix of assets from across the global investment universe.
- Asset classes that the fund invests in may include listed equities, private equity, property, infrastructure, high yield bonds, loans, emerging market debt, asset-backed securities, alternative risk premia, insurance linked securities, litigation finance, peer-to-peer lending, aircraft leasing and healthcare royalties.
- Asset classes such as infrastructure, property or private equity will typically be accessed through investment route such as listed equities.

Management Process

- The management team use their discretion (active management) to identify a diverse mix of investments which they believe are most appropriate for the investment objective. As a result of this diversification, and during extreme equity market falls, we expect losses to be below those of conventional global equity markets, with a volatility typically less than two thirds of equities.
- Their primary focus is on stock selection using the management team's quality, growth and momentum approach. It aims to identify companies that show a range of high quality characteristics, operate in growing markets and display positive business momentum.
- The team separately conduct extensive research to identify the most appropriate type of investment for each asset class.

Derivatives and Techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").

- Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares or management of currency risk.
- Some underlying funds invested in by the fund may use derivatives more extensively. Derivatives may be used within underlying funds to generate growth if market prices are expected to rise ("long positions") or fall ("short positions").

Performance Review

For the year ended 31 July 2020, the value of ASI Diversified Income Fund – A Accumulation Shares decreased by 3.97% compared with an increase of 0.49% in the performance target, 1 Month GBP LIBOR.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

The first half of the period saw robust performance from most asset classes, listed equities were particularly strong aided by a 0.25% rate cut by the US Federal Reserve in October and on the back of "phase one" of the trade deal between the US and China. 2020 was however dominated by the COVID-19 pandemic, with equities and several other asset classes delivering significant negative returns in Q1 2020 amidst extreme levels of market volatility.

Risk sentiment turned sharply positive at the start of the Q2 2020 with equity markets rebounding from lows as investors looked through the initial impact of the crisis on corporate earnings and instead focused on the benefits of the significant fiscal and monetary policy responses from governments and central banks globally. Volatility did however remain high as markets responded to spikes in COVID-19 cases, new economic activity data and comments surrounding the long-term impact of COVID-19 on economic growth.

Portfolio Activity

We significantly reduced exposure to local currency emerging market bonds. We took profits in the first half of the year and further reduced our position in March as, despite relatively strong performance during the onset of COVID-19, we felt it could suffer more significant falls as the crisis deepened.

We reduced exposure to listed equities, this largely occurred in early March reflecting our concern over the risk of further price declines. We introduced a new core-satellite approach to our allocation towards the end of the period. The core targets global equity returns with a focus on sustainability and limited tracking error. Satellites, which aim to add value, include green infrastructure equity and UK mid-cap equity sub portfolios.

Towards the end of March we allocated 5% to our credit team to invest in investment grade and higher quality high yield bonds which, following dramatic spread widening, we felt offered an attractive risk-adjusted return. We subsequently increased this to 10%.

We increased our allocation to asset backed securities through our internally managed sub-portfolio and external managers.

We increased our exposure to infrastructure largely through capital raises and during a period in March when companies were trading on material discounts to their net asset value.

Portfolio Outlook and Strategy

The impact of COVID-19 on economic activity resulted in enormous supply and demand shocks and an unprecedented recession globally. Despite the severity, the period of the contraction has been relatively short-lived with many countries experiencing declining new COVID-19 cases and the phased easing of lockdown measures. As such, we expect a strong rebound in activity. We do however remain cognisant of the risk of second waves of the virus, new lockdowns measures and the potential for permanent scarring of the global economy. We also remain aware of the impact that liquidity injections from central banks have had on asset valuations. This is most apparent in equity markets where price appreciation in recent months has offset a large portion of the drawdown experienced in Q1 2020 despite the more uncertain earnings environment for companies.

Despite the uncertain near-term outlook for risk assets, we believe that in the case of many of our investments, the current crisis will have only a modest impact on the fundamentals of growth and income generation. With many of these investments trading on cheap valuations we believe that the portfolio as a whole is positioned to deliver a highly attractive medium-term return delivered in a relatively smooth fashion.

Diversified Assets Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 4 because of the extent to which the following risk factors apply:

- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.
- Commercial property is less liquid than other asset classes such as bonds or equities. Selling property can be a lengthy process so investors in the fund should be aware that they may not be able to sell their investment when they want to.
- Commercial property transaction charges are higher than those which apply in other asset classes. Investors should be aware that a high volume of transactions would have a material impact on fund returns.
- Property valuation is a matter of judgment by an independent valuer and is therefore a matter of the valuer's opinion rather than fact.
- The fund employs a single swinging pricing methodology to protect against the dilution impact of transaction costs. Due to the high transaction charges associated with the fund's assets, a change in the pricing basis will result in a significant movement in the fund's published price.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations. The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	219.79	220.59	218.27
Return before operating charges*	(6.75)	2.04	5.45
Operating charges	(2.62)	(2.84)	(3.13)
Return after operating charges*	(9.37)	(0.80)	2.32
Distributions	(10.11)	(11.39)	(11.33)
Retained distributions on accumulation shares	10.11	11.39	11.33
Closing net asset value per share	210.42	219.79	220.59
* after direct transaction costs of:	0.23	0.32	0.17
Performance			
Return after charges	(4.26%)	(0.36%)	1.06%
Other information			
Closing net asset value (£'000)	16,931	27,219	32,553
Closing number of shares	8,046,482	12,383,990	14,757,240
Operating charges	1.22%	1.33%	1.43%
Direct transaction costs	0.11%	0.15%	0.08%
Prices			
Highest share price	228.6	221.1	223.4
Lowest share price	182.0	206.8	215.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	120.54	127.56	132.93
Return before operating charges*	(3.65)	1.13	3.23
Operating charges	(1.40)	(1.61)	(1.86)
Return after operating charges*	(5.05)	(0.48)	1.37
Distributions	(5.43)	(6.45)	(6.74)
Closing net asset value per share	110.06	120.54	127.56
* after direct transaction costs of:	0.12	0.18	0.10
Performance			
Return after charges	(4.19%)	(0.38%)	1.03%
Other information			
Closing net asset value (£'000)	880	1,133	1,412
Closing number of shares	799,509	939,673	1,107,277
Operating charges	1.22%	1.33%	1.43%
Direct transaction costs	0.11%	0.15%	0.08%
Prices			
Highest share price	122.7	127.8	133.9
Lowest share price	97.21	117.8	125.9

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Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	139.62	139.54	137.36
Return before operating charges*	(4.44)	1.14	3.26
Operating charges	(1.05)	(1.06)	(1.08)
Return after operating charges*	(5.49)	0.08	2.18
Distributions	(6.31)	(6.54)	(6.98)
Retained distributions on accumulation shares	6.31	6.54	6.98
Closing net asset value per share	134.13	139.62	139.54
* after direct transaction costs of:	0.15	0.20	0.10
Performance			
Return after charges	(3.93%)	0.06%	1.59%
Other information			
Closing net asset value (£'000)	24,278	35,104	38,504
Closing number of shares	18,100,510	25,143,222	27,592,838
Operating charges	0.77%	0.78%	0.78%
Direct transaction costs	0.11%	0.15%	0.08%
Prices			
Highest share price	145.5	140.0	140.9
Lowest share price	115.9	131.0	135.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	106.54	112.14	116.12
Return before operating charges*	(3.34)	0.77	2.67
Operating charges	(0.78)	(0.72)	(0.89)
Return after operating charges*	(4.12)	0.05	1.78
Distributions	(4.71)	(5.65)	(5.76)
Closing net asset value per share	97.71	106.54	112.14
* after direct transaction costs of:	0.11	0.14	0.09
Performance			
Return after charges	(3.87%)	0.04%	1.53%
Other information			
Closing net asset value (£'000)	130,653	150,645	33,239
Closing number of shares	133,714,603	141,395,812	29,639,530
Operating charges	0.77%	0.78%	0.78%
Direct transaction costs	0.11%	0.15%	0.08%
Prices			
Highest share price	108.6	112.4	116.9
Lowest share price	86.11	103.7	110.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	103.28	100.00 ^B
Return before operating charges*	(3.31)	3.84
Operating charges	(0.80)	(0.56)
Return after operating charges*	(4.11)	3.28
Distributions	(4.51)	(1.89)
Retained distributions on accumulation shares	4.51	1.89
Closing net asset value per share	99.17	103.28
* after direct transaction costs of:	0.10	0.10
Performance		
Return after charges	(3.98%)	3.28%
Other information		
Closing net asset value (£'000)	277	-
Closing number of shares	278,942	100
Operating charges	0.82%	0.83%
Direct transaction costs	0.11%	0.15%
Prices		
Highest share price	107.6	103.6
Lowest share price	85.66	97.38

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	100.39	100.00 ^B
Return before operating charges*	(3.20)	3.81
Operating charges	(0.74)	(0.56)
Return after operating charges*	(3.94)	3.25
Distributions	(4.28)	(2.86)
Closing net asset value per share	92.17	100.39
* after direct transaction costs of:	0.10	0.10
Performance		
Return after charges	(3.92%)	3.25%
Other information		
Closing net asset value (£'000)	28	-
Closing number of shares	30,837	100
Operating charges	0.82%	0.83%
Direct transaction costs	0.11%	0.15%
Prices		
Highest share price	102.2	101.0
Lowest share price	81.10	96.98

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	232.63	231.46	226.75
Return before operating charges*	(7.67)	1.58	5.12
Operating charges	(0.39)	(0.41)	(0.41)
Return after operating charges*	(8.06)	1.17	4.71
Distributions	(10.26)	(10.57)	(11.25)
Retained distributions on accumulation shares	10.26	10.57	11.25
Closing net asset value per share	224.57	232.63	231.46
* after direct transaction costs of:	0.24	0.34	0.17
Performance			
Return after charges	(3.46%)	0.51%	2.08%
Other information			
Closing net asset value (£'000)	4,372	5,742	6,795
Closing number of shares	1,947,112	2,468,012	2,935,857
Operating charges	0.17%	0.18%	0.18%
Direct transaction costs	0.11%	0.15%	0.08%
Prices			
Highest share price	243.1	233.4	233.1
Lowest share price	193.6	217.7	225.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (29.23%)		48,868	27.54
Argentine Peso Denominated Bonds (0.11%)		-	-
Government Bonds (0.11%)		-	-
Brazilian Real Denominated Bonds (3.76%)		2,200	1.24
Government Bonds (3.76%)		2,200	1.24
less than 5 years to maturity			
230,000	Nota Do Tesouro 6% 2023	129	0.07
8,150,000	Nota Do Tesouro 10% 2025	1,425	0.80
between 5 and 10 years to maturity			
3,630,000	Nota Do Tesouro 10% 2027	646	0.37
Chilean Peso Denominated Bonds (0.55%)		220	0.12
Government Bonds (0.55%)		220	0.12
between 5 and 10 years to maturity			
180,000,000	Chile (Republic of) 4.7% 2030	220	0.12
Colombian Peso Denominated Bonds (2.08%)		1,583	0.90
Government Bonds (2.08%)		1,583	0.90
less than 5 years to maturity			
915,000,000	Colombia (Republic of) 10% 2024	232	0.13
between 5 and 10 years to maturity			
3,300,000,000	Colombia (Republic of) 7.5% 2026	780	0.44
between 10 and 15 years to maturity			
2,293,500,000	Colombia (Republic of) 7% 2032	491	0.28
370,000,000	Colombian TES 7.25% 2034	80	0.05
Czech Koruna Denominated Bonds (0.55%)		478	0.27
Government Bonds (0.55%)		478	0.27
between 10 and 15 years to maturity			
3,470,000	Czech Republic (Govt of) 2% 2033	134	0.08
between 15 and 25 years to maturity			
6,910,000	Czech Republic (Govt of) 4.2% 2036	344	0.19

Holding	Investment	Market Value £'000	Percentage of total net assets
Dominican Peso Denominated Bonds (0.50%)		636	0.36
Government Bonds (0.50%)		636	0.36
less than 5 years to maturity			
15,000,000	Dominican (Republic of) 8.9% 2023	190	0.11
25,200,000	Dominican (Republic of) 11.5% 2024	345	0.19
between 5 and 10 years to maturity			
8,000,000	Dominican (Republic of) 9.75% 2026	101	0.06
Egyptian Pound Denominated Bonds (0.53%)		212	0.12
Government Bonds (0.53%)		212	0.12
less than 5 years to maturity			
5,000,000	Egypt (Arab Republic of) 0% 2021	212	0.12
Euro Denominated Bonds (0.08%)		4,809	2.71
Corporate Bonds (0.08%)		4,809	2.71
between 5 and 10 years to maturity			
875,000	Avoca CLO XI FRN 2030	754	0.43
901,000	CVC Cordatus Loan Fund V FRN 2030	786	0.44
between 10 and 15 years to maturity			
100,000	ALME Loan Funding II FRN 2031	89	0.05
154,000	ALME Loan Funding IV FRN 2032	134	0.08
220,000	ALME Loan Funding V FRN 2031	195	0.11
100,000	Aqueduct European CLO 4 FRN 2032 'C'	88	0.05
309,000	Aqueduct European CLO 4 FRN 2032 'E'	253	0.14
164,000	Arbour CLO VIII FRN 2033 'DNVE'	148	0.08
303,000	Arbour CLO VIII FRN 2033 'EV'	259	0.15
250,000	Aurium CLO IV FRN 2031	219	0.12
383,000	Avoca CLO XVII FRN 2032	340	0.19
316,000	CVC Cordatus Loan Fund IX FRN 2030	275	0.15
104,000	CVC Cordatus Loan Fund XV FRN 2032	91	0.05
100,000	Invesco Euro CLO I FRN 2031	89	0.05
457,000	Invesco Euro CLO IV FRN 2033	389	0.22
162,000	Invesco FRN 2033	130	0.08
100,000	Providus CLO II FRN 2031	89	0.05
552,000	Providus CLO III FRN 2032	481	0.27

Holding	Investment	Market Value £'000	Percentage of total net assets
Hungarian Forint Denominated Bonds (0.00%)		451	0.25
Government Bonds (0.00%)		451	0.25
between 15 and 25 years to maturity			
165,000,000	Hungary (Govt of) 3% 2038	451	0.25
Indian Rupee Denominated Bonds (0.86%)		924	0.52
Government Bonds (0.86%)		924	0.52
less than 5 years to maturity			
10,000,000	Housing Development Finance 8.75% 2023	107	0.06
between 5 and 10 years to maturity			
76,000,000	Gujarat (State of) 7.2% 2027	817	0.46
Indonesian Rupiah Denominated Bonds (3.38%)		3,079	1.74
Government Bonds (3.38%)		3,079	1.74
less than 5 years to maturity			
16,450,000,000	Indonesia (Republic of) 7% 2022	890	0.50
7,000,000,000	Indonesia (Republic of) 8.125% 2024	393	0.22
between 5 and 10 years to maturity			
7,100,000,000	Indonesia (Republic of) 6.125% 2028	356	0.20
5,800,000,000	Indonesia (Republic of) 7% 2027	306	0.18
8,100,000,000	Indonesia (Republic of) 9% 2029	477	0.27
between 10 and 15 years to maturity			
11,600,000,000	Indonesia (Republic of) 8.375% 2034	657	0.37
Malaysian Ringgit Denominated Bonds (1.22%)		1,005	0.57
Government Bonds (1.22%)		1,005	0.57
between 5 and 10 years to maturity			
1,550,000	Malaysia (Govt of) 4.498% 2030	322	0.18
between 10 and 15 years to maturity			
1,000,000	Malaysia (Govt of) 3.828% 2034	198	0.11
500,000	Malaysia (Govt of) 4.232% 2031	102	0.06
1,950,000	Malaysia (Govt of) 3.844% 2033	383	0.22

Holding	Investment	Market Value £'000	Percentage of total net assets
Mexican Peso Denominated Bonds (3.78%)		2,880	1.62
Corporate Bonds (0.12%)		213	0.12
less than 5 years to maturity			
7,180,000	Petroleos Mexicanos 7.19% 2024	213	0.12
Government Bonds (3.66%)		2,667	1.50
less than 5 years to maturity			
26,100,000	Mexico (United Mexican States) 10% 2024	1,074	0.60
22,070,000	Mexico (United Mexican States) 6.5% 2022	784	0.44
between 15 and 25 years to maturity			
19,500,000	Mexico (United Mexican States) 8.5% 2038	809	0.46
Peruvian Sol Denominated Bonds (1.36%)		1,018	0.57
Government Bonds (1.36%)		1,018	0.57
less than 5 years to maturity			
850,000	Peru (Republic of) 5.7% 2024	215	0.12
between 10 and 15 years to maturity			
2,950,000	Peru (Republic of) 6.95% 2031	803	0.45
Philippine Peso Denominated Bonds (0.45%)		-	-
Government Bonds (0.45%)		-	-
Polish Zloty Denominated Bonds (1.82%)		1,166	0.66
Government Bonds (1.82%)		1,166	0.66
less than 5 years to maturity			
3,480,000	Poland (Republic of) 5.75% 2021	760	0.43
between 5 and 10 years to maturity			
1,430,000	Poland (Republic of) 5.75% 2029	406	0.23
Romanian Leu Denominated Bonds (0.00%)		215	0.12
Government Bonds (0.00%)		215	0.12
less than 5 years to maturity			
1,160,000	Romania (Republic of) 3.65% 2025	215	0.12

Holding	Investment	Market Value £'000	Percentage of total net assets
Russian Ruble Denominated Bonds (1.83%)		1,987	1.12
Government Bonds (1.83%)		1,987	1.12
less than 5 years to maturity			
56,400,000	Russia (Govt of) 7.6% 2021	593	0.34
between 5 and 10 years to maturity			
67,905,000	Russia (Govt of) 6.9% 2029	752	0.42
between 10 and 15 years to maturity			
54,700,000	Russia (Govt of) 7.7% 2033	642	0.36
South African Rand Denominated Bonds (1.80%)		1,899	1.07
Government Bonds (1.80%)		1,899	1.07
between 5 and 10 years to maturity			
14,700,000	South Africa (Republic of) 10.5% 2026	753	0.42
4,700,000	South Africa (Republic of) 8% 2030	194	0.11
between 10 and 15 years to maturity			
5,300,000	South Africa (Republic of) 8.25% 2032	206	0.12
between 15 and 25 years to maturity			
25,140,000	South Africa (Republic of) 6.25% 2036	746	0.42
Sterling Denominated Bonds (1.82%)		5,539	3.12
Corporate Bonds (1.82%)		5,539	3.12
between 5 and 10 years to maturity			
648,000	Cold Finance FRN 2029	638	0.36
1,747,000	Dowson 2019-1 FRN 2026	1,729	0.98
122,000	Newday Funding FRN 2027	120	0.07
100,000	Newday Partnership Funding FRN 2027	98	0.06
268,000	Ribbon Finance FRN 2028	205	0.12
239,000	Taurus 2019-3 Dac FRN 2029	220	0.12
311,000	Turbo Finance FRN 2026	309	0.17
between 10 and 15 years to maturity			
515,000	Taurus 2020-2 Dac FRN 2030	515	0.29

			Market Value £'000	Percentage of total net assets
	Holding	Investment		
greater than 25 years to maturity				
	139,000	CMF 2020-1 FRN 2057	132	0.07
	504,000	Finsbury Square 2018-1 FRN 2065	501	0.28
	621,000	Paragon FRN 2050	540	0.30
	100,000	Ripon Mortgages FRN 2056	100	0.06
	183,000	RMAC No 2 FRN 2046	146	0.08
	317,000	Stratton Mortgage Funding FRN 2051	286	0.16
Thai Baht Denominated Bonds (0.56%)			-	-
Government Bonds (0.56%)			-	-
Turkish Lira Denominated Bonds (1.53%)			201	0.11
Government Bonds (1.53%)			201	0.11
between 5 and 10 years to maturity				
	1,970,000	Turkey (Republic of) 10.6% 2026	201	0.11
Uruguayan Peso Denominated Bonds (0.66%)			221	0.12
Government Bonds (0.66%)			221	0.12
less than 5 years to maturity				
	3,050,000	Uruguay (Republic of) 9.875% 2022	56	0.03
between 5 and 10 years to maturity				
	9,439,000	Uruguay (Republic of) 8.5% 2028	165	0.09
US Dollar Denominated Corporate Bonds (0.00%)			18,145	10.23
Corporate Bonds (0.00%)			17,706	9.98
less than 5 years to maturity				
	115,000	ArcelorMittal 3.6% 2024	92	0.05
	450,000	Cheniere Christi Corpus 7% 2024	395	0.22
	230,000	DISH DBS 5% 2023	183	0.10
	117,000	EQM Midstream Partners 6% 2025	94	0.05
	116,000	Ford Motor 8.5% 2023	98	0.05
	73,000	Ford Motor 9% 2025	65	0.04
	510,000	General Motors 6.125% 2025	453	0.26
	350,000	General Motors Financial 3.15% 2022	274	0.15
	160,000	Goodyear Tire & Rubber 9.5% 2025	137	0.08
	406,000	HCA 5.375% 2025	347	0.20
	105,000	Howmet Aerospace 6.875% 2025	90	0.05
	137,000	Lennar 2.95% 2020	104	0.06

		Market Value £'000	Percentage of total net assets
Holding	Investment		
278,000	Lennar 4.5% 2024	228	0.13
405,000	MGM Resorts International 6.75% 2025	321	0.18
433,000	Navient 5.5% 2023	338	0.19
230,000	Netflix 3.625% 2025	186	0.11
60,000	Occidental Petroleum 2.6% 2022	44	0.03
50,000	Occidental Petroleum 3.125% 2022	38	0.02
155,000	Occidental Petroleum 3.5% 2025	111	0.06
175,000	Parsley Energy 5.375% 2025	137	0.08
550,000	Penske Truck Leasing 4% 2025	467	0.26
100,000	Rattler Midstream 5.625% 2025	81	0.05
135,000	Six Flags Theme Parks 7% 2025	111	0.06
355,000	Teva Pharmaceutical 3.65% 2021	272	0.15
5,000	Vail Resorts 6.25% 2025	4	-
409,000	Valeant Pharmaceuticals 7% 2024	325	0.18
75,000	Wolverine World Wide 6.375% 2025	60	0.03
between 5 and 10 years to maturity			
265,000	Altria 4.8% 2029	243	0.14
200,000	America Movil 2.875% 2030	166	0.09
106,000	ASGN 4.625% 2028	83	0.05
465,000	Athene 6.15% 2030	422	0.24
350,000	Australia & New Zealand Banking 4.4% 2026	301	0.17
192,000	AutoNation 4.75% 2030	170	0.10
268,000	Berry Global Escrow 4.875% 2026	216	0.12
560,000	Brighthouse Financial 5.625% 2030	488	0.28
395,000	Broadcom 5% 2030	358	0.20
347,000	Canadian Natural Resources 3.85% 2027	285	0.16
408,000	CCO 5.875% 2027	329	0.19
498,000	Citigroup 4.125% 2028	438	0.25
69,000	Clean Harbors 5.125% 2029	57	0.03
304,000	Colonial Enterprises 3.25% 2030	256	0.14
275,000	CSC Holdings 6.5% 2029	240	0.14
535,000	Dell International 4.9% 2026	459	0.26
61,000	Enviva Partners 6.5% 2026	50	0.03
61,000	EQM Midstream Partners 6.5% 2027	51	0.03
185,000	Fair Isaac 4% 2028	147	0.08
515,000	FedEx 4.25% 2030	471	0.27
7,000	Ford Motor 9.625% 2030	7	-
313,000	Ford Motor Credit 4.687% 2025	248	0.14
233,000	Gartner 4.5% 2028	187	0.11
167,000	Glencore 4.875% 2029	151	0.09
352,000	Harley-Davidson 3.35% 2025	281	0.16

			Market Value £'000	Percentage of total net assets
Holding	Investment			
550,000	Ipalco Enterprises 4.25% 2030		463	0.26
21,000	Iron Mountain 5% 2028		17	0.01
426,000	Iron Mountain 5.25% 2028		340	0.19
60,000	Iron Mountain 5.25% 2030		48	0.03
278,000	JBS Investments II 5.75% 2028		225	0.13
84,000	Minerals Technologies 5% 2028		66	0.04
200,000	Netflix 5.875% 2028		189	0.11
137,000	NRG Energy 5.25% 2029		115	0.06
265,000	NRG Energy 7.25% 2026		217	0.12
465,000	Plains All American Pipeline 4.65% 2025		382	0.22
185,000	Post Holdings 5% 2026		147	0.08
560,000	Sabine Pass Liquefaction 4.5% 2030		491	0.28
226,000	Sprint Capital 6.875% 2028		223	0.13
278,000	Teck Resources 3.9% 2030		219	0.12
355,000	Valero Energy 4% 2029		308	0.17
170,000	Vistra Operations 5.625% 2027		139	0.08
150,000	Vulcan Materials 3.5% 2030		128	0.07
195,000	Western Gas Partners 4.75% 2028		150	0.08
130,000	WPX Energy 4.5% 2030		92	0.05
535,000	WRKCO 3.375% 2027		449	0.25
39,000	Wyndham Destinations 6.625% 2026		31	0.02
190,000	Wyndham Worldwide 4.5% 2027		143	0.08
between 10 and 15 years to maturity				
278,000	Alexandria Real Estate Equities 4.9% 2030		272	0.15
80,000	CCO 4.25% 2031		64	0.04
237,000	GLP Capital 4% 2031		186	0.10
436,000	Lincoln National 3.4% 2031		376	0.21
120,000	Seagate HDD Cayman 4.125% 2031		98	0.06
326,000	Steel Dynamics 3.25% 2031		272	0.15
378,000	Williams 3.5% 2030		317	0.18
between 15 and 25 years to maturity				
170,000	MDC 6% 2043		149	0.08
greater than 25 years to maturity				
65,000	Occidental Petroleum 4.4% 2049		41	0.02
Perpetual				
118,000	BP Capital Markets 4.375% fixed to floating Perpetual		94	0.05
118,000	BP Capital Markets 4.875% fixed to floating Perpetual		96	0.05

Holding	Investment	Market Value £'000	Percentage of total net assets
Government Bonds (0.00%)		439	0.25
less than 5 years to maturity			
270,000	Mongolia (Govt of) 10.875% 2021	214	0.12
between 5 and 10 years to maturity			
300,000	Egypt (Arab Republic of) 6.588% 2028	225	0.13
Equities (52.91%)		106,888	60.25
Emerging Market Equities (0.64%)		311	0.18
Argentina (0.00%)		28	0.02
33	MercadoLibre	28	0.02
Brazil (0.29%)		200	0.12
9,600	AmBev	20	0.01
7,200	B3 SA - Brasil Bolsa Balcao	67	0.04
2,700	BB Seguridade Participacoes	11	0.01
2,000	BRF	6	-
4,300	CCR	9	0.01
1,300	Centrais Eletricas Brasileiras	7	-
4,000	Cia Energetica de Minas Gerais	7	-
900	Engie Brasil Energia	6	-
17,410	Itaúsa	27	0.02
3,000	Klabin	9	0.01
71	PPLA Participations	-	-
1,300	Sul America	10	0.01
1,600	Telefonica Brasil (Preference)	12	0.01
3,700	TIM Participacoes	9	-
Chile (0.00%)		22	0.01
6,252	Cencosud	8	-
120,518	Enel Americas	14	0.01
Colombia (0.00%)		31	0.02
615	Bancolombia ADR	13	0.01
1,100	Ecopetrol	10	0.01
1,940	Interconexion Electrica	8	-

Holding	Investment	Market Value £'000	Percentage of total net assets
Israel (0.05%)		-	-
Peru (0.00%)		12	0.01
121	Credicorp	12	0.01
Russia (0.05%)		61	0.03
889	Magnit	10	-
1,415	Mobile TeleSystems ADR	10	0.01
828	Polymetal	16	0.01
7,350	Sberbank of Russia	17	0.01
272	X5 Retail Group	8	-
South Africa (0.00%)		102	0.06
214	Anglo American Platinum	12	0.01
13,235	Growthpoint Properties	8	0.01
317	Kumba Iron Ore	8	-
1,126	Mr Price	6	-
1,938	Multichoice	9	0.01
282	Naspers	40	0.02
2,262	Vodacom	13	0.01
4,363	Woolworths	6	-
Turkey (0.25%)		8	-
4,817	Turkcell Iletisim	8	-
European Equities (4.65%)		16,622	9.37
Austria (0.04%)		31	0.01
518	OMV	12	0.01
240	Verbund	10	-
508	Voestalpine	9	-
Belgium (0.04%)		897	0.51
8,172	Cofinimmo	891	0.50
201	Telenet	6	0.01

Holding	Investment	Market Value £'000	Percentage of total net assets
Czech (0.07%)		97	0.05
16,904	Avast	97	0.05
Denmark (0.04%)		1,361	0.77
418	Coloplast	54	0.03
2,422	Novo Nordisk	122	0.07
6,496	Ørsted	709	0.40
4,860	Vestas Wind Systems	476	0.27
Finland (0.44%)		910	0.51
17,320	Fortum	269	0.15
28,533	Kojamo	541	0.31
464	Kone	28	0.01
416	Orion 'B'	14	0.01
2,048	Stora Enso	20	0.01
1,878	UPM-Kymmene	38	0.02
France (0.25%)		1,756	0.99
13,430	Alstom	571	0.32
214	Amundi	12	0.01
6,808	AXA	103	0.06
802	Bouygues	22	0.01
1,034	Bureau Veritas	17	0.01
2,173	Danone	111	0.06
330	Eiffage	22	0.01
172	Eurazeo	7	0.01
162	Gecina	16	0.01
1,549	Getlink	18	0.01
131	iCade	7	0.01
154	L'Oreal	39	0.02
109	LVMH	36	0.02
424	Saint-Gobain	12	0.01
6,492	Schneider Electric	575	0.32
302	SCOR	6	-
1,216	Suez	12	0.01
5,105	TOTAL	144	0.08
487	Unibail-Rodamco-Westfield	20	0.01
290	Valeo	6	-

Holding	Investment	Market Value £'000	Percentage of total net assets
Germany (0.86%)		3,954	2.23
72	Allianz	11	0.01
72,000	Alstria Office REIT	823	0.46
544	Brenntag	26	0.01
612	Covestro	18	0.01
3,150	Deutsche Post	98	0.06
4,155	Deutsche Telekom	53	0.03
5,693	E.ON	51	0.03
738	Evonik Industries	15	0.01
540	GEA	15	0.01
957	Henkel	72	0.04
108	HOCHTIEF	7	-
789	METRO	6	-
203	Nemetschek	11	0.01
23,510	RWE	680	0.38
130	Sartorius	38	0.02
1,020	Siemens	100	0.06
711,394	Sirius Real Estate	522	0.29
69,400	TAG Immobilien	1,398	0.79
4,560	Telefonica Deutsch	10	0.01
Greece (0.00%)		6	-
879	OPAP	6	-
Hungary (0.10%)		-	-
Ireland (1.50%)		2,426	1.37
1,067	Accenture	183	0.10
945	Aptiv	56	0.03
1,273,544	Greencoat Renewables**	1,417	0.80
11,325	Keywords Studios**	215	0.12
5,390	Kingspan	295	0.17
2,279	Medtronic	168	0.10
796	Smurfit Kappa	20	0.01
844	Trane Technologies	72	0.04

	Holding	Investment	Market Value £'000	Percentage of total net assets
Italy (0.08%)			805	0.45
	88,740	Enel	618	0.35
	8,954	ENI	61	0.03
	52,386	Intesa Sanpaolo	81	0.04
	850	Prysmian	17	0.01
	4,953	Terna	28	0.02
Luxembourg (0.00%)			968	0.55
	4,056	Aroundtown	19	0.01
	560,000	BBGI SICAV	940	0.53
	1,679	SES Global	9	0.01
Netherlands (0.30%)			371	0.21
	186	ASML	50	0.03
	607	Koninklijke DSM	71	0.04
	12,574	Koninklijke KPN	25	0.01
	1,028	NN Group	29	0.02
	3,622	Philips Electronics	143	0.08
	323	Randstad	12	0.01
	917	Unilever	41	0.02
Norway (0.00%)			902	0.51
	2,731	DNB Bank	32	0.02
	79,000	Entra	849	0.48
	4,733	Norsk Hydro	10	-
	429	Schibsted	11	0.01
Portugal (0.00%)			14	0.01
	1,764	Galp Energia	14	0.01
Romania (0.00%)			7	-
	1,707	NEPI Rockcastle	7	-

Holding	Investment	Market Value £'000	Percentage of total net assets
Spain (0.37%)		689	0.39
985	Enagas	19	0.01
1,258	Endesa	27	0.02
1,706	Ferrovial	32	0.02
1,409	Grupo ACS	25	0.01
38,710	Iberdrola	381	0.21
43,800	Iberdrola (Rights)	-	-
3,839	Inditex	78	0.04
1,039	Naturgy Energy	15	0.01
1,714	Red Electrica	26	0.02
5,236	Repsol	31	0.02
17,133	Telefonica	55	0.03
Sweden (0.05%)		333	0.19
2,484	Atlas Copco 'A'	84	0.05
963	Boliden	20	0.01
794	Electrolux	11	0.01
3,615	Ericsson 'B'	32	0.02
2,012	Essity	51	0.03
1,471	Husqvarna	11	0.01
1,603	Investor 'B'	72	0.04
654	Lundin Petroleum	11	-
2,860	Sandvik	41	0.02
Switzerland (0.51%)		1,095	0.62
4,118	ABB	79	0.04
547	Adecco	20	0.01
701	Clariant	10	0.01
125	Geberit	53	0.03
3	Givaudan	9	0.01
35,174	Glencore	61	0.03
579	Logitech International	32	0.02
1,767	Nestle	160	0.09
66	Partners	49	0.03
498	Richemont (Cie Fin) Series 'A'	24	0.01
799	Roche	212	0.12
22	SGS	44	0.03
217	Sonova	37	0.02
1,037	Swiss Re	62	0.04

Holding	Investment	Market Value £'000	Percentage of total net assets
91	Swisscom	37	0.02
880	TE Connectivity	60	0.03
72	Vifor Pharma	8	-
489	Zurich	138	0.08
Japanese Equities (4.65%)		1,718	0.97
2,300	Aeon	41	0.02
7,400	Astellas Pharmaceuticals	88	0.05
1,800	Bridgestone	40	0.02
3,500	Canon	42	0.02
200	Daito Trust Construction	12	0.01
1,500	Denso Corporation	42	0.02
700	Dentsu	12	0.01
500	Eisai	31	0.02
100	Fujitsu	10	0.01
900	Hitachi Metals	9	0.01
3,600	Inpex	16	0.01
11	Japan Retail Fund REIT	10	0.01
10,800	JXTG	29	0.02
500	Kakaku.com	9	0.01
900	Kao	50	0.03
4,600	KDDI	108	0.06
1,000	Lixil	10	0.01
4,700	Mitsubishi	72	0.04
4,500	Mitsubishi Chemical	18	0.01
700	Mitsubishi Gas Chemical	8	-
1,100	Mitsubishi Heavy Industries	19	0.01
5,900	Mitsui	67	0.04
600	Mitsui Chemicals	9	-
84,900	Mizuho Financial	78	0.04
1,500	MS&AD Insurance	28	0.02
400	Nabtesco	9	0.01
1,000	NEC	42	0.02
1,300	Nikon	7	-
7	Nippon Prologis	18	0.01
5,100	Nippon Telegraph & Telephone	90	0.05
600	Nomura Real Estate	8	-
15	Nomura Real Estate Master Fund	14	0.01
4,700	NTT DOCOMO	98	0.06
5,200	ORIX	43	0.02
9	Orix JREIT	9	-

Holding	Investment	Market Value £'000	Percentage of total net assets
1,200	Panasonic	8	0.01
400	Pola Orbis	5	-
300	ROHM Semiconductor	14	0.01
200	SCSK	8	-
600	Seiko Epson	5	-
2,200	Sekisui House	30	0.02
3,000	Seven & I	69	0.04
700	Showa Denko	11	0.01
5,800	SoftBank	59	0.03
600	Sompo	15	0.01
4,500	Sumitomo	38	0.02
1,700	Sumitomo Mitsui	34	0.02
700	Sumitomo Rubber Industries	4	-
4,700	Takeda Pharmaceutical	127	0.07
300	Tokyo Electron	62	0.04
1,300	Tokyo Gas	21	0.01
1,800	Yahoo Japan	7	-
500	Yokohama Rubber	5	-
North American Equities (10.38%)		19,124	10.78
Bermuda (0.64%)		1,249	0.71
1,289,440	Blue Capital Alternative Income Fund	62	0.04
49,901	Blue Capital Reinsurance	26	0.01
1,910,329	CATCo Reinsurance Opportunities	277	0.16
3,413,290	CATCo Reinsurance Opportunities 'C'	884	0.50
Canada (1.19%)		1,823	1.03
2,090	Barrick Gold	46	0.03
563	BCE	18	0.01
1,688	Canadian Natural Resources	23	0.01
241	Canadian Tire 'A'	17	0.01
3,697	Cenovus Energy	13	0.01
1,303	Hydro One	21	0.01
400	IGM Financial	7	-
2,331	Lundin Mining	10	-
1,045	Magna International	37	0.02
1,125	Nutrien	28	0.02
41,800	Onex	1,409	0.79
482	Parkland	10	0.01
964	Restaurant Brands International	41	0.02

Holding	Investment	Market Value £'000	Percentage of total net assets
5,385	Suncor Energy	65	0.04
723	TELUS	10	0.01
964	Toronto-Dominion Bank	32	0.02
402	WSP Global	19	0.01
3,376	Yamana Gold	17	0.01
Mexico (0.18%)		59	0.03
14,800	Alfa	6	-
2,600	Coca-Cola Femsa	8	-
15,500	Fibra Uno Administracion	10	0.01
4,600	Orbia Advance	6	-
16,200	Wal-Mart de Mexico	29	0.02
United States (8.37%)		15,993	9.01
649	3M	74	0.04
2,579	Abbott Laboratories	198	0.11
2,466	Abbvie	178	0.10
610	Activision Blizzard	38	0.02
332	Agilent Technologies	24	0.01
231	Alexandria Real Estate Equities	31	0.02
244	Alphabet 'A'	277	0.16
188	Amazon.com	453	0.26
366	American Water Works	41	0.02
871	Amgen	162	0.09
424	Analog Devices	37	0.02
28	Anthem	6	-
478	AO Smith	18	0.01
610	Apollo Global Management	23	0.01
2,922	Apple	947	0.53
1,276	Applied Materials	63	0.04
7,816	AT&T	176	0.10
93	Automatic Data Processing	9	0.01
495	AvalonBay Communications	58	0.03
2,300	Baker Hughes	27	0.02
596	Bank of America	11	0.01
922	Best Buy	70	0.04
281	BlackRock	123	0.07
727	Borg Warner	20	0.01
518	Boston Properties	35	0.02
1,609	Bristol-Myers Squibb	72	0.04

Holding	Investment	Market Value £'000	Percentage of total net assets
268	Broadcom	65	0.04
596,522	Burford Capital ⁺⁺	3,202	1.80
717	Campbell Soup	27	0.02
820	Cardinal Health	34	0.02
490	Carlyle Group	11	0.01
299	Caterpillar	30	0.02
3,442	Centurylink	25	0.01
1,551	Chevron	99	0.06
216	Church & Dwight	16	0.01
5,580	Cisco Systems	200	0.11
2,763	Citigroup	105	0.06
189	Citrix Systems	21	0.01
440	Clorox	79	0.04
2,386	Colgate Palmolive	140	0.08
3,191	ConocoPhillips	91	0.05
743	CSX	40	0.02
443	Cummins	65	0.04
1,773	CVS Health	85	0.05
633	Delta Airlines	12	0.01
1,801	Dow	56	0.03
1,455	Eaton	103	0.06
2,802	eBay	118	0.07
138	Ecolab	20	0.01
271	EOG Resources	10	0.01
530	Equinix	317	0.18
1,309	Equity Residential	53	0.03
233	Essex Property Trust	39	0.02
715	Eversource Energy	49	0.03
833	Exelon	24	0.01
2,361	Exxon Mobil	76	0.04
736	Facebook	142	0.08
170	Fastenal	6	-
13,706	Ford	69	0.04
2,365	General Mills	114	0.06
2,757	Gilead Sciences	146	0.08
265	Goldman Sachs	40	0.02
1,758	Halliburton	19	0.01
457	Hasbro	25	0.01
1,779	Healthpeak Properties	37	0.02
541	HollyFrontier	11	0.01
1,132	Home Depot	229	0.13
2,795	Host Hotels & Resorts	23	0.01

Holding	Investment	Market Value £'000	Percentage of total net assets
5,675	HP	76	0.04
87	Humana	26	0.01
1,837	IBM	172	0.10
1,007	Illinois Tool Works	142	0.08
4,612	Intel	168	0.09
301	International Flavors & Fragrances	29	0.02
849	International Paper	22	0.01
703	Interpublic Group of Companies	10	0.01
639	Intuit	149	0.08
1,011	Iron Mountain	22	0.01
2,689	Johnson Controls International	79	0.04
3,236	JPMorgan Chase	238	0.13
1,308	Juniper Networks	25	0.01
903	Kellogg	47	0.03
455	Kimberly-Clark	53	0.03
7,175	Kinder Morgan	77	0.04
1,295	Kraft Heinz	34	0.02
1,549	Kroger	41	0.02
275	Lam Research	79	0.04
1,210	Las Vegas Sands	40	0.02
203	Lear	17	0.01
739	Lowe's	84	0.05
1,534	Marathon Petroleum	45	0.03
795	Marsh & McLennan	71	0.04
653	Mastercard	153	0.09
948	Maxim Integrated Products	49	0.03
227	McDonald's	34	0.02
1,879	Merck & Co	115	0.06
4,957	Microsoft	774	0.44
594	Moody's	127	0.07
2,603	Morgan Stanley	97	0.05
600	Motorola Solutions	64	0.04
109	MSCI	31	0.02
1,358	National Oilwell Varco	12	0.01
876	Netapp	30	0.02
761	Newell Rubbermaid	9	0.01
132	Newmont Mining	7	-
1,940	NextEra Energy	415	0.23
524	NIKE	39	0.02
560	NVIDIA	181	0.10
2,222	Oracle	94	0.05
381	Owens Corning	18	0.01

Holding	Investment	Market Value £'000	Percentage of total net assets
443	PepsiCo	46	0.03
3,213	Pfizer	94	0.05
100	PPG Industries	8	-
463	Procter & Gamble	46	0.03
814	Progressive	56	0.03
5,149	Prologis	413	0.23
1,266	Qualcomm	102	0.06
590	Regency Centers	18	0.01
410	ResMed	63	0.04
54	Roku	6	-
575	S&P Global	153	0.09
4,886	Schlumberger	68	0.04
930	Seagate Technology	32	0.02
372	Stanley Black & Decker	43	0.02
2,547	Starbucks	149	0.08
935	T Rowe Price	98	0.06
496	Target	48	0.03
60	Tesla	65	0.04
1,670	Texas Instruments	162	0.09
1,037	UDR	29	0.02
1,123	Union Pacific	148	0.08
598	United Health	138	0.08
1,101	United Parcel Services	120	0.07
141	Vail Resorts	21	0.01
1,313	Ventas	38	0.02
1,618	Verizon Communications	71	0.04
1,181	VF	54	0.03
589	Visa	85	0.05
643	Vornado Realty	17	0.01
161	W.W. Grainger	42	0.02
367	Walgreens Boots Alliance	11	0.01
318	Wal-Mart	31	0.02
1,460	Waste Management	122	0.07
895	Welltower	36	0.02
246	Western Digital	8	-
481	WestRock	10	0.01
397	Williams	6	-
340	Wynn Resorts	19	0.01
116	Xilinx	9	0.01
634	Xylem	35	0.02
497	Yum Brands	34	0.02

Holding	Investment	Market Value £'000	Percentage of total net assets
Pacific Basin Equities (2.52%)		2,675	1.50
Australia (0.57%)		413	0.23
4,153	APA	25	0.01
6,874	Aurizon	17	0.01
2,093	Commonwealth Bank of Australia	81	0.05
3,859	Dexus Property	18	0.01
6,706	Fortescue Metals	64	0.04
6,856	GPT	14	0.01
506	Magellan Financial	17	0.01
10,905	Medibank Private	17	0.01
13,847	Mirvac	16	0.01
8,392	Stockland Trust	14	0.01
4,438	Suncorp	21	0.01
14,651	Telstra	27	0.01
9,626	Transurban	72	0.04
13,667	Vicinity Centres	10	-
China (0.04%)		468	0.26
372	Alibaba ADR	71	0.04
208	Autohome	14	0.01
42,000	CGN Power 'H'	7	-
6,000	China Medical System	6	-
8,000	China Oilfield Services 'H'	5	-
11,800	China Pacific Insurance 'H'	26	0.01
24,000	CRRC 'H'	8	-
26,000	Lenovo	12	0.01
7,000	Logan Property	9	0.01
120	NetEase	42	0.02
24,000	PICC Property & Casualty 'H'	14	0.01
3,500	Ping An Insurance 'H'	28	0.02
5,600	Sinopharm 'H'	10	0.01
3,400	Tencent	178	0.10
8,000	Tingyi	11	0.01
5,000	Topsports International	5	-
7,000	Uni-President China	6	-
19,000	Want Want China	11	0.01
2,400	ZTE	5	-

			Market Value £'000	Percentage of total net assets
	Holding	Investment		
	Hong Kong (0.74%)		246	0.14
	22,000	Beijing Enterprises Water	7	-
	20,000	China Jinmao	10	0.01
	11,500	China Mobile	60	0.03
	2,700	Hang Seng Bank	32	0.02
	14,000	HKT Trust & HKT	16	0.01
	27,821	I-CABLE Communications	-	-
	769	Melco Resorts & Entertainment	10	0.01
	21,000	PCCW	9	-
	5,000	Power Assets	21	0.01
	4,500	Shimao Property	15	0.01
	12,000	Sino Land	11	0.01
	1,500	Swire Pacific 'A'	6	-
	17,000	Wharf	22	0.01
	10,000	Wharf Real Estate Investment	27	0.02
	India (0.00%)		196	0.11
	11,990	Infosys	118	0.07
	2,884	Tata Consultancy Services	67	0.04
	4,020	Wipro	11	-
	Indonesia (0.00%)		60	0.03
	65,700	Bank Mandiri	20	0.01
	32,700	Bank Negara Indonesia	8	-
	195,400	Bank Rakyat Indonesia	32	0.02
	Macau (0.00%)		26	0.01
	8,800	Sands China	26	0.01
	Malaysia (0.00%)		47	0.03
	12,000	Axiata	7	0.01
	9,700	Berjaya Sports Toto	4	-
	13,000	Genting Malaysia	5	-
	13,800	Malayan Banking Berhad	19	0.01
	7,000	RHB Bank	6	0.01
	8,600	Telekom Malaysia	6	-

Holding	Investment	Market Value £'000	Percentage of total net assets
New Zealand (0.09%)		12	0.01
5,075	Meridian Energy	12	0.01
Philippines (0.00%)		7	-
4,380	International Container Terminal Services	7	-
Singapore (0.00%)		207	0.12
9,000	Capitaland	14	0.01
2,000	City Developments	9	0.01
6,300	DBS	69	0.04
21,300	Genting Singapore	9	-
10,700	Oversea-Chinese Banking	51	0.03
3,200	Singapore Exchange	15	0.01
28,800	Singapore Telecommunications	40	0.02
South Korea (0.70%)		199	0.11
357	GS Engineering	6	-
341	Hyundai Engineering & Construction	7	-
43	Hyundai Heavy Industries Holdings	6	-
37	LG Household & Health Care	32	0.02
224	POSCO	28	0.02
2,472	Samsung Electronics	92	0.05
112	Samsung SDI	28	0.02
Taiwan (0.34%)		693	0.39
9,000	Asia Cement	9	0.01
2,000	Asustek Computer	11	0.01
1,000	Catcher Technology	6	-
28,000	Cathay Financial	29	0.02
2,000	Chicony Electronics	5	-
4,000	Chunghwa Telecom	11	0.01
18,000	Compal Electronics	9	-
7,000	Delta Electronic	36	0.02
39,948	E.Sun Financial	28	0.02
13,000	Far Eastern New Century	9	-
7,000	Far Eastone Telecommunications	11	0.01
5,000	Foxconn Technology	7	-

			Market Value £'000	Percentage of total net assets
Holding	Investment			
23,000	Fubon Financial		25	0.01
1,000	Globalwafers		11	0.01
49,000	Hon Hai Precision		100	0.06
11,000	Inventec		7	-
8,000	Lite-On Technology		10	0.01
2,000	Micro-Star International		7	-
2,000	Novatek Microelectronics		15	0.01
8,000	Pegatron		13	0.01
2,000	Powertech Technology		5	-
11,000	Quanta Computer		23	0.01
2,000	Realtek		19	0.01
35,000	SinoPac Financial		10	0.01
6,000	Synnex Technology		7	-
9,000	Taiwan High Speed Rail		8	-
6,000	Taiwan Mobile		16	0.01
14,000	Taiwan Semiconductors Manufacturing		155	0.09
17,000	Uni-President Enterprises		32	0.02
44,000	United Microelectronics		26	0.01
1,000	Walsin Technology		5	-
1,000	Win Semiconductors		8	-
11,000	Wistron		10	0.01
1,000	Yageo		10	0.01
Thailand (0.04%)			101	0.06
4,700	Advanced Info Service (Alien Market)		21	0.01
2,100	Bangkok Bank (Alien Market)		5	-
34,100	Bangkok Expressway & Metro (Alien Market)		7	-
35,000	BTS (Alien Market)		9	0.01
13,800	Charoen Pokphand Foods (Alien Market)		11	0.01
6,300	Kasikornbank (Alien Market)		12	0.01
37,700	Land & Houses (Alien Market)		7	-
3,400	PTT Exploration & Production (Alien Market)		8	0.01
7,900	PTT Global Chemical (Alien Market)		9	0.01
4,000	Siam Commercial Bank (Alien Market)		7	-
5,000	Thai Oil (Alien Market)		5	-
UK Equities (30.07%)			66,285	37.36
Basic Materials (0.00%)			52	0.03
217	Rio Tinto		10	0.01
2,218	Victrex		42	0.02

Holding	Investment	Market Value £'000	Percentage of total net assets
Consumer Goods (0.29%)		1,006	0.57
1,424	Burberry	18	0.01
723	Coca-Cola European Partners	23	0.01
4,745	Cranswick	170	0.10
2,668	Games Workshop	234	0.13
3,880	Greggs	46	0.03
17,130	Hilton Food	188	0.11
14,095	Hotel Chocolat**	41	0.02
12,028	JD Sports	73	0.04
26,557	Team17**	161	0.09
1,147	Unilever	52	0.03
Consumer Services (0.11%)		719	0.40
1,315	4Imprint	31	0.02
13,143	Auto Trader	70	0.04
6,941	Dart Group**	45	0.03
9,122	Dunelm	112	0.06
13,077	Future	180	0.10
948	GlobalData**	14	0.01
37,856	Hollywood Bowl	51	0.03
23,857	Moneysupermarket.com	70	0.04
7,644	On the Beach	21	0.01
1,496	Pearson	8	-
470	RELX	8	-
7,231	Rightmove	40	0.02
7,009	Sainsbury (J)	13	0.01
13,701	Trainline	56	0.03
Financials (28.66%)		60,923	34.34
1,361,226	3i Infrastructure	3,941	2.22
2,193,498	Aberdeen Diversified Income and Growth Trust ⁺	1,895	1.07
939,000	Aberdeen Standard European Logistics Income ⁺	995	0.56
24,882	AJ Bell	107	0.06
1,089,398	Aquila European Renewables Income Fund	991	0.56
105,542	Assura	83	0.05
5,240,923	BioPharma Credit	4,013	2.26
737,000	Blackstone GSO Loan Financing	445	0.25
2,068,969	Civitas Social Housing	2,334	1.31
1,026,294	CVC Credit Partners European Opportunities	901	0.51

		Market Value £'000	Percentage of total net assets
Holding	Investment		
5,445	Direct Line	16	0.01
14,150	Draper Esprit**	74	0.04
1,999,101	Fair Oaks Income	716	0.40
877,043	Foresight Solar Fund	938	0.53
2,044,356	GCP Asset Backed Income Fund	1,877	1.06
410,000	GCP Infrastructure	473	0.27
1,034,797	GCP Student Living	1,291	0.73
1,575,388	Greencoat UK Wind	2,303	1.30
634,503	Gresham House Energy Storage	742	0.42
2,575,814	Hicl Infrastructure	4,317	2.43
1,152,580	Hipgnosis Songs	1,343	0.76
81,452	Honeycomb Investment Trust	617	0.35
7,271	Intermediate Capital	98	0.05
2,189,257	International Public Partnerships	3,568	2.01
865,825	John Laing Group	2,554	1.44
8,216	Liontrust Asset Management	101	0.06
9,151	M&G	15	0.01
525,000	Marble Point Loan	176	0.10
1,313,500	NextEnergy Solar Fund	1,405	0.79
482,929	P2P Global Investments	3,612	2.04
2,387,916	PRS REIT	1,755	0.99
693,863	Renewables Infrastructure Group	921	0.52
1,509,000	Residential Secure Income	1,364	0.77
9,115	Safestore	70	0.04
15,666	Sanne	99	0.05
1,715,643	Sequoia Economic Infrastructure Income	1,798	1.01
487,783	SME Credit Realisation Fund	278	0.16
1,460,715	SQN Asset Finance Income Fund	378	0.21
1,034,582	SQN Asset Finance Income Fund 'C'	566	0.32
850,500	Supermarket Income REIT	933	0.53
1,277,693	Triple Point Social Housing REIT	1,361	0.77
686,769	Tritax Big Box REIT	1,039	0.58
1,409,499	Tufton Oceanic Assets	924	0.52
6,285,072	TwentyFour Income Fund	6,172	3.48
51,762	Unite	486	0.27
1,145,000	US Solar	820	0.46
2,931	Workspace	18	0.01
Health Care (0.04%)		422	0.24
3,480	Abcam**	45	0.03
322	AstraZeneca	27	0.02

			Market Value £'000	Percentage of total net assets
Holding	Investment			
2,099	Dechra Pharmaceuticals		60	0.03
3,685	Genus		125	0.07
10,807	GlaxoSmithKline		165	0.09
Industrials (0.52%)			1,677	0.95
2,325	Amcors		18	0.01
1,345,000	Amedeo Air Four Plus		448	0.25
32,180	Chemring		77	0.04
1,356	Diploma		25	0.01
12,804	DiscoverIE		76	0.04
296,541	Doric Nimrod Air Three		94	0.05
319,403	Doric Nimrod Air Two		190	0.11
210,243	DP Aircraft I		13	0.01
3,941	Fisher (J) & Sons		45	0.03
9,861	Hill & Smith		119	0.07
20,325	Marshalls		121	0.07
7,219	Midwich ⁺⁺		28	0.02
17,020	Polypipe		69	0.04
18,496	Rotork		52	0.03
21,377	RWS ⁺⁺		129	0.07
692	Spirax-Sarco Engineering		71	0.04
4,299	Ultra Electronics		102	0.06
Oil & Gas (0.00%)			130	0.07
47,134	BP		130	0.07
Technology (0.09%)			901	0.51
4,187	AVEVA		174	0.10
6,271	Computacenter		124	0.07
2,585	Craneware ⁺⁺		42	0.02
7,571	FDM		70	0.04
24,471	Kainos		269	0.15
10,714	Softcat		135	0.08
31,252	Spirent Communications		87	0.05

Holding	Investment	Market Value £'000	Percentage of total net assets
Telecommunications (0.28%)		412	0.23
14,149	Gamma Communication ⁺⁺	223	0.12
6,184	Telecom Plus	83	0.05
91,751	Vodafone	106	0.06
Utilities (0.08%)		43	0.02
838	Severn Trent	21	0.01
2,400	United Utilities	22	0.01
Collective Investment Schemes (8.97%)		16,109	9.08
3,617	Alpha UCITS SICAV - Fair Oaks Dynamic Credit Fund L2 Inc	3,297	1.86
4,557,831	MI Twentyfour Asset Backed Opportunities Fund I Inc	4,341	2.45
1,160,000	NB Global Floating Rate Income Fund	941	0.53
248,023	Neuberger Berman CLO Income Fund I2 Inc	2,011	1.13
64,582	Prytania Diversified Asset-Backed Securities Fund	5,519	3.11
Derivatives (-1.56%)		1,417	0.80
Forward Currency Contracts (-1.59%)		1,554	0.88
	Buy AUD 188,000 Sell GBP 104,682 10/09/2020	(2)	-
	Buy AUD 499,000 Sell GBP 277,429 10/09/2020	(5)	-
	Buy AUD 930,000 Sell GBP 511,942 10/09/2020	(4)	-
	Buy AUD 2,232,000 Sell GBP 1,235,770 10/09/2020	(16)	(0.01)
	Buy CAD 2,226,000 Sell GBP 1,286,504 10/09/2020	(21)	(0.01)
	Buy EUR 94,000 Sell GBP 84,869 10/09/2020	-	-
	Buy EUR 118,000 Sell GBP 107,080 10/09/2020	(1)	-
	Buy EUR 146,000 Sell GBP 130,661 10/09/2020	1	-
	Buy EUR 159,000 Sell GBP 142,681 10/09/2020	1	-
	Buy EUR 219,000 Sell GBP 197,374 10/09/2020	-	-
	Buy EUR 256,000 Sell GBP 228,427 10/09/2020	2	-
	Buy EUR 306,000 Sell GBP 277,290 10/09/2020	(1)	-
	Buy EUR 308,000 Sell GBP 275,051 10/09/2020	3	-
	Buy EUR 354,000 Sell GBP 317,094 10/09/2020	2	-
	Buy EUR 393,000 Sell GBP 356,281 10/09/2020	(2)	-
	Buy EUR 412,000 Sell GBP 370,030 10/09/2020	1	-
	Buy EUR 447,000 Sell GBP 408,416 10/09/2020	(5)	-
	Buy EUR 555,000 Sell GBP 504,178 10/09/2020	(4)	-
	Buy EUR 632,000 Sell GBP 575,162 10/09/2020	(5)	-
	Buy EUR 688,000 Sell GBP 618,105 10/09/2020	2	-

Holding	Investment	Market Value £'000	Percentage of total net assets
	Buy GBP 8,323,051 Sell AUD 15,225,000 10/09/2020	5	-
	Buy GBP 7,263,973 Sell CAD 12,378,000 10/09/2020	224	0.13
	Buy GBP 85,742 Sell EUR 94,000 10/09/2020	1	-
	Buy GBP 91,420 Sell EUR 102,000 10/09/2020	(1)	-
	Buy GBP 215,993 Sell EUR 241,000 10/09/2020	(1)	-
	Buy GBP 217,664 Sell EUR 239,000 10/09/2020	2	-
	Buy GBP 232,409 Sell EUR 257,000 10/09/2020	1	-
	Buy GBP 251,281 Sell EUR 276,000 10/09/2020	3	-
	Buy GBP 270,745 Sell EUR 300,000 10/09/2020	-	-
	Buy GBP 333,384 Sell EUR 374,000 10/09/2020	(4)	-
	Buy GBP 343,205 Sell EUR 382,000 10/09/2020	(1)	-
	Buy GBP 402,905 Sell EUR 444,000 10/09/2020	3	-
	Buy GBP 441,198 Sell EUR 490,000 10/09/2020	(1)	-
	Buy GBP 533,822 Sell EUR 582,000 10/09/2020	9	0.01
	Buy GBP 581,365 Sell EUR 642,000 10/09/2020	3	-
	Buy GBP 637,823 Sell EUR 705,000 10/09/2020	2	-
	Buy GBP 798,776 Sell EUR 891,000 10/09/2020	(5)	-
	Buy GBP 1,903,152 Sell EUR 2,129,000 10/09/2020	(16)	(0.01)
	Buy GBP 17,241,947 Sell EUR 19,326,000 10/09/2020	(182)	(0.10)
	Buy GBP 11,940 Sell HKD 120,000 03/08/2020	-	-
	Buy GBP 4,598,102 Sell JPY 624,780,000 10/09/2020	95	0.05
	Buy GBP 7,214,295 Sell NOK 86,453,000 10/09/2020	(41)	(0.02)
	Buy GBP 7,513,736 Sell NZD 14,804,000 10/09/2020	1	-
	Buy GBP 7,447,319 Sell SEK 87,395,000 10/09/2020	(169)	(0.10)
	Buy GBP 270,087 Sell TRY 2,460,439 04/08/2020	3	-
	Buy GBP 58,641 Sell USD 74,000 10/09/2020	2	-
	Buy GBP 82,416 Sell USD 105,000 10/09/2020	2	-
	Buy GBP 87,127 Sell USD 111,000 10/09/2020	3	-
	Buy GBP 88,208 Sell USD 110,000 10/09/2020	4	-
	Buy GBP 98,103 Sell USD 123,000 10/09/2020	4	-
	Buy GBP 98,638 Sell USD 128,000 10/09/2020	1	-
	Buy GBP 100,911 Sell USD 127,000 10/09/2020	4	-
	Buy GBP 120,686 Sell USD 152,000 10/09/2020	5	-
	Buy GBP 126,246 Sell USD 159,000 10/09/2020	5	-
	Buy GBP 151,591 Sell USD 192,000 10/09/2020	5	-
	Buy GBP 155,113 Sell USD 191,000 10/09/2020	10	0.01
	Buy GBP 166,537 Sell USD 212,000 10/09/2020	5	-
	Buy GBP 181,151 Sell USD 225,000 10/09/2020	10	0.01
	Buy GBP 181,705 Sell USD 229,000 10/09/2020	7	-
	Buy GBP 184,036 Sell USD 233,000 10/09/2020	7	-
	Buy GBP 208,926 Sell USD 262,000 10/09/2020	9	0.01

Holding	Investment	Market Value £'000	Percentage of total net assets
	Buy GBP 216,248 Sell USD 269,000 10/09/2020	11	0.01
	Buy GBP 221,564 Sell USD 288,000 10/09/2020	2	-
	Buy GBP 299,494 Sell USD 382,000 10/09/2020	9	-
	Buy GBP 300,745 Sell USD 382,000 10/09/2020	10	0.01
	Buy GBP 397,568 Sell USD 506,000 10/09/2020	12	0.01
	Buy GBP 438,199 Sell USD 547,000 10/09/2020	22	0.01
	Buy GBP 672,992 Sell USD 847,000 10/09/2020	28	0.02
	Buy GBP 2,608,518 Sell USD 3,258,000 10/09/2020	127	0.07
	Buy GBP 47,472,659 Sell USD 59,701,000 10/09/2020	1,997	1.13
	Buy JPY 59,048,000 Sell GBP 439,426 10/09/2020	(14)	(0.01)
	Buy JPY 319,000,000 Sell GBP 2,392,261 10/09/2020	(93)	(0.05)
	Buy JPY 1,208,633,000 Sell GBP 8,869,906 10/09/2020	(158)	(0.09)
	Buy NOK 17,644,000 Sell GBP 1,497,927 10/09/2020	(17)	(0.01)
	Buy NZD 899,000 Sell GBP 458,435 10/09/2020	(2)	-
	Buy NZD 2,557,000 Sell GBP 1,316,843 10/09/2020	(19)	(0.01)
	Buy SEK 4,909,000 Sell GBP 419,969 10/09/2020	8	-
	Buy SEK 16,334,000 Sell GBP 1,440,357 10/09/2020	(17)	(0.01)
	Buy USD 95,000 Sell GBP 75,830 10/09/2020	(3)	-
	Buy USD 95,000 Sell GBP 76,623 10/09/2020	(4)	-
	Buy USD 108,000 Sell GBP 86,132 10/09/2020	(4)	-
	Buy USD 109,000 Sell GBP 85,780 10/09/2020	(3)	-
	Buy USD 126,000 Sell GBP 99,511 10/09/2020	(4)	-
	Buy USD 150,000 Sell GBP 120,160 10/09/2020	(6)	-
	Buy USD 158,000 Sell GBP 125,450 10/09/2020	(5)	-
	Buy USD 159,000 Sell GBP 126,380 10/09/2020	(5)	-
	Buy USD 197,000 Sell GBP 155,702 10/09/2020	(6)	-
	Buy USD 259,000 Sell GBP 204,578 10/09/2020	(7)	-
	Buy USD 308,000 Sell GBP 234,699 10/09/2020	-	-
	Buy USD 317,000 Sell GBP 255,681 10/09/2020	(14)	(0.01)
	Buy USD 322,000 Sell GBP 260,543 10/09/2020	(15)	(0.01)
	Buy USD 350,000 Sell GBP 276,572 10/09/2020	(10)	(0.01)
	Buy USD 388,000 Sell GBP 307,854 10/09/2020	(12)	(0.01)
	Buy USD 418,000 Sell GBP 329,138 10/09/2020	(11)	(0.01)
	Buy USD 427,000 Sell GBP 340,604 10/09/2020	(15)	(0.01)
	Buy USD 443,000 Sell GBP 357,108 10/09/2020	(20)	(0.01)
	Buy USD 510,000 Sell GBP 415,394 10/09/2020	(27)	(0.02)
	Buy USD 1,000,000 Sell GBP 801,823 10/09/2020	(40)	(0.02)
	Buy USD 1,110,000 Sell GBP 857,918 10/09/2020	(12)	(0.01)
	Buy USD 2,966,000 Sell GBP 2,348,656 10/09/2020	(89)	(0.05)

		Market Value £'000	Percentage of total net assets
Holding	Investment		
Futures (0.03%)		(137)	(0.08)
53	Long Euro Stoxx 50 Future 18/09/2020	(73)	(0.04)
17	Long FTSE 100 Index Future 18/09/2020	(58)	(0.03)
22	Long S&P 500 Index E-mini Future 18/09/2020	56	0.03
12	Long S&P 500 Index E-mini Future 18/09/2020	6	-
(156)	Short FTSE 250 Index Future 18/09/2020	97	0.05
(32)	Short US 10 Year Note Future 21/09/2020	(35)	(0.02)
(42)	Short US 10 Year Ultra Future 21/09/2020	(95)	(0.05)
(17)	Short US 2 Year Note (CBT) Future 30/09/2020	(2)	-
(49)	Short US 5 Year Note Future 30/09/2020	(33)	(0.02)
Total investment assets and liabilities		173,282	97.67
Net other assets		4,137	2.33
Total Net Assets		177,419	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

** AIM Listed.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital losses	1	(16,030)	(3,781)
Revenue	2	10,439	7,231
Expenses	3	(1,444)	(1,072)
Interest payable and similar charges	4	(1)	(7)
Net revenue before taxation		8,994	6,152
Taxation	5	(1,154)	(848)
Net revenue after taxation		7,840	5,304
Total return before distributions		(8,190)	1,523
Distributions	6	(9,135)	(6,992)
Change in net assets attributable to shareholders from investment activities		(17,325)	(5,469)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	219,843	112,503
Amounts receivable on the issue of shares	4,453	124,633
Amounts payable on the cancellation of shares	(31,990)	(15,935)
	(27,537)	108,698
Dilution adjustment	-	409
Stamp duty reserve tax	-	3
Change in net assets attributable to shareholders from investment activities (see above)	(17,325)	(5,469)
Retained distribution on accumulation shares	2,438	3,699
Closing net assets attributable to shareholders	177,419	219,843

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		174,697	200,615
Current assets:			
Debtors	7	2,192	2,643
Cash and bank balances	8	4,617	23,623
		6,809	26,266
Total assets		181,506	226,881
Liabilities:			
Investment liabilities		(1,415)	(3,754)
Provisions for liabilities	9	(21)	(170)
Creditors	10	(1,976)	(1,124)
Bank overdrafts	8	-	(410)
Distribution payable		(675)	(1,580)
		(2,651)	(3,114)
Total liabilities		(4,087)	(7,038)
Net assets attributable to shareholders		177,419	219,843

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Losses

	2020 £'000	2019 £'000
Non-derivative securities	(20,168)	1,857
Derivative contracts	(1,875)	(65)
Forward currency contracts	6,442	(4,913)
Other losses	(429)	(660)
Net capital losses	(16,030)	(3,781)

2. Revenue

	2020 £'000	2019 £'000
ACD fee rebate on collective investment scheme holdings	12	11
Bank and margin interest	2	12
Derivative revenue	507	-
Income from Overseas Collective Investment Schemes		
Unfranked income	1,200	653
Income from UK Collective Investment Schemes		
Interest income	261	3
Interest on debt securities	4,179	3,555
Overseas dividends	1,394	969
Overseas REIT	51	26
Stocklending revenue	-	10
UK dividends	2,374	1,688
UK REIT	459	304
Total revenue	10,439	7,231

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,247	937
Operating, administrative and servicing fees	197	135
Total expenses	1,444	1,072

Irrecoverable VAT is included in the above expenses where relevant.

4. Interest Payable and Similar Charges

	2020 £'000	2019 £'000
Derivative expense	-	4
Interest payable	1	3
Total interest payable & similar charges	1	7

5. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Corporation tax	1,047	719
Double taxation relief	(95)	(42)
Overseas taxes	351	171
Total current tax	1,303	848
Deferred tax (note 5(c))	(149)	(170)
Total taxation (note 5b)	1,154	678
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	8,994	6,152
Corporation tax at 20% (2019: 20%)	1,799	1,230
Effects of:		
Revenue not subject to taxation	(751)	(512)
Overseas taxes	351	171
Double taxation relief	(95)	(42)
Revenue taxable in other periods	(1)	1
Deferred tax	(149)	(170)
Total tax charge for year (note 5a)	1,154	678
Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.		
(c) Deferred tax		
Deferred tax charge at the start of the year	170	-
Deferred tax charge in statement of total return for year (note 5a)	(149)	170
Provision at the end of the year	21	170

(d) Factors that may affect future tax charge

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

6. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	795	419
Second interim distribution	786	419
Third interim distribution	786	409
Fourth interim distribution	784	405
Fifth interim distribution	785	396
Sixth interim distribution	784	433
Seventh interim distribution	749	432
Eighth interim distribution	660	514
Ninth interim distribution	672	611
Tenth interim distribution	680	712
Eleventh interim distribution	679	830
Final distribution	919	2,300
	9,079	7,880
Add: Income deducted on cancellation of shares	65	94
Deduct: Income received on issue of shares	(9)	(982)
Net distribution for the year	9,135	6,992
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	7,840	5,304
Capitalised fees	1,444	1,072
Shortfall transfer from capital to revenue	-	616
Transaction CGT	(149)	-
Total distributions	9,135	6,992

7. Debtors

	2020 £'000	2019 £'000
Accrued revenue	852	1,158
Amounts receivable from the ACD for the issue of shares	44	5
Overseas withholding tax recoverable	73	51
Sales awaiting settlement	1,222	1,428
Other debtor	-	1
Total debtors	2,191	2,643

8. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	2,455	21,831
Cash at broker	2,162	1,792
	4,617	23,623
Bank overdrafts		
Collateral cash pledged by counterparties^	-	(410)
	-	(410)
Net Liquidity	4,617	23,213

^ This reflects cash the fund has taken receipt of to support in the money derivative positions and mitigate counterparty risk to the fund.

9. Provisions for liabilities

	2020 £'000	2019 £'000
The provisions for liabilities comprise:		
CGT liability	21	170
	21	170

10. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	96	130
Amounts payable to the ACD for cancellation of shares	280	317
Corporation tax payable	537	341
Other accrued expenses	15	-
Purchases awaiting settlement	1,048	336
Total creditors	1,976	1,124

11. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 7 and 10.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 10.

12. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	69,943	51,069	77,699	20,156
Equities	111,396	105,452	108,608	53,831
Collective investment schemes	6,124	11,427	8,281	2,923
Corporate actions	161	263	1,508	549
Trades in the year before transaction costs	187,624	168,211	196,096	77,459
Commissions				
Equities	44	51	(46)	(27)
Collective investment schemes	2	-	(1)	(3)
Total commissions	46	51	(47)	(30)
Taxes				
Bonds	-	4	(12)	(1)
Equities	84	110	(17)	(2)
Collective investment schemes	1	4	(3)	-
Total taxes	85	118	(32)	(3)
Total transaction costs	131	169	(79)	(33)
Total net trades in the year after transaction costs	187,755	168,380	196,017	77,426

Total transaction costs expressed as a percentage of asset type cost	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	0.04	0.05	0.04	0.05
Collective investment schemes	0.03	-	0.01	0.10
Taxes				
Bonds	-	0.01	0.02	-
Equities	0.08	0.10	0.02	-
Collective investment schemes	0.02	0.04	0.04	-

Total transaction costs expressed as a percentage of net asset value	2020 %	2019 %
Commissions	0.05	0.06
Taxes	0.06	0.09

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.88% (2019: 0.55%), this is representative of the average spread on the assets held during the year.

13. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	12,383,990	241,389	(4,388,668)	(190,229)	8,046,482
A Income shares	939,673	62,421	(168,723)	(33,862)	799,509
I Accumulation shares	25,143,222	674,357	(7,810,177)	93,108	18,100,510
I Income shares	141,395,812	2,662,201	(10,353,487)	10,077	133,714,603
M Accumulation shares	100	867	(487)	278,462	278,942
M Income shares	100	900	(50)	29,887	30,837
Z Accumulation shares	2,468,012	98,006	(618,906)	-	1,947,112

14. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Bonds	-	48,868	-	-	64,318	-
Equities	106,888	-	-	116,249	-	-
Collective Investment Schemes	-	16,109	-	-	19,722	-
Derivatives	159	2,673	-	129	197	-
Total investment assets	107,047	67,650	-	116,378	84,237	-
Fair value of investment liabilities						
Derivatives	(296)	(1,119)	-	(71)	(3,683)	-
Total investment liabilities	(296)	(1,119)	-	(71)	(3,683)	-

15. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure	Net foreign currency exposure
	2020 £'000	2019 £'000
Argentina Peso	-	821
Australian Dollar	(5,802)	(13,042)
Brazilian Real	2,403	8,900
Canadian Dollar	(3,950)	(10,533)
Chilean Peso	242	1,224
China Renminbi	2	-
Colombian Peso	1,645	4,735
Czech Koruna	486	1,380
Danish Krone	1,362	81
Dominican Republic Peso	653	1,131
Egyptian Pound	213	1,685
Euro	(2,656)	(1,122)
Hong Kong Dollar	605	1,648
Hungarian Forint	461	211
Indian Rupee	1,198	2,007
Indonesian Rupiah	3,173	8,092
Israeli Shekel	-	100
Japanese Yen	8,656	414
Malaysian Ringgit	1,060	2,845
Mexican Peso	2,972	8,801
New Zealand Dollar	(5,746)	(12,846)
Norwegian Krone	(4,873)	(12,856)
Peruvian New Sol	1,045	3,058
Philippines Peso	-	1,006
Polish Zloty	1,231	4,270
Romanian Leu	216	-
Russian Ruble	2,061	4,069
Singapore Dollar	206	-
South Africa Rand	2,054	4,094
South Korean Won	201	1,531
Swedish Krona	(5,433)	(12,711)
Swiss Franc	973	1,117
Taiwan Dollar	706	768
Thai Baht	101	1,391
Turkish Lira	221	4,466
Uruguay Peso	226	1,449
US Dollar	(4,172)	4,030
Total	1,740	12,214

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the year end consists of:

2020	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Currency				
UK Sterling	8,294	-	167,378	175,672
Australian Dollar	-	-	(5,802)	(5,802)
Brazilian Real	-	2,200	203	2,403
Canadian Dollar	3	-	(3,953)	(3,950)
Chilean Peso	-	220	22	242
China Renminbi	-	-	2	2
Colombian Peso	-	1,583	62	1,645
Czech Koruna	-	478	8	486
Danish Krone	-	-	1,362	1,362
Dominican Republic Peso	-	635	18	653
Egyptian Pound	-	213	-	213
Euro	5,437	-	(8,093)	(2,656)
Hong Kong Dollar	-	-	605	605
Hungarian Forint	-	451	10	461
Indian Rupee	70	924	204	1,198
Indonesian Rupiah	-	3,079	94	3,173
Japanese Yen	-	-	8,656	8,656
Malaysian Ringgit	-	1,004	56	1,060
Mexican Peso	-	2,880	92	2,972
New Zealand Dollar	-	-	(5,746)	(5,746)
Norwegian Krone	-	-	(4,873)	(4,873)
Peruvian New Sol	-	1,019	26	1,045
Philippines Peso	-	-	7	7
Polish Zloty	-	1,166	65	1,231
Romanian Leu	-	216	-	216
Russian Ruble	-	1,987	74	2,061
Singapore Dollar	-	-	206	206
South Africa Rand	8	1,899	147	2,054
South Korean Won	-	-	201	201
Swedish Krona	-	-	(5,433)	(5,433)
Swiss Franc	-	-	973	973
Taiwan Dollar	2	-	704	706
Thai Baht	-	-	101	101
Turkish Lira	269	201	(249)	221
Uruguay Peso	-	220	6	226
US Dollar	883	18,145	(23,200)	(4,172)
Total	14,966	38,520	123,933	177,419

2019	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
Currency				
UK Sterling	24,054	-	183,575	207,629
Argentina Peso	821	-	-	821
Australian Dollar	255	-	(13,297)	(13,042)
Brazilian Real	-	8,262	638	8,900
Canadian Dollar	3	-	(10,536)	(10,533)
Chilean Peso	16	1,208	-	1,224
Colombian Peso	43	4,563	129	4,735
Czech Koruna	-	1,201	179	1,380
Danish Krone	-	-	81	81
Dominican Republic Peso	-	1,100	31	1,131
Egyptian Pound	443	1,206	36	1,685
Euro	1,051	-	(2,173)	(1,122)
Hong Kong Dollar	3	-	1,645	1,648
Hungarian Forint	-	-	211	211
Indian Rupee	83	1,901	23	2,007
Indonesian Rupiah	296	7,420	376	8,092
Israeli Shekel	-	-	100	100
Japanese Yen	116	-	298	414
Malaysian Ringgit	-	2,703	142	2,845
Mexican Peso	-	8,301	500	8,801
New Zealand Dollar	-	-	(12,846)	(12,846)
Norwegian Krone	-	-	(12,856)	(12,856)
Peruvian New Sol	-	2,981	77	3,058
Philippines Peso	-	993	13	1,006
Polish Zloty	-	4,014	256	4,270
Russian Ruble	-	4,023	46	4,069
South Africa Rand	93	3,961	40	4,094
South Korean Won	1	-	1,530	1,531
Swedish Krona	-	-	(12,711)	(12,711)
Swiss Franc	-	-	1,117	1,117
Taiwan Dollar	-	-	768	768
Thai Baht	-	1,226	165	1,391
Turkish Lira	-	3,354	1,112	4,466
Uruguay Peso	-	1,440	9	1,449
US Dollar	396	-	3,634	4,030
Total	27,674	59,857	132,312	219,843

Sensitivity analysis

The sensitivity analysis of the fund's financial asset and liability positions is monitored by the Investment Manager using VaR analysis. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	0.81%	1.00%
Maximum VaR	3.20%	1.43%
Average VaR	1.58%	1.21%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	0.02%	2.45%	-	0.39%	2.86%
31 July 2019	0.14%	0.51%	-	0.47%	1.12%

The ACD must calculate the global exposure of any fund it manages either as: 1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property. This is known as the Commitment Approach and is a measure of leverage or; 2) the market risk of the scheme property by way of the value at risk (VaR) approach. Although, the sensitivity analysis of the fund's financial asset and liability positions described above uses VaR analysis, the global exposure calculations for funds may be calculated on the Commitment Basis. The Prospectus provides further details on which method is used to calculate Global Exposure for each fund.

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	27,548	15.52%
Below investment grade securities	16,854	9.52%
Unrated securities	4,466	2.50%
Total Value of Securities	48,868	27.54%

	Market value £'000	Percentage of total net assets %
2019		
Investment grade securities	45,687	20.78%
Below investment grade securities	12,007	5.46%
Unrated securities	6,624	3.01%
Total Value of Securities	64,318	29.25%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

2020	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	(137)	12	(125)	-	-	(125)
Barclays Capital	-	-	-	(5)	(5)	-	-	(5)
BNP Paribas	-	-	-	(135)	(135)	-	-	(135)
Citigroup	-	-	-	103	103	-	-	103
Credit Agricole	-	-	-	2	2	-	-	2
Deutsche Bank	-	-	-	188	188	-	-	188
Goldman Sachs	-	-	-	(32)	(32)	-	-	(32)
HSBC	-	-	-	(12)	(12)	-	-	(12)
JP Morgan	-	-	-	(21)	(21)	-	-	(21)
Morgan Stanley	-	-	-	(53)	(53)	-	-	(53)
RBC Dominion Securities	-	-	-	2,075	2,075	-	-	2,075
Royal Banl of Scotland	-	-	-	(31)	(31)	-	-	(31)
Standard Chartered	-	-	-	(12)	(12)	-	-	(12)
Statestreet	-	-	-	(169)	(169)	-	-	(169)
UBS	-	-	-	(356)	(356)	-	-	(356)
Total	-	-	(137)	1,554	1,417	-	-	1,417

2019	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	58	(287)	(229)	410	-	181
BNP Paribas	-	-	-	(2)	(2)	-	-	(2)
Citigroup	-	-	-	(28)	(28)	-	-	(28)
Deutsche Bank	-	-	-	(43)	(43)	-	-	(43)
Goldman Sachs	-	-	-	(106)	(106)	-	-	(106)
HSBC	-	-	-	(472)	(472)	-	-	(472)
Morgan Stanley	-	-	-	(401)	(401)	-	-	(401)
RBC Dominion Securities	-	-	-	(955)	(955)	-	-	(955)
StateStreet	-	-	-	(907)	(907)	-	-	(907)
UBS	-	-	-	(285)	(285)	-	-	(285)
Total	-	-	58	(3,486)	(3,428)	410	-	(3,018)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(1,415)	-	-	(1,415)
Non-derivatives					
Provisions for liabilities	-	(21)	-	-	(21)
Other creditors	-	(1,976)	-	-	(1,976)
Distribution payable	-	(675)	-	-	(675)
Total financial liabilities	-	(4,087)	-	-	(4,087)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(3,754)	-	-	(3,754)
Non-derivatives					
Provisions for liabilities	-	(170)	-	-	(170)
Amounts held at futures clearing houses and brokers	(410)	-	-	-	(410)
Other creditors	-	(1,124)	-	-	(1,124)
Distribution payable	-	(1,580)	-	-	(1,580)
Total financial liabilities	(410)	(6,628)	-	-	(7,038)

16. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 5.7% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

First interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 August 2019

	Revenue	Equalisation	Distribution paid 30/09/19	Distribution paid 28/09/18
A Accumulation shares				
Group 1	0.8071	-	0.8071	0.8210
Group 2	0.5253	0.2818	0.8071	0.8210
A Income shares				
Group 1	0.4427	-	0.4427	0.4748
Group 2	0.2468	0.1959	0.4427	0.4748
I Accumulation shares				
Group 1	0.5129	-	0.5129	0.5196
Group 2	0.0967	0.4162	0.5129	0.5196
I Income shares				
Group 1	0.3914	-	0.3914	0.4176
Group 2	0.2668	0.1246	0.3914	0.4176
M Accumulation shares				
Group 1	0.3796	-	0.3796	-
Group 2	0.3796	-	0.3796	-
M Income shares				
Group 1	0.3689	-	0.3689	-
Group 2	0.3689	-	0.3689	-
Z Accumulation shares				
Group 1	0.8549	-	0.8549	0.8622
Group 2	0.6188	0.2361	0.8549	0.8622

Second interim dividend distribution

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 September 2019

	Revenue	Equalisation	Distribution paid 31/10/19	Distribution paid 31/10/18
A Accumulation shares				
Group 1	0.8210	-	0.8210	0.8226
Group 2	0.4264	0.3946	0.8210	0.8226
A Income shares				
Group 1	0.4485	-	0.4485	0.4739
Group 2	0.3188	0.1297	0.4485	0.4739
I Accumulation shares				
Group 1	0.5218	-	0.5218	0.5208
Group 2	0.2339	0.2879	0.5218	0.5208
I Income shares				
Group 1	0.3966	-	0.3966	0.4170
Group 2	0.1886	0.2080	0.3966	0.4170
M Accumulation shares				
Group 1	0.3859	-	0.3859	-
Group 2	0.3859	-	0.3859	-
M Income shares				
Group 1	0.3734	-	0.3734	-
Group 2	0.3734	-	0.3734	-
Z Accumulation shares				
Group 1	0.8700	-	0.8700	0.8646
Group 2	0.5675	0.3025	0.8700	0.8646

Third interim dividend distribution

Group 1 - shares purchased prior to 1 October 2019

Group 2 - shares purchased between 1 October 2019 and 31 October 2019

	Revenue	Equalisation	Distribution paid 29/11/19	Distribution paid 30/11/18
A Accumulation shares				
Group 1	0.8296	-	0.8296	0.8084
Group 2	0.3535	0.4761	0.8296	0.8084
A Income shares				
Group 1	0.4516	-	0.4516	0.4639
Group 2	0.0268	0.4248	0.4516	0.4639
I Accumulation shares				
Group 1	0.5274	-	0.5274	0.5121
Group 2	0.1525	0.3749	0.5274	0.5121
I Income shares				
Group 1	0.3994	-	0.3994	0.4084
Group 2	0.2017	0.1977	0.3994	0.4084
M Accumulation shares				
Group 1	0.3900	-	0.3900	-
Group 2	0.1400	0.2500	0.3900	-
M Income shares				
Group 1	0.3761	-	0.3761	-
Group 2	0.1261	0.2500	0.3761	-
Z Accumulation shares				
Group 1	0.8799	-	0.8799	0.8503
Group 2	0.4203	0.4596	0.8799	0.8503

Fourth interim dividend distribution

Group 1 - shares purchased prior to 1 November 2019

Group 2 - shares purchased between 1 November 2019 and 30 November 2019

	Revenue	Equalisation	Distribution paid 31/12/19	Distribution paid 31/12/18
A Accumulation shares				
Group 1	0.8341	-	0.8341	0.7994
Group 2	-	0.8341	0.8341	0.7994
A Income shares				
Group 1	0.4523	-	0.4523	0.4570
Group 2	0.1208	0.3315	0.4523	0.4570
I Accumulation shares				
Group 1	0.5304	-	0.5304	0.5066
Group 2	0.1729	0.3575	0.5304	0.5066
I Income shares				
Group 1	0.4002	-	0.4002	0.4025
Group 2	0.0602	0.3400	0.4002	0.4025
M Accumulation shares				
Group 1	0.3922	-	0.3922	0.3763
Group 2	0.3922	-	0.3922	0.3763
M Income shares				
Group 1	0.3768	-	0.3768	0.3763
Group 2	0.3768	-	0.3768	0.3763
Z Accumulation shares				
Group 1	0.8851	-	0.8851	0.8414
Group 2	0.5752	0.3099	0.8851	0.8414

Fifth interim dividend distribution

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 31 December 2019

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
A Accumulation shares				
Group 1	0.8417	-	0.8417	0.7810
Group 2	0.2838	0.5579	0.8417	0.7810
A Income shares				
Group 1	0.4547	-	0.4547	0.4448
Group 2	0.1860	0.2687	0.4547	0.4448
I Accumulation shares				
Group 1	0.5354	-	0.5354	0.5000
Group 2	0.2440	0.2914	0.5354	0.5000
I Income shares				
Group 1	0.4024	-	0.4024	0.3919
Group 2	0.1698	0.2326	0.4024	0.3919
M Accumulation shares				
Group 1	0.3958	-	0.3958	0.3678
Group 2	0.3958	-	0.3958	0.3678
M Income shares				
Group 1	0.3789	-	0.3789	0.3662
Group 2	0.3789	-	0.3789	0.3662
Z Accumulation shares				
Group 1	0.8939	-	0.8939	0.8226
Group 2	0.5764	0.3175	0.8939	0.8226

Sixth interim dividend distribution

Group 1 - shares purchased prior to 1 January 2020

Group 2 - shares purchased between 1 January 2020 and 31 January 2020

	Revenue	Equalisation	Distribution paid 28/02/20	Distribution paid 28/02/19
A Accumulation shares				
Group 1	0.8480	-	0.8480	0.8038
Group 2	0.2443	0.6037	0.8480	0.8038
A Income shares				
Group 1	0.4564	-	0.4564	0.4561
Group 2	0.3202	0.1362	0.4564	0.4561
I Accumulation shares				
Group 1	0.5395	-	0.5395	0.5097
Group 2	0.3110	0.2285	0.5395	0.5097
I Income shares				
Group 1	0.4040	-	0.4040	0.4019
Group 2	0.1953	0.2087	0.4040	0.4019
M Accumulation shares				
Group 1	0.3990	-	0.3990	0.3787
Group 2	0.3990	-	0.3990	0.3787
M Income shares				
Group 1	0.3805	-	0.3805	0.3753
Group 2	0.3805	-	0.3805	0.3753
Z Accumulation shares				
Group 1	0.9012	-	0.9012	0.8472
Group 2	0.8103	0.0909	0.9012	0.8472

Seventh interim dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 29 February 2020

	Revenue	Equalisation	Distribution paid 31/03/20	Distribution paid 29/03/19
A Accumulation shares				
Group 1	0.8205	-	0.8205	0.8072
Group 2	0.4074	0.4131	0.8205	0.8072
A Income shares				
Group 1	0.4399	-	0.4399	0.4563
Group 2	0.2191	0.2208	0.4399	0.4563
I Accumulation shares				
Group 1	0.5222	-	0.5222	0.5120
Group 2	0.4026	0.1196	0.5222	0.5120
I Income shares				
Group 1	0.3896	-	0.3896	0.4022
Group 2	0.2754	0.1142	0.3896	0.4022
M Accumulation shares				
Group 1	0.3861	-	0.3861	0.3802
Group 2	0.3458	0.0403	0.3861	0.3802
M Income shares				
Group 1	0.3669	-	0.3669	0.3756
Group 2	0.3669	-	0.3669	0.3756
Z Accumulation shares				
Group 1	0.8726	-	0.8726	0.8514
Group 2	0.6733	0.1993	0.8726	0.8514

Eighth interim dividend distribution

Group 1 - shares purchased prior to 1 March 2020

Group 2 - shares purchased between 1 March 2020 and 31 March 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.7299	-	0.7299	0.8045
Group 2	0.1880	0.5419	0.7299	0.8045
A Income shares				
Group 1	0.3899	-	0.3899	0.4531
Group 2	0.1098	0.2801	0.3899	0.4531
I Accumulation shares				
Group 1	0.4647	-	0.4647	0.5104
Group 2	0.2941	0.1706	0.4647	0.5104
I Income shares				
Group 1	0.3454	-	0.3454	0.3994
Group 2	0.1816	0.1638	0.3454	0.3994
M Accumulation shares				
Group 1	0.3436	-	0.3436	0.3787
Group 2	0.3436	-	0.3436	0.3787
M Income shares				
Group 1	0.3253	-	0.3253	0.3729
Group 2	0.3253	-	0.3253	0.3729
Z Accumulation shares				
Group 1	0.7768	-	0.7768	0.8490
Group 2	0.6575	0.1193	0.7768	0.8490

Ninth interim dividend distribution

Group 1 - shares purchased prior to 1 April 2020

Group 2 - shares purchased between 1 April 2020 and 30 April 2020

	Revenue	Equalisation	Distribution paid 29/05/20	Distribution paid 31/05/19
A Accumulation shares				
Group 1	0.7529	-	0.7529	0.8123
Group 2	0.7529	-	0.7529	0.8123
A Income shares				
Group 1	0.4006	-	0.4006	0.4558
Group 2	0.1115	0.2891	0.4006	0.4558
I Accumulation shares				
Group 1	0.4795	-	0.4795	0.5155
Group 2	0.3440	0.1355	0.4795	0.5155
I Income shares				
Group 1	0.3550	-	0.3550	0.4020
Group 2	0.2635	0.0915	0.3550	0.4020
M Accumulation shares				
Group 1	0.3545	-	0.3545	0.3822
Group 2	0.3545	-	0.3545	0.3822
M Income shares				
Group 1	0.3343	-	0.3343	0.3750
Group 2	0.3343	-	0.3343	0.3750
Z Accumulation shares				
Group 1	0.8018	-	0.8018	0.8580
Group 2	0.5213	0.2805	0.8018	0.8580

Tenth interim dividend distribution

Group 1 - shares purchased prior to 1 May 2020

Group 2 - shares purchased between 1 May 2020 and 31 May 2020

	Revenue	Equalisation	Distribution paid 30/06/20	Distribution paid 28/06/19
A Accumulation shares				
Group 1	0.7683	-	0.7683	0.8070
Group 2	0.3850	0.3833	0.7683	0.8070
A Income shares				
Group 1	0.4073	-	0.4073	0.4511
Group 2	0.1656	0.2417	0.4073	0.4511
I Accumulation shares				
Group 1	0.4894	-	0.4894	0.5123
Group 2	0.2897	0.1997	0.4894	0.5123
I Income shares				
Group 1	0.3610	-	0.3610	0.3980
Group 2	0.1875	0.1735	0.3610	0.3980
M Accumulation shares				
Group 1	0.3618	-	0.3618	0.3794
Group 2	0.3618	-	0.3618	0.3794
M Income shares				
Group 1	0.3400	-	0.3400	0.3708
Group 2	0.3400	-	0.3400	0.3708
Z Accumulation shares				
Group 1	0.8187	-	0.8187	0.8530
Group 2	0.5987	0.2200	0.8187	0.8530

Eleventh interim dividend distribution

Group 1 - shares purchased prior to 1 June 2020

Group 2 - shares purchased between 1 June 2020 and 30 June 2020

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
A Accumulation shares				
Group 1	0.7843	-	0.7843	0.8146
Group 2	0.1978	0.5865	0.7843	0.8146
A Income shares				
Group 1	0.4143	-	0.4143	0.4537
Group 2	0.0923	0.3220	0.4143	0.4537
I Accumulation shares				
Group 1	0.4998	-	0.4998	0.5173
Group 2	0.1877	0.3121	0.4998	0.5173
I Income shares				
Group 1	0.3673	-	0.3673	0.4003
Group 2	0.1204	0.2469	0.3673	0.4003
M Accumulation shares				
Group 1	0.3695	-	0.3695	0.3828
Group 2	0.3695	-	0.3695	0.3828
M Income shares				
Group 1	0.3459	-	0.3459	0.3744
Group 2	0.3459	-	0.3459	0.3744
Z Accumulation shares				
Group 1	0.8365	-	0.8365	0.8616
Group 2	0.5227	0.3138	0.8365	0.8616

Final dividend distribution

Group 1 - shares purchased prior to 1 July 2020

Group 2 - shares purchased between 1 July 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 28/08/20	Distribution paid 30/08/19
A Accumulation shares				
Group 1	1.2690	-	1.2690	2.5078
Group 2	0.7200	0.5490	1.2690	2.5078
A Income shares				
Group 1	0.6711	-	0.6711	1.4056
Group 2	0.4124	0.2587	0.6711	1.4056
I Accumulation shares				
Group 1	0.6826	-	0.6826	1.4291
Group 2	0.2676	0.4150	0.6826	1.4291
I Income shares				
Group 1	0.5009	-	0.5009	1.1072
Group 2	0.0707	0.4302	0.5009	1.1072
M Accumulation shares				
Group 1	0.3493	-	0.3493	-
Group 2	0.3493	-	0.3493	-
M Income shares				
Group 1	0.3147	-	0.3147	0.2500
Group 2	0.3147	-	0.3147	0.2500
Z Accumulation shares				
Group 1	0.8637	-	0.8637	2.0913
Group 2	0.3770	0.4867	0.8637	2.0913

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Eastern European Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in European emerging markets equities (company shares).

Performance target: To achieve the return of the MSCI Emerging Market Europe 10/40 Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund invests at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in European emerging market countries, or companies that derive a significant proportion of their revenues or profits or have a significant proportion of their assets there.
- The fund may also invest up to 10% in other European equities.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the MSCI Emerging Market Europe 10/40 Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index, is not ordinarily expected to exceed 12.5%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the MSCI Emerging Market Europe 10/40 Index over the long term.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI Eastern European Equity Fund - A Accumulation Shares decreased by 9.56% compared to a decrease of 19.82% in the performance target, the MSCI Emerging Market Europe 10/40 Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

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Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Eastern European equities ended significantly lower in sterling terms in the year to July 2020, hurt by the coronavirus pandemic and currency volatility. Share prices initially rose when governments worldwide began monetary easing to bolster their economies hurt by the US-China trade war. However, stock markets fell sharply in the new year, as the rapid spread of COVID-19 compelled governments to lock down their countries. Business activity was brought to a standstill, and consumer confidence was depressed.

Heightened currency and sanction risk subsequently hindered the market recovery. Returns in sterling terms were dampened by the weaker Russian ruble and Turkish lira. Given Russia's large oil exports, its local currency shed a quarter of its value when oil prices fell by one-third. The oil slump was triggered by lower demand due to global lockdown measures and compounded by an oil price war. In Turkey, currency intervention by its central bank failed to stem the lira's slide, compounded by aggressive cuts in lending costs by state-owned banks and severe inflationary pressures. Fears that companies saddled with foreign-currency debt may collapse also hurt Turkish equities. Additionally, investors were concerned that Russia's gas pipeline through Europe and Turkey's military incursion into Syria provoked sanctions. In Poland, the slowing economy and a negative ruling on Swiss franc mortgages which hurt domestic banks weighed on the Warsaw bourse.

Cushioning the region's losses was an influx of retail investors. This was especially true for those in Russia seeking to avoid a new tax on bank deposits. The Moscow stock market's advance was a bright spot in contrast to the Eastern European bourses, which ended in negative territory even in local currency terms. The rebound in oil demand after China managed to bring its domestic infections under control was a relief for Russia.

The Kremlin's accommodative monetary policy alongside targeted fiscal stimulus for households and industries also drove the recovery in Russian equity valuations.

In economic news, COVID-19-related mobility restrictions caused economic output to contract in the second quarter of 2020. Tourism-dependent nations such as Turkey, Greece, and Georgia bore the brunt of the prolonged pandemic. On the fiscal front, governments rolled out unprecedented pandemic relief packages to combat the destruction in demand. For example, the Kremlin's US\$70 billion stimulus supported small and medium-sized businesses through tax holidays and government-backed cheap loans, as well as higher social payments to households. Its finance ministry issued record-high volumes of domestic treasury bonds to finance the country's relief measures. The review period ended on an upbeat note with the landmark European Union recovery fund including significant grants for Poland, Greece, Romania, and Portugal.

Portfolio Activity

The portfolio performed remarkably well under the adverse circumstances, beating the benchmark in excess of ten percentage points. The main contributors were companies well-positioned for the unprecedented changes in the way people lived and worked. Our selection of communications and consumer staples holdings proved resilient, while avoiding banks in Turkey and Greece buoyed relative performance.

Holding Russia's communications giants Yandex and Mail.RU helped returns as digital advertising revenues accelerated with the shift of consumption and leisure habits online. We see Yandex's rapidly evolving online taxi, food takeaway and e-grocery business driving long-term growth. Similarly, greater global demand for remote solutions benefited information technology services provider EPAM Systems.

In the energy sector, our underweight to Gazprom helped the fund as depressed liquefied natural gas prices hurt the Russian gas giant. Conversely, oil refiner Tupras detracted as global refining margins narrowed. In healthcare, our holding Slovenia-based drug maker KRKA aided performance as investors viewed pharmaceutical businesses as safe-haven.

In the consumer sector, the fund's exposure to profitable defensive staples, such as Russian vodka producer Beluga and Polish grocery chain Dino Polska, provided an added uplift. The market also favoured our off-benchmark holding Detsky Mir, in contrast to many consumer discretionary businesses that were hurt by the lockdown. The Russian children's goods retailer's asset-light business model protected its margins. Moreover, government support measures, persistent cost-containment efforts and well-managed working capital also boosted its earnings. Less resilient was DP Eurasia, which we exited. The pizza chain's earnings were hurt by rising competition in Russia.

The main detractor during the review period was our underweight to the materials sector. The flight to safety led gold prices to rise by 40%. Russia's gold exports exceeded those of gas products, a first in almost three decades. We believe gold prices will be supported by monetary easing in the prolonged pandemic as the precious metal is widely used as a hedge against inflation. During the second half, we introduced Polyus, a Russian gold miner which generates healthy free cash flow on a low-cost structure.

The underweight to Norilsk Nickel also cost the fund as nickel prices rose on hopes of higher demand from electric vehicles, hybrid cars, and batteries. We exited the Russian miner on concerns about substandard environmental, social and governance (ESG) risk management and controls.

In the financial sector, our exposure to banks in Poland and the Czech Republic dented gains. Banking margins were pressured as central banks lowered interest rates to help cash-strapped businesses and lenders were called to defer loan repayments. In the Czech Republic, exposure to Komerční Banka hurt returns, as the local subsidiary of France's Société Générale intend shelved an attractive dividend to conserve capital until the pandemic blows over. Also, the fund's off-benchmark investment in Georgia Capital dampened returns due to its heightened risks of investing in the frontier country.

We repositioned the portfolio, remaining nimble amid the market turmoil and fundamental changes to sectors and companies. A long-term theme was our belief that energy prices will continue to recover as economies reopen. Among oil exploration and production companies, we switched from Rosneft to Tatneft, whose discretionary capital expenditure mitigated risks from uncertain global demand. We also introduced Russia's state-controlled gas giant Gazprom as we believe it has improved its cost management and capital allocation.

To cushion the fallout due to the lockdown, the Turkish government encouraged its sovereign wealth fund to support critical companies. This was followed by the Türkiye Wealth Fund taking over Swedish telco Telia's majority stake in Turkcell. We introduced the Turkish network operator to the fund as we believe the major shareholder change alleviated a longstanding corporate governance overhang.

The market volatility also allowed us to initiate Endava, Mondy, and Nova Ljubljanska Banka (NLB Group) at attractive valuations. Endava is a Romanian digital service consultancy that is benefiting from the growth in information technology spending. Mondy has a cost-efficient paper and board production business from sustainable forestry. It also has a global client base and a robust balance sheet. NLB Group is a conservatively-run Slovenian bank that operates across the Balkans.

We also took the opportunity to divest holdings that no longer met our investment criteria. Among our exits was MLP Healthcare, due to its reliance on medical tourism and government reimbursements. The COVID-19 crisis led to a collapse in global travel, causing challenges for the Turkish hospital chain.

In a portfolio adjustment related to ESG, we sold Norilsk Nickel. In our engagements with the Russian miner, we indicated that we would like to see adherence to the Global Tailings Standard, membership in the International Council on Mining and Metals, and independent assurance of the accuracy of its sustainability report disclosures. But a series of incidents in close succession called into question the importance it placed on ESG and their effective risk management. Norilsk Nickel was subsequently fined a record US\$2.1 billion for its Siberian fuel spill.

In Turkey, we exited discount grocer BIM Birlesik Magazalar following its stock price rally as we felt its valuation was excessive. Other key portfolio changes took place in the first half, and are in the interim report. This included initiating Mavi Giyim Sanayi and Inter RAO and exiting Bank Pekao, DP Eurasia, Cimsa Cimento and Logo Yazilim.

Portfolio Outlook and Strategy

In Russia, the twin blows inflicted by the oil price war and the COVID-19 pandemic have elevated its need and promote investment beyond energy and materials resources. While Turkey's credit boom fuelled a recovery, the weaker lira and widening current account deficit that ensued have heightened the risk of another currency crisis. In Poland, a worsening relationship with the European Union weighed. On a positive note, we look forward to the lifting of Europe's travel bans as we believe this will provide a much-needed boost to tourism-dependent emerging markets.

Amid the challenging demand and supply disruptions, high-quality companies have emerged that are growing on the back of the accelerated digital transformation post-lockdown. Over the long term, this growth is driven by the domestic consumption of an increasingly affluent and expanding middle-class. Our positions are now more defensive on expectations of near-term market volatility. We are monitoring the situation closely, and remain focused on identifying companies with deep business moats, clear earnings levers and prudent capital management that should deliver sustainable returns over time.

Global Emerging Markets Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund’s share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 6 because of the extent to which the following risk factors apply:

- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This fund offers no guarantee against loss or that the fund’s objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund’s ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	343.48	282.16	294.41
Return before operating charges*	(25.97)	65.53	(6.90)
Operating charges	(4.45)	(4.21)	(5.35)
Return after operating charges*	(30.42)	61.32	(12.25)
Distributions	(9.12)	(8.16)	(3.26)
Retained distributions on accumulation shares	9.12	8.16	3.26
Closing net asset value per share	313.06	343.48	282.16
* after direct transaction costs of:	0.25	0.14	0.06
Performance			
Return after charges	(8.86%)	21.73%	(4.16%)
Other information			
Closing net asset value (£'000)	3,634	4,283	3,991
Closing number of shares	1,160,682	1,246,954	1,414,432
Operating charges	1.39%	1.49%	1.80%
Direct transaction costs	0.08%	0.05%	0.02%
Prices			
Highest share price	367.0	345.8	318.9
Lowest share price	236.1	253.8	270.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	365.33	300.42	311.13
Return before operating charges*	(31.93)	67.75	(7.40)
Operating charges	(3.21)	(2.84)	(3.31)
Return after operating charges*	(35.14)	64.91	(10.71)
Distributions	(6.74)	(8.18)	(5.91)
Retained distributions on accumulation shares	6.74	8.18	5.91
Closing net asset value per share	330.19	365.33	300.42
* after direct transaction costs of:	0.27	0.14	0.06
Performance			
Return after charges	(9.62%)	21.61%	(3.44%)
Other information			
Closing net asset value (£'000)	12,222	15,465	12,949
Closing number of shares	3,701,475	4,233,106	4,310,370
Operating charges	0.94%	0.94%	1.05%
Direct transaction costs	0.08%	0.05%	0.02%
Prices			
Highest share price	390.1	367.9	337.2
Lowest share price	251.2	270.5	287.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	132.59	100.00 ^B
Return before operating charges*	(11.44)	33.35
Operating charges	(1.21)	(0.76)
Return after operating charges*	(12.65)	32.59
Distributions	(2.24)	(3.26)
Retained distributions on accumulation shares	2.24	3.26
Closing net asset value per share	119.94	132.59
* after direct transaction costs of:	0.10	0.04
Performance		
Return after charges	(9.54%)	32.59%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	816	100
Operating charges	0.99%	0.99%
Direct transaction costs	0.08%	0.05%
Prices		
Highest share price	141.8	133.5
Lowest share price	91.29	98.70

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (96.87%)		15,471	97.57
Emerging Market Equities (49.20%)		9,299	58.63
Russia (49.20%)		9,299	58.63
22,209	Beluga	302	1.90
273,002	Detsky	327	2.06
183,530	Gazprom	343	2.16
16,167	HeadHunter	247	1.56
6,385,150	Inter RAO	381	2.41
25,961	LUKOIL	1,347	8.49
6,880	Magnit	322	2.03
85,062	MD Medical	363	2.29
88,670	Mobile TeleSystems	297	1.87
215,010	Moscow Exchange	294	1.86
100,620	Novatek	1,124	7.09
29,720	Novolipetsk Steel	442	2.79
2,230	Polyus	388	2.44
542,870	Sberbank of Russia	1,232	7.77
112,220	Tatneft (Preference)	618	3.90
16,320	X5 Retail Group	467	2.93
18,378	Yandex	805	5.08
European Equities (29.79%)		3,335	21.03
Czech Republic (2.31%)		166	1.05
9,330	Komerční Banka	166	1.05
Greece (4.93%)		562	3.54
34,250	Fourlis	120	0.75
11,270	JUMBO	168	1.06
35,964	Sarantis	274	1.73
Hungary (1.22%)		288	1.82
16,240	Richter Gedeon Nyrt	288	1.82

Holding	Investment	Market Value £'000	Percentage of total net assets
Netherlands (1.11%)		-	-
Poland (10.87%)		1,266	7.98
6,830	CD Projekt	560	3.53
9,855	Dino Polska	418	2.63
9,390	Santander Bank Polska	288	1.82
Portugal (2.49%)		246	1.55
19,110	Jeronimo Martins	246	1.55
Romania (1.96%)		159	1.00
74,917	BRD-Groupe Societe Generale	159	1.00
Slovenia (1.54%)		361	2.28
2,601	KRKA	195	1.23
25,450	Nova Ljubljanska GDR	166	1.05
Switzerland (3.36%)		287	1.81
14,360	Coca-Cola HBC	287	1.81
Middle East Equities (10.18%)		1,168	7.37
Turkey (10.18%)		1,168	7.37
181,053	Aksigorta	149	0.94
1	AvivaSA Emeklilik ve	-	-
16,761	Coca-Cola İçecek	82	0.51
108,440	Enerjisa Enerji	98	0.62
1	Enka Insaat	-	-
32,160	Mavi Giyim Sanayi	145	0.92
203,069	Sok Marketler Ticaret	298	1.88
20,730	Tupras	187	1.18
128,590	Turkcell Iletisim	209	1.32
North America Equities (2.35%)		289	1.83
United States (2.35%)		289	1.83
1,310	EPAM Systems	289	1.83

Holding	Investment	Market Value £'000	Percentage of total net assets
UK Equities (5.35%)		1,380	8.71
Basic Materials (0.00%)		255	1.61
18,680	Mondi	255	1.61
Financials (0.93%)		56	0.35
7,170	Bank of Georgia	56	0.35
Health care (0.25%)		75	0.47
113,336	Georgia Healthcare	75	0.47
Industrials (2.08%)		215	1.36
47,040	Globaltrans Investment	215	1.36
Technology (2.09%)		779	4.92
7,520	Endava ADR	296	1.87
23,960	Mail.Ru	483	3.05
Total investment assets		15,471	97.57
Net other assets		386	2.43
Total Net Assets		15,857	100.00

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(2,267)	2,859
Revenue	2	609	664
Expenses	3	(178)	(171)
Net revenue before taxation		431	493
Taxation	4	(68)	(67)
Net revenue after taxation		363	426
Total return before distributions		(1,904)	3,285
Distributions	5	(363)	(426)
Change in net assets attributable to shareholders from investment activities		(2,267)	2,859

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	19,748	16,940
Amounts receivable on the issue of shares	2,005	2,478
Amounts payable on the cancellation of shares	(3,984)	(2,977)
	(1,979)	(499)
Change in net assets attributable to shareholders from investment activities (see above)	(2,267)	2,859
Retained distribution on accumulation shares	355	448
Closing net assets attributable to shareholders	15,857	19,748

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		15,471	19,130
Current assets:			
Debtors	6	59	119
Cash and bank balances		408	646
		467	765
Total assets		15,938	19,895
Liabilities:			
Creditors	7	(81)	(147)
		(81)	(147)
Total liabilities		(81)	(147)
Net assets attributable to shareholders		15,857	19,748

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(2,267)	2,842
Forward currency contracts	(1)	1
Other gains	1	16
Net capital (losses)/gains	(2,267)	2,859

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	-	1
Overseas dividends	609	653
Stocklending revenue	-	1
UK dividends	-	9
Total revenue	609	664

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	146	140
Operating, administrative and servicing fees	32	31
Total expenses	178	171

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	68	67
Total taxation	68	67
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	431	493
Corporation tax at 20% (2019: 20%)	86	99
Effects of:		
Revenue not subject to taxation	(31)	(71)
Overseas taxes	68	67
Overseas tax expensed	(9)	(7)
Excess allowable expenses	(46)	(21)
Total tax charge for year (note 4a)	68	67

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) **Factors that may affect future tax charge**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £250,000 (2019: £296,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. **Distributions**

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	355	448
Add: Income deducted on cancellation of shares	20	14
Deduct: Income received on issue of shares	(12)	(36)
Net distribution for the year	363	426

Details of the distribution per share are set out in this fund's distribution tables.

6. **Debtors**

	2020 £'000	2019 £'000
Accrued revenue	9	-
Amounts receivable from the ACD for the issue of shares	18	86
Overseas withholding tax recoverable	11	21
Sales awaiting settlement	21	12
Total debtors	59	119

7. **Creditors**

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	12	17
Amounts payable to the ACD for cancellation of shares	10	10
Other accrued expenses	3	-
Purchases awaiting settlement	56	120
Total creditors	81	147

8. **Related Party Transactions**

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 7.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 7.

9. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	5,979	6,231	7,382	5,532
Corporate actions	-	-	13	45
Trades in the year before transaction costs	5,979	6,231	7,395	5,577
Commissions				
Equities	5	4	(6)	(3)
Total commissions	5	4	(6)	(3)
Taxes				
Equities	3	1	-	-
Total taxes	3	1	-	-
Total transaction costs	8	5	(6)	(3)
Total net trades in the year after transaction costs	5,987	6,236	7,389	5,574

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.08	0.07	0.08	0.06
Taxes				
Equities	0.04	0.01	-	-

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.06	0.14
Taxes	0.02	0.01

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.29% (2019: 0.32%), this is representative of the average spread on the assets held during the year.

10. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	1,246,954	69,772	(151,618)	(4,426)	1,160,682
I Accumulation shares	4,233,106	529,321	(1,065,109)	4,157	3,701,475
M Accumulation shares	100	716	-	-	816

11. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	15,471	-	-	19,130	-	-
Total investment assets	15,471	-	-	19,130	-	-

12. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Czech Koruna	166	456
Euro	1,176	1,839
Hungarian Forint	288	241
Polish Zloty	1,276	2,183
Romanian Leu	159	386
Russian Ruble	5,655	5,520
Turkish Lira	1,167	1,966
US Dollar	5,014	5,471
Total	14,901	18,062

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £745,000 (2019: £903,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £774,000 (2019: £957,000).

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £81,000 (2019: £147,000).

13. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 5.3% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution table

For the year ended 31 July 2020 (in pence per share)

Final dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	9.1153	-	9.1153	8.1581
Group 2	6.8670	2.2483	9.1153	8.1581
I Accumulation shares				
Group 1	6.7379	-	6.7379	8.1799
Group 2	4.7824	1.9555	6.7379	8.1799
M Accumulation shares				
Group 1	2.2396	-	2.2396	3.2600
Group 2	1.8796	0.3600	2.2396	3.2600

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Emerging Markets Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the longer term (5 years or more) by investing in emerging markets corporate and/or government bonds.

Performance Target: To achieve the return of the JP Morgan EMBI Global Diversified Index (Hedged to GBP) plus 2.5% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio Securities

- The fund will invest at least 70% in bonds including government, sub-sovereign, and corporate bonds issued by emerging market countries or corporations which carry out a substantial part of their operations, derive a significant proportion of their revenues or profits or have a significant proportion of their assets in these countries.
- The fund may also hold bonds issued by other governments or sub-sovereigns anywhere in the world.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management Process

- The management team use their discretion (active management) to identify bonds and derivatives after analysing companies prospects and creditworthiness alongside global economic and market conditions. They make flexible allocations across bonds and derivatives in emerging markets as well as currencies.
- In seeking to achieve the performance target, the JP Morgan EMBI Global Diversified (GBP Hedged) Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 8.50%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the JP Morgan EMBI Global Diversified (GBP Hedged) Index.

Please Note: The fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and Techniques

- The fund will routinely use derivatives to reduce risk, reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").

- Derivatives can also be used to generate growth, consistent with the fund's risk profile, if market prices are expected to rise ("long positions") or fall ("short positions").
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI Emerging Markets Bond Fund - A Accumulation Shares decreased by 3.11% compared to an increase of 1.26% in the performance target, the JP Morgan EMBI Global Diversified Index (Hedged to GBP).

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Over the 12-month review period, emerging-market debt posted negative performance. Modest gains towards the end of 2019 were soon replaced with extreme volatility, as COVID-19 swept across the globe, resulting in economies going into lockdown. As a result, oil prices tumbled and the US dollar strengthened against emerging-market currencies. The final months of the period, however, were more positive, as central-bank stimulus, the reopening economies and a possible vaccine supported emerging-market debt.

Before coronavirus, markets were preoccupied with the trade war between the US and China, as both countries introduced retaliatory tariffs. However, in December, the US and China signed a 'phase-one' trade deal and announced a partial backtrack on certain tariffs, which fuelled hopes of a potential resolution to the 18-month trade war. As a result, investors began 2020 in an optimistic frame of mind, until the rise of coronavirus in China led to investors reducing risk exposure. As economic activity almost stopped, oil prices crashed and a number of emerging economies faced downgrades on their debt. In response, governments and central banks undertook unprecedented fiscal and monetary stimulus measures, in an attempt to stave off a recession forecast to be far worse than the global financial crisis of 2008.

Throughout the second quarter, commodity prices also began to recover, economies began phased re-openings and the US dollar weakened against emerging-market currencies. This was all supportive of emerging-market debt. However, by the end of the period, concerns over the length of any recovery, tensions between the US and China and a rise in infections dampened investor sentiment.

Portfolio Activity

Overall, security selection and local-currency allocation were positive for the fund's performance, while currency exposure and country allocation proved negative. On a country basis, the underweight positions (versus the benchmark) in Sri Lanka and Saudi Arabia, and a lack of exposure to Lebanon contributed to performance. Overweight positions in Indonesia and Qatar, and the local-currency allocation in Mexico and Indonesia also added value. Moreover, currency exposure in Mexico and security selection in Qatar contributed to performance.

Conversely, an overweight exposure to Ecuador, off-benchmark positions in Venezuela, the Bahamas and Angola, and underweight holdings in Panama, the Philippines and Peru detracted from returns. Moreover, currency exposure in Uruguay, Brazil and Russia, and credit allocation in Chile was detrimental to returns.

In terms of activity, we increased hard-currency sovereign holdings in Argentina as the country edges towards striking a deal to restructure US\$65 billion in foreign debt and avoid default. Additionally, we added to positions in Romania, Qatar, Morocco, El Salvador and Nigeria. We also switched out of Saudi Arabian bonds to increase holdings in Abu Dhabi. On the other hand, we closed out of our position in Angola and reduced holdings in Iraq, Bahrain, Costa Rica, Senegal, the United Arab Emirates and South Africa. In the local-currency space, we increased positions in Indonesia and Brazil, while reducing exposure to Mexico, based on valuations.

In the corporate space, we increased our positioning in South African electricity company Eskom, which looked attractive versus sovereign bonds, and oil & gas companies Pemex, Petronas and Ecopetrol. Conversely, we reduced exposure to Saudi Aramco and Thai Oil. Meanwhile, we sold holdings in Latam Airlines, due to potential restructuring risk, and reduced risk in Ukrainian company MetInvest.

Portfolio Outlook and Strategy

As countries have begun to open up their economies, there are signs that new COVID-19 cases are starting to appear across the globe, with the US, Asia and Central Europe being potential hotspots. We would expect governments around the world to be better-prepared this time, and we view the prospect of further full lockdowns like those seen in March as unlikely. However, it is clear that even if the number of cases stabilises globally, the recovery path for many countries looks tougher than it did a few months ago. While all countries look likely to suffer in the near term, the scale, duration and persistence of the shock will likely vary depending on which countries mount the strongest public-health campaigns and implement the most effective policy responses, as well as which had the most serious imbalances on the eve of the crisis. We believe that this requires an even more granular approach to differentiating between those countries in a stronger fundamental position and those whose existing challenges and imbalances will probably be exacerbated by this crisis.

Global Emerging Market Debt Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 4 because of the extent to which the following risk factors apply:

- The fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	142.62	132.73	137.46
Return before operating charges*	(2.86)	11.82	(2.44)
Operating charges	(1.86)	(1.93)	(2.29)
Return after operating charges*	(4.72)	9.89	(4.73)
Distributions	(7.03)	(9.29)	(7.99)
Retained distributions on accumulation shares	7.03	9.29	7.99
Closing net asset value per share	137.90	142.62	132.73
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(3.31%)	7.45%	(3.44%)
Other information			
Closing net asset value (£'000)	1,588	1,765	2,131
Closing number of shares	1,151,239	1,237,405	1,605,413
Operating charges	1.36%	1.46%	1.66%
Direct transaction costs	-	-	-
Prices			
Highest share price	146.7	142.9	141.7
Lowest share price	114.2	126.0	128.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	90.75	90.57	99.43
Return before operating charges*	(1.93)	7.58	(1.57)
Operating charges	(1.15)	(1.26)	(1.66)
Return after operating charges*	(3.08)	6.32	(3.23)
Distributions	(4.37)	(6.14)	(5.63)
Closing net asset value per share	83.30	90.75	90.57
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(3.39%)	6.98%	(3.25%)
Other information			
Closing net asset value (£'000)	2,304	1,994	1,398
Closing number of shares	2,765,585	2,196,892	1,542,961
Operating charges	1.36%	1.46%	1.66%
Direct transaction costs	-	-	-
Prices			
Highest share price	91.07	91.45	101.8
Lowest share price	70.58	84.58	88.71

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Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	123.54	114.34	117.60
Return before operating charges*	(2.50)	10.25	(2.10)
Operating charges	(1.08)	(1.05)	(1.16)
Return after operating charges*	(3.58)	9.20	(3.26)
Distributions	(6.10)	(8.03)	(6.85)
Retained distributions on accumulation shares	6.10	8.03	6.85
Closing net asset value per share	119.96	123.54	114.34
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(2.90%)	8.05%	(2.77%)
Other information			
Closing net asset value (£'000)	27,112	33,168	37,222
Closing number of shares	22,600,387	26,849,067	32,555,263
Operating charges	0.91%	0.91%	0.98%
Direct transaction costs	-	-	-
Prices			
Highest share price	127.4	123.8	121.6
Lowest share price	99.19	108.8	110.7

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The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	84.76	84.11	91.71
Return before operating charges*	(1.80)	7.10	(1.51)
Operating charges	(0.72)	(0.73)	(0.88)
Return after operating charges*	(2.52)	6.37	(2.39)
Distributions	(4.09)	(5.72)	(5.21)
Closing net asset value per share	78.15	84.76	84.11
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(2.97%)	7.57%	(2.61%)
Other information			
Closing net asset value (£'000)	20,174	21,127	7,318
Closing number of shares	25,816,099	24,926,973	8,700,773
Operating charges	0.91%	0.91%	0.98%
Direct transaction costs	-	-	-
Prices			
Highest share price	85.27	85.40	93.90
Lowest share price	66.11	78.75	82.31

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	113.32	100.00 ^B
Return before operating charges*	(2.12)	14.01
Operating charges	(1.00)	(0.69)
Return after operating charges*	(3.12)	13.32
Distributions	(5.52)	(4.97)
Retained distributions on accumulation shares	5.52	4.97
Closing net asset value per share	110.20	113.32
* after direct transaction costs of:	-	-
Performance		
Return after charges	(2.75%)	13.32%
Other information		
Closing net asset value (£'000)	9	-
Closing number of shares	8,423	100
Operating charges	0.96%	0.96%
Direct transaction costs	-	-
Prices		
Highest share price	117.0	113.5
Lowest share price	91.12	99.57

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	108.22	100.00 ^B
Return before operating charges*	(2.13)	13.85
Operating charges	(0.96)	(0.68)
Return after operating charges*	(3.09)	13.17
Distributions	(5.11)	(4.95)
Closing net asset value per share	100.02	108.22
* after direct transaction costs of:	-	-
Performance		
Return after charges	(2.86%)	13.17%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	948	100
Operating charges	0.96%	0.96%
Direct transaction costs	-	-
Prices		
Highest share price	109.2	113.5
Lowest share price	84.64	99.57

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	154.68	142.10	144.97
Return before operating charges*	(3.10)	12.80	(2.64)
Operating charges	(0.24)	(0.22)	(0.23)
Return after operating charges*	(3.34)	12.58	(2.87)
Distributions	(7.66)	(10.02)	(8.49)
Retained distributions on accumulation shares	7.66	10.02	8.49
Closing net asset value per share	151.34	154.68	142.10
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(2.16%)	8.85%	(1.98%)
Other information			
Closing net asset value (£'000)	2,653	68,857	63,949
Closing number of shares	1,752,858	44,514,386	45,002,909
Operating charges	0.16%	0.16%	0.16%
Direct transaction costs	-	-	-
Prices			
Highest share price	160.2	155.0	150.5
Lowest share price	124.8	135.5	137.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (96.70%)		46,743	86.81
Argentine Peso Denominated Bonds (0.01%)		-	-
Government Bonds (0.01%)		-	-
Brazilian Real Denominated Bonds (1.24%)		460	0.85
Government Bonds (1.24%)		460	0.85
less than 5 years to maturity			
494,000	Notas do Tesouro Nacional 6% 2024	289	0.53
greater than 25 years to maturity			
247,000	Brazil (Fed Rep of) 6% 2050	171	0.32
Colombian peso Denominated Bonds (0.00%)		512	0.95
Government Bonds (0.00%)		512	0.95
between 10 and 15 years to maturity			
2,405,000,000	Colombia (Republic of) 7% 2032	512	0.95
Euro Denominated Bonds (6.86%)		5,241	9.73
Corporate Bonds (0.00%)		-	-
Government Bonds (6.86%)		5,241	9.73
less than 5 years to maturity			
396,000	Banque Centrale de Tunisie 6.75% 2023	336	0.62
between 5 and 10 years to maturity			
260,000	Albania (Republic of) 3.5% 2027	239	0.44
940,000	Banque Centrale de Tunisie 6.375% 2026	758	1.41
600,000	Benin (Republic of) 5.75% 2026	507	0.94
770,000	Ivory Coast (Govt of) 5.25% 2030	640	1.19
312,000	Montenegro (Republic of) 2.55% 2029	247	0.46
200,000	Senegal (Republic of) 4.75% 2028	173	0.32
195,000	Serbia (Republic of) 1.5% 2029	168	0.31
520,000	Serbia (Republic of) 3.125% 2027	498	0.94
520,000	Ukraine (Republic of) 6.75% 2026	470	0.87

Holding	Investment	Market Value £'000	Percentage of total net assets
between 10 and 15 years to maturity			
440,000	Ivory Coast (Govt of) 5.875% 2031	368	0.68
300,000	Morocco (Govt of) 1.5% 2031	260	0.48
600,000	Romanian (Republic of) 3.5% 2034	577	1.07
Indonesian Rupiah Denominated Bonds (2.30%)		1,583	2.94
Government Bonds (2.30%)		1,583	2.94
between 10 and 15 years to maturity			
17,450,000,000	Indonesia (Republic of) 7% 2030	922	1.71
between 15 and 25 years to maturity			
11,630,000,000	Indonesia (Republic of) 8.375% 2039	661	1.23
Mexican Peso Denominated Bonds (3.06%)		643	1.19
Government Bonds (3.06%)		643	1.19
between 15 and 25 years to maturity			
15,500,000	Mexico (United Mexican States) 8.5% 2038	643	1.19
Russian Ruble Denominated Bonds (0.00%)		548	1.02
Government Bonds (0.00%)		548	1.02
between 5 and 10 years to maturity			
6,300,000	Russia (Govt of) 7.65% 2030	73	0.14
between 10 and 15 years to maturity			
40,500,000	Russia (Govt of) 7.7% 2033	475	0.88
South African Rand Denominated Bonds (0.00%)		472	0.88
Government Bonds (0.00%)		472	0.88
between 15 and 25 years to maturity			
13,000,000	South Africa (Republic of) 9% 2040	472	0.88
US Dollar Denominated Bonds (83.23%)		37,284	69.25
Corporate Bonds (26.98%)		14,202	26.38
less than 5 years to maturity			
395,000	Country Garden Holdings 8% 2024	327	0.61
455,000	Georgian Oil and Gas 6.75% 2021	348	0.65
800,000	Georgian Railway 7.75% 2022	623	1.16

		Market Value £'000	Percentage of total net assets
Holding	Investment		
220,000	GPN Capital 4.375% 2022	175	0.32
360,000	Liquid Telecommunications 8.5% 2022	279	0.52
269,877	Petroamazonas 4.625% 2020	79	0.15
5,695,000	Petróleos de Venezuela 6% 2024	114	0.21
200,000	Petroleos Mexicanos FRN 2022	149	0.28
380,000	Shimao Property 6.125% 2024	307	0.57
604,000	SPARC EM SPC Panama Metro Line 2 FRN 2022	282	0.52
325,000	State Bank of India 4.5% 2023	265	0.49
333,000	Ukraine Railways 8.25% 2024	252	0.47
between 5 and 10 years to maturity			
329,000	Abu Dhabi National Energy 4.875% 2030	317	0.59
1,482,000	Bahamas (Commonwealth of) 6% 2028	1,025	1.90
270,000	Bancolombia 4.875% 2027	201	0.37
245,000	Ecopetrol 6.875% 2030	225	0.42
200,000	Empresa Electrica Angamos 4.875% 2029	127	0.24
300,000	Global Bank 5.25% fixed to floating 2029	235	0.44
438,000	GTLK Europe Capital 4.65% 2027	334	0.62
800,000	ICD Sukuk 5% 2027	652	1.21
290,000	Longfor 3.95% 2029	235	0.44
371,000	Metinvest 8.5% 2026	276	0.51
230,000	Nexa Resources 5.375% 2027	182	0.34
2,871,770	Petroleos de Venezuela 6% 2026	57	0.11
270,000	Petroleos Mexicanos 6.5% 2027	196	0.36
840,000	Petroleos Mexicanos 6.84% 2030	595	1.11
430,000	Puma International Financing 5% 2026	285	0.53
364,000	Tengizchevroil Finance International 4% 2026	297	0.55
3,066,828	Uruguay (Republic of) 4.375% 2028	119	0.22
520,000	Zahidi 4.5% 2028	272	0.50
between 10 and 15 years to maturity			
360,000	BBVA Bancomer 5.875% fixed to floating 2034	270	0.50
1,170,000	Belize (Government of) 4.9375% 2034	378	0.70
400,000	Bioceanico Sovereign 0% 2034	216	0.40
between 15 and 25 years to maturity			
170,000	Mexico (United Mexican States) 6.05% 2040	168	0.31
434,000	OCP 6.875% 2044	412	0.75
670,000	Pertamina Persero 6.5% 2041	683	1.27
260,000	Petroleos Mexicanos 6.5% 2041	160	0.30
200,000	Saudi Arabian Oil 4.25% 2039	183	0.34

			Market Value £'000	Percentage of total net assets
	Holding	Investment		
greater than 25 years to maturity				
	200,000	Abu Dhabi Crude Oil Pipeline 4.6% 2047	191	0.35
	1,000,000	Perusahaan Listrik Negara 6.25% 2049	1,033	1.92
	740,000	Petroleos Mexicanos 6.95% 2060	461	0.86
	390,000	Suzano Austria 7% 2047	337	0.63
	430,000	Trust F/1401 6.39% 2050	333	0.62
Perpetual				
	750,000	MAF Global Securities 6.375% fixed to floating Perpetual	547	1.02
Government Bonds (56.25%)			23,082	42.87
less than 5 years to maturity				
	379,000	Armenia (Republic of) 7.15% 2025	328	0.61
	560,000	Dominican Republic 5.875% 2024	447	0.83
	1,330,000	Ecuador (Republic of) 10.75% 2022	553	1.03
	455,000	Ecuador (Republic of) 8.75% 2023	183	0.34
	355,000	Egypt (Arab Republic of) 6.2004% 2024	278	0.52
	840,000	Eskom 7.125% 2025	610	1.13
	670,000	Indonesia (Republic of) 5.875% 2024	586	1.09
	660,000	Perusahaan Penerbit SBSN Indonesia III 4.35% 2024	554	1.03
	670,000	Rwanda (Republic of) 6.625% 2023	515	0.96
	310,000	Turkey (Republic of) 5.75% 2024	226	0.42
	500,000	Turkey (Republic of) 7.375% 2025	386	0.72
	406,000	Uzbekistan (Republic of) 4.75% 2024	328	0.61
between 5 and 10 years to maturity				
	750,000	Angola (Republic of) 9.5% 2025	520	0.97
	1,332,000	Argentina (Republic of) 5.875% 2028	424	0.79
	520,000	Argentina (Republic of) 6.875% 2027	166	0.31
	674,000	Argentina (Republic of) 7.5% 2026	220	0.41
	370,000	Armenia (Republic of) 3.95% 2029	278	0.52
	157,700	Barbados (Govt of) 6.5% 2029	114	0.21
	410,000	Belarus (Republic of) 6.2% 2030	300	0.56
	530,000	Ecuador (Republic of) 8.875% 2027	205	0.38
	2,572,000	Ecuador (Republic of) 9.65% 2026	995	1.85
	385,000	Egypt (Arab Republic of) 7.6003% 2029	299	0.54
	400,000	El Salvador (Republic of) 6.375% 2027	270	0.50
	1,052,000	El Salvador (Republic of) 8.625% 2029	792	1.47
	600,000	Kenya (Republic of) 7% 2027	449	0.83
	1,020,000	Nigeria (Fed Rep of) 6.5% 2027	737	1.37
	412,000	Nigeria (Fed Rep of) 7.625% 2025	323	0.60

			Market Value £'000	Percentage of total net assets
	Holding	Investment		
	590,000	Qatar (Govt of) 4% 2029	532	0.99
	450,000	Saudi Arabia (Kingdom of) 4.5% 2030	416	0.77
	200,000	Sharjah Sukuk Program 3.854% 2026	166	0.31
	200,000	Ukraine (Republic of) 9.75% 2028	170	0.32
	1,955,000	Venezuela (Republic of) 9.25% 2028	101	0.19
between 10 and 15 years to maturity				
	330,000	Ghana (Republic of) 10.75% 2030	301	0.56
	300,000	Ghana (Republic of) 7.875% 2035	203	0.38
	410,000	Mozambique 5% 2031	265	0.49
	1,150,000	Ukraine (Republic of) 7.253% 2033	851	1.58
between 15 and 25 years to maturity				
	900,000	Dominican Republic 7.45% 2044	771	1.43
	400,000	Indonesia (Republic of) 6.625% 2037	437	0.81
	500,000	Paraguay (Republic of) 6.1% 2044	502	0.93
	520,000	South Africa (Republic of) 6.25% 2041	389	0.72
	650,000	Ukraine (Republic of) FRN 2040	435	0.81
greater than 25 years to maturity				
	2,538,000	Argentina (Republic of) 7.625% 2046	820	1.52
	1,180,000	Egypt (Arab Republic of) 8.5% 2047	886	1.65
	930,000	Egypt (Arab Republic of) 8.7002% 2049	700	1.30
	515,000	El Salvador (Republic of) 9.5% 2052	396	0.73
	200,000	Ghana (Republic of) 8.627% 2049	135	0.25
	1,250,000	Qatar (Govt of) 5.103% 2048	1,400	2.60
	1,180,000	Saudi Arabia (Kingdom of) 5% 2049	1,231	2.29
	300,000	Sharjah (Govt of) 4% 2050	240	0.45
	610,000	Uruguay (Republic of) 5.1% 2050	649	1.19
Equities (0.00%)			-	-
Emerging Market Equities (0.00%)			-	-
Brazil (0.00%)			-	-
	77,464	OAS	-	-
Collective Investment Schemes (2.96%)			1,658	3.08
	52,789	Aberdeen Standard SICAV I - China Onshore Bond Fund Z Acc ⁺	546	1.01
	108,787	Aberdeen Standard SICAV I - Indian Bond Fund Z Acc ⁺	1,112	2.07

Holding	Investment	Market Value £'000	Percentage of total net assets
Derivatives (-2.07%)		4,085	7.59
Forward Currency Contracts (-2.07%)		4,085	7.59
	Buy BRL 2,000,000 Sell USD 390,108 19/08/2020	(5)	(0.01)
	Buy BRL 2,602,000 Sell USD 498,763 19/08/2020	1	-
	Buy COP 556,052,000 Sell USD 148,745 19/08/2020	-	-
	Buy COP 2,300,000,000 Sell USD 618,118 19/08/2020	(2)	-
	Buy EUR 99,000 Sell GBP 89,615 07/10/2020	-	-
	Buy EUR 363,000 Sell GBP 327,295 07/10/2020	-	-
	Buy EUR 472,000 Sell GBP 426,533 07/10/2020	(1)	-
	Buy EUR 1,055,000 Sell GBP 953,373 07/10/2020	(2)	-
	Buy EUR 7,100,000 Sell GBP 6,432,908 07/10/2020	(29)	(0.05)
	Buy GBP 493,657 Sell EUR 547,000 07/10/2020	-	-
	Buy GBP 13,018,562 Sell EUR 14,361,000 07/10/2020	65	0.12
	Buy GBP 3,054,668 Sell MXN 87,916,000 07/10/2020	65	0.12
	Buy GBP 307,180 Sell USD 400,506 04/08/2020	2	-
	Buy GBP 116,569 Sell USD 146,000 07/10/2020	5	0.01
	Buy GBP 302,324 Sell USD 377,000 07/10/2020	15	0.03
	Buy GBP 470,631 Sell USD 595,000 07/10/2020	18	0.03
	Buy GBP 885,729 Sell USD 1,103,000 07/10/2020	46	0.08
	Buy GBP 91,242,558 Sell USD 113,800,000 07/10/2020	4,571	8.49
	Buy GBP 311,206 Sell ZAR 7,000,000 07/10/2020	1	-
	Buy GBP 1,135,807 Sell ZAR 24,398,000 07/10/2020	53	0.10
	Buy IDR 9,060,673,000 Sell USD 617,956 19/08/2020	(3)	(0.01)
	Buy MXN 6,000,000 Sell GBP 204,666 07/10/2020	(1)	-
	Buy MXN 17,000,000 Sell GBP 593,501 07/10/2020	(15)	(0.03)
	Buy MXN 28,157,000 Sell GBP 978,392 07/10/2020	(21)	(0.04)
	Buy MXN 32,513,000 Sell GBP 1,150,069 07/10/2020	(44)	(0.08)
	Buy USD 1,321,824 Sell BRL 7,778,000 19/08/2020	(130)	(0.24)
	Buy USD 1,443,324 Sell COP 5,281,774,000 19/08/2020	22	0.04
	Buy USD 311,000 Sell GBP 247,080 07/10/2020	(10)	(0.02)
	Buy USD 401,000 Sell GBP 307,452 07/10/2020	(2)	-
	Buy USD 1,000,000 Sell GBP 769,833 07/10/2020	(8)	(0.02)
	Buy USD 1,924,000 Sell GBP 1,476,893 07/10/2020	(13)	(0.02)
	Buy USD 2,778,000 Sell GBP 2,116,755 07/10/2020	(1)	-
	Buy USD 6,161,000 Sell GBP 4,694,394 07/10/2020	(2)	-
	Buy USD 9,108,000 Sell GBP 6,921,023 07/10/2020	16	0.03
	Buy USD 12,744,000 Sell GBP 9,888,536 07/10/2020	(182)	(0.34)
	Buy USD 29,000,000 Sell GBP 22,354,757 07/10/2020	(268)	(0.50)

Holding	Investment	Market Value £'000	Percentage of total net assets
	Buy USD 596,140 Sell IDR 9,060,673,000 19/08/2020	(13)	(0.02)
	Buy ZAR 10,000,000 Sell GBP 463,240 07/10/2020	(19)	(0.04)
	Buy ZAR 11,554,000 Sell GBP 537,060 07/10/2020	(24)	(0.04)
Total investment assets and liabilities		52,486	97.48
Net other assets		1,355	2.52
Total Net Assets		53,841	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

* Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(9,063)	3,050
Revenue	2	6,408	7,453
Expenses	3	(594)	(551)
Interest payable and similar charges		(1)	(2)
Net revenue before taxation		5,813	6,900
Taxation	4	(58)	(19)
Net revenue after taxation		5,755	6,881
Total return before distributions		(3,308)	9,931
Distributions	5	(6,151)	(7,873)
Change in net assets attributable to shareholders from investment activities		(9,459)	2,058

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	126,911	112,018
Amounts receivable on the issue of shares	11,016	21,304
Amounts payable on the cancellation of shares	(79,789)	(15,285)
	(68,773)	6,019
Dilution adjustment	418	42
Change in net assets attributable to shareholders from investment activities (see above)	(9,459)	2,058
Retained distribution on accumulation shares	4,744	6,774
Closing net assets attributable to shareholders	53,841	126,911

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		53,281	126,616
Current assets:			
Debtors	6	15,463	2,174
Cash and bank balances	7	736	1,780
		16,199	3,954
Total assets		69,480	130,570
Liabilities:			
Investment liabilities		(795)	(2,767)
Provisions for liabilities	8	(54)	(74)
Creditors	9	(14,707)	(687)
Bank overdrafts	7	(10)	-
Distribution payable		(73)	(131)
		(14,790)	(818)
Total liabilities		(15,639)	(3,659)
Net assets attributable to shareholders		53,841	126,911

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(14,004)	12,177
Forward currency contracts	5,420	(4,470)
Other losses	(479)	(4,657)
Net capital (losses)/gains	(9,063)	3,050

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	1	12
Income from Overseas Collective Investment Schemes		
Unfranked income	201	144
Interest on debt securities	6,202	7,293
Stocklending revenue	4	4
Total revenue	6,408	7,453

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	416	381
Operating, administrative and servicing fees	178	170
Total expenses	594	551

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in period		
Corporation tax	16	-
Double taxation relief	(16)	-
Overseas taxes	78	19
Total current tax	78	19
Deferred tax (note 4c)	(20)	(74)
Total taxation (note 4b)	58	(55)

	2020 £'000	2019 £'000
(b) Factors affecting current tax charge for the period		
The tax assessed for the period is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	5,813	6,900
Corporation tax at 20% (2019: 20%)	1,162	1,380
Effects of:		
Overseas taxes	78	19
Double taxation relief	(16)	-
Distributions treated as tax deductible	(1,146)	(1,380)
Deferred tax	(20)	(74)
Total tax charge for period (note 4a)	58	(55)
Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.		
(c) Deferred tax		
Deferred tax charge at the start of the period	74	-
Deferred tax charge in statement of total return for period (note 5a)	(20)	74
Provision at the end of the period	54	74

- (d) Factors that may affect future tax charge**
At the period end there are no surplus expenses and therefore no deferred tax asset in the current or prior period.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	563	567
Second interim distribution	525	485
Third interim distribution	454	619
Fourth interim distribution	510	562
Fifth interim distribution	507	712
Sixth interim distribution	522	754
Seventh interim distribution	515	572
Eighth interim distribution	618	796
Ninth interim distribution	520	803
Tenth interim distribution	508	666
Eleventh interim distribution	492	645
Final distribution	175	718
	5,909	7,899
Add: Income deducted on cancellation of shares	268	59
Deduct: Income received on issue of shares	(26)	(85)
Net distribution for the period	6,151	7,873

	2020 £'000	2019 £'000
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	5,755	6,881
Capitalised fees	416	382
Shortfall transfer from capital to revenue	-	610
Transaction CGT	(20)	-
Total distributions	6,151	7,873

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	624	1,804
Amounts receivable from the ACD for the issue of shares	87	155
Sales awaiting settlement	14,752	215
Total debtors	15,463	2,174

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	616	1,780
Collateral cash pledged to counterparties [~]	120	-
	736	1,780
Bank overdrafts		
Collateral cash pledged by counterparties [^]	(10)	-
	(10)	-
Net Liquidity	726	1,780

[~] This reflects cash the fund retains beneficial ownership of however which is currently being used to manage bilateral counterparty exposure on out of the money derivative positions.

[^] This reflects cash the fund has taken receipt of to support in the money derivative positions and mitigate counterparty risk to the fund.

8. Provisions for liabilities

	2020 £'000	2019 £'000
The provisions for liabilities comprise:		
CGT liability	54	74
	54	74

9. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	34	54
Amounts payable to the ACD for cancellation of shares	14,659	53
Other accrued expenses	14	-
Purchases awaiting settlement	-	580
Total creditors	14,707	687

10. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting period are disclosed in notes 6 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the period end in note 9.

11. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the period, or in the prior period.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	60,328	73,506	122,548	66,026
Collective investment schemes	101	146	2,062	58
Corporate actions	-	170	-	914
Trades in the year before transaction costs	60,429	73,822	124,610	66,998
Total net trades in the year after transaction costs	60,429	73,822	124,610	66,998

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 1.39% (2019: 0.37%), this is representative of the average spread on the assets held during the period.

12. Shares in issue reconciliation

	Opening shares 2019	Creations during the period	Cancellations during the period	Conversions during the period	Closing shares 2020
A Accumulation shares	1,237,405	95,853	(169,624)	(12,395)	1,151,239
A Income shares	2,196,892	1,060,489	(439,392)	(52,404)	2,765,585
I Accumulation shares	26,849,067	831,546	(5,087,594)	7,368	22,600,387
I Income shares	24,926,973	5,707,117	(4,874,069)	56,078	25,816,099
M Accumulation shares	100	803	(12)	7,532	8,423
M Income shares	100	848	-	-	948
Z Accumulation shares	44,514,386	3,221,921	(45,983,449)	-	1,752,858

13. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Bonds	-	46,743	-	-	122,719	-
Collective Investment Schemes	-	1,658	-	-	3,761	-
Derivatives	-	4,880	-	-	136	-
Total investment assets	-	53,281	-	-	126,616	-
Fair value of investment liabilities						
Derivatives	-	(795)	-	-	(2,767)	-
Total investment liabilities	-	(795)	-	-	(2,767)	-

14. Risk Management Policies and Disclosures

Based on the investment strategy, types of complexities of the derivatives and the proportion of the fund comprising derivatives, the method of estimating the fund's overall risk position (Global Exposure) is to use the value at risk (VaR) techniques which estimate the probability of portfolio losses based on the statistical analysis of historical price trends and volatilities.

The VaR is produced on a daily basis and the fund's current VaR limit is detailed below.

Value at Risk (VaR)

Model assumptions:

System:

Advanced Portfolio Technologies (APT)

VaR methodology:

Parametric

Confidence level:

99%

Holding period:

1 week (5 days)

Decay factor for exponential smoothing of the historical market data:

Nil

Historical observation period:

180 weeks

VaR limit (absolute):

20%

VaR limit (relative):

200%

Reference portfolio for relative VaR:

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	1.29%	1.57%
Maximum VaR	2.92%	2.03%
Average VaR	1.76%	1.79%

VaR Table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	0.02%	2.16%	-	0.37%	2.55%
31 July 2019	0.07%	1.09%	-	0.41%	1.57%

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	11,708	21.72%
Below investment grade securities	20,012	37.15%
Unrated securities	15,023	27.94%
Total Value of Securities	46,743	86.81%

	Market value £'000	Percentage of total net assets %
2019		
Investment grade securities	57,461	45.00%
Below investment grade securities	26,892	21.00%
Unrated securities	38,369	30.00%
Total Value of Securities	122,722	96.00%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

The balance sheet data in the table has the following subcaption:								
	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
2020	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Counterparty or clearer								
Barclays	-	-	-	(205)	(205)	-	-	(205)
BNP Paribas	-	-	-	(3)	(3)	-	-	(3)
Deutsche Bank	-	-	-	65	65	-	-	65
Goldman Sachs	-	-	-	(16)	(16)	-	-	(16)
HSBC	-	-	-	52	52	-	-	52
JP Morgan	-	-	-	38	38	-	-	38
Merril Lynch	-	-	-	20	20	-	-	20
Morgan Stanley	-	-	-	(3)	(3)	-	-	(3)
RBC Dominion Securities	-	-	-	(3)	(3)	-	-	(3)
Royal Bank of Canada	-	-	-	4,571	4,571	-	-	4,571
Standard Chartered	-	-	-	(34)	(34)	-	-	(34)
Societe Generale	-	-	-	17	17	-	-	17
StateStreet	-	-	-	(29)	(29)	-	-	(29)
UBS	-	-	-	(385)	(385)	-	-	(385)
Total	-	-	-	4,085	4,085	-	-	4,085

2019	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
Barclays	-	-	-	(1,268)	(1,268)	-	-	(1,268)
BNP Paribas	-	-	-	47	47	-	-	47
Citigroup	-	-	-	(116)	(116)	-	-	(116)
HSBC	-	-	-	(2)	(2)	-	-	(2)
Morgan Stanley	-	-	-	83	83	-	-	83
StateStreet	-	-	-	(10)	(10)	-	-	(10)
UBS	-	-	-	(1,365)	(1,365)	-	-	(1,365)
Total	-	-	-	(2,631)	(2,631)	-	-	(2,631)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(795)	-	-	(795)
Non-derivatives					
Provisions for liabilities	-	(54)	-	-	(54)
Bank Overdrafts	(10)	-	-	-	(10)
Other creditors	-	(14,707)	-	-	(14,707)
Distribution payable	-	(73)	-	-	(73)
Total financial liabilities	(10)	(15,629)	-	-	(15,639)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	-	(2,767)	-	(2,767)
Non-derivatives					
Other creditors	-	(761)	-	-	(1,061)
Distribution payable	-	(131)	-	-	(131)
Total financial liabilities	-	(892)	(2,767)	-	(3,959)

15. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £Nil (2019: £2,114,000). 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 31 July 2020 is £Nil (2019: £2,444,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Goldman Sachs International	-	2,114
Total securities on loan	-	2,114

Collateral held	2020 £'000	2019 £'000
Government Bond	-	2,444
Total collateral held	-	2,444

The gross earnings and fees paid for the year are £5,000 (2019: £5,000) and £1,000 (2019: £1,000).

16. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 3.4% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

First interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 August 2019

	Revenue	Equalisation	Distribution paid 30/09/19	Distribution paid 28/09/18
A Accumulation shares				
Group 1	0.6335	-	0.6335	0.6747
Group 2	-	0.6335	0.6335	0.6747
A Income shares				
Group 1	0.4031	-	0.4031	0.4604
Group 2	-	0.4031	0.4031	0.4604
I Accumulation shares				
Group 1	0.5580	-	0.5580	0.5815
Group 2	-	0.5580	0.5580	0.5815
I Income shares				
Group 1	0.3826	-	0.3826	0.4278
Group 2	-	0.3826	0.3826	0.4278
M Accumulation shares				
Group 1	0.5130	-	0.5130	-
Group 2	0.5130	-	0.5130	-
M Income shares				
Group 1	0.4560	-	0.4560	-
Group 2	0.4560	-	0.4560	-
Z Accumulation shares				
Group 1	0.6987	-	0.6987	0.7229
Group 2	-	0.6987	0.6987	0.7229

Second interim interest distribution

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 September 2019

	Revenue	Equalisation	Distribution paid 31/10/19	Distribution paid 31/10/18
A Accumulation shares				
Group 1	0.6014	-	0.6014	0.6216
Group 2	0.3293	0.2721	0.6014	0.6216
A Income shares				
Group 1	0.3809	-	0.3809	0.4219
Group 2	0.1681	0.2128	0.3809	0.4219
I Accumulation shares				
Group 1	0.5216	-	0.5216	0.5362
Group 2	0.2616	0.2600	0.5216	0.5362
I Income shares				
Group 1	0.3564	-	0.3564	0.3923
Group 2	0.2153	0.1411	0.3564	0.3923
M Accumulation shares				
Group 1	0.4845	-	0.4845	-
Group 2	0.4845	-	0.4845	-
M Income shares				
Group 1	0.4465	-	0.4465	-
Group 2	0.4465	-	0.4465	-
Z Accumulation shares				
Group 1	0.6537	-	0.6537	0.6664
Group 2	0.4143	0.2394	0.6537	0.6664

Third interim interest distribution

Group 1 - shares purchased prior to 1 October 2019

Group 2 - shares purchased between 1 October 2019 and 31 October 2019

	Revenue	Equalisation	Distribution paid 30/11/19	Distribution paid 29/11/18
A Accumulation shares				
Group 1	0.5212	-	0.5212	0.7920
Group 2	0.2996	0.2216	0.5212	0.7920
A Income shares				
Group 1	0.3289	-	0.3289	0.5351
Group 2	0.1404	0.1885	0.3289	0.5351
I Accumulation shares				
Group 1	0.4425	-	0.4425	0.6833
Group 2	0.2162	0.2263	0.4425	0.6833
I Income shares				
Group 1	0.3012	-	0.3012	0.4977
Group 2	0.1038	0.1974	0.3012	0.4977
M Accumulation shares				
Group 1	0.3987	-	0.3987	-
Group 2	0.1487	0.2500	0.3987	-
M Income shares				
Group 1	0.3718	-	0.3718	-
Group 2	0.1418	0.2300	0.3718	-
Z Accumulation shares				
Group 1	0.5553	-	0.5553	0.8505
Group 2	0.2299	0.3254	0.5553	0.8505

Fourth interim interest distribution

Group 1 - shares purchased prior to 1 November 2019

Group 2 - shares purchased between 1 November 2019 and 30 November 2019

	Revenue	Equalisation	Distribution paid 31/12/19	Distribution paid 31/12/18
A Accumulation shares				
Group 1	0.5764	-	0.5764	0.7177
Group 2	0.0291	0.5473	0.5764	0.7177
A Income shares				
Group 1	0.3626	-	0.3626	0.4848
Group 2	0.0591	0.3035	0.3626	0.4848
I Accumulation shares				
Group 1	0.4994	-	0.4994	0.6199
Group 2	0.1657	0.3337	0.4994	0.6199
I Income shares				
Group 1	0.3384	-	0.3384	0.4489
Group 2	0.1367	0.2017	0.3384	0.4489
M Accumulation shares				
Group 1	0.4439	-	0.4439	0.1140
Group 2	0.4439	-	0.4439	0.1140
M Income shares				
Group 1	0.4159	-	0.4159	0.1140
Group 2	0.4159	-	0.4159	0.1140
Z Accumulation shares				
Group 1	0.6267	-	0.6267	0.7723
Group 2	0.2489	0.3778	0.6267	0.7723

Fifth interim interest distribution

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 31 December 2019

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
A Accumulation shares				
Group 1	0.5792	-	0.5792	0.8796
Group 2	0.3991	0.1801	0.5792	0.8796
A Income shares				
Group 1	0.3625	-	0.3625	0.5876
Group 2	0.1409	0.2216	0.3625	0.5876
I Accumulation shares				
Group 1	0.5024	-	0.5024	0.7598
Group 2	0.2441	0.2583	0.5024	0.7598
I Income shares				
Group 1	0.3391	-	0.3391	0.5476
Group 2	0.1695	0.1696	0.3391	0.5476
M Accumulation shares				
Group 1	0.4450	-	0.4450	0.6365
Group 2	0.4450	-	0.4450	0.6365
M Income shares				
Group 1	0.4229	-	0.4229	0.6365
Group 2	0.4229	-	0.4229	0.6365
Z Accumulation shares				
Group 1	0.6309	-	0.6309	0.9470
Group 2	0.3813	0.2496	0.6309	0.9470

Sixth interim interest distribution

Group 1 - shares purchased prior to 1 January 2020

Group 2 - shares purchased between 1 January 2020 and 31 January 2020

	Revenue	Equalisation	Distribution paid 28/02/20	Distribution paid 28/02/19
A Accumulation shares				
Group 1	0.6057	-	0.6057	0.8632
Group 2	0.2612	0.3445	0.6057	0.8632
A Income shares				
Group 1	0.3776	-	0.3776	0.5724
Group 2	0.0289	0.3487	0.3776	0.5724
I Accumulation shares				
Group 1	0.5257	-	0.5257	0.7457
Group 2	0.0835	0.4422	0.5257	0.7457
I Income shares				
Group 1	0.3534	-	0.3534	0.5333
Group 2	0.0999	0.2535	0.3534	0.5333
M Accumulation shares				
Group 1	0.4681	-	0.4681	0.6365
Group 2	0.4681	-	0.4681	0.6365
M Income shares				
Group 1	0.4380	-	0.4380	0.6365
Group 2	0.4380	-	0.4380	0.6365
Z Accumulation shares				
Group 1	0.6604	-	0.6604	0.9299
Group 2	0.3819	0.2785	0.6604	0.9299

Seventh interim interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 29 February 2020

	Revenue	Equalisation	Distribution paid 31/03/20	Distribution paid 29/03/19
A Accumulation shares				
Group 1	0.5960	-	0.5960	0.6537
Group 2	0.0434	0.5526	0.5960	0.6537
A Income shares				
Group 1	0.3700	-	0.3700	0.4309
Group 2	0.1747	0.1953	0.3700	0.4309
I Accumulation shares				
Group 1	0.5175	-	0.5175	0.5650
Group 2	0.2572	0.2603	0.5175	0.5650
I Income shares				
Group 1	0.3464	-	0.3464	0.4014
Group 2	0.1433	0.2031	0.3464	0.4014
M Accumulation shares				
Group 1	0.4644	-	0.4644	0.4845
Group 2	0.0133	0.4511	0.4644	0.4845
M Income shares				
Group 1	0.4320	-	0.4320	0.4845
Group 2	0.4320	-	0.4320	0.4845
Z Accumulation shares				
Group 1	0.6506	-	0.6506	0.7051
Group 2	0.3634	0.2872	0.6506	0.7051

Eighth interim interest distribution

Group 1 - shares purchased prior to 1 March 2020

Group 2 - shares purchased between 1 March 2020 and 31 March 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.7256	-	0.7256	0.9057
Group 2	0.5575	0.1681	0.7256	0.9057
A Income shares				
Group 1	0.4486	-	0.4486	0.5938
Group 2	0.2270	0.2216	0.4486	0.5938
I Accumulation shares				
Group 1	0.6302	-	0.6302	0.7832
Group 2	0.3053	0.3249	0.6302	0.7832
I Income shares				
Group 1	0.4201	-	0.4201	0.5537
Group 2	0.1096	0.3105	0.4201	0.5537
M Accumulation shares				
Group 1	0.5753	-	0.5753	0.7125
Group 2	0.5753	-	0.5753	0.7125
M Income shares				
Group 1	0.5372	-	0.5372	0.6935
Group 2	0.5372	-	0.5372	0.6935
Z Accumulation shares				
Group 1	0.7927	-	0.7927	0.9778
Group 2	0.0130	0.7797	0.7927	0.9778

Ninth interim interest distribution

Group 1 - shares purchased prior to 1 April 2020

Group 2 - shares purchased between 1 April 2020 and 30 April 2020

	Revenue	Equalisation	Distribution paid 31/05/20	Distribution paid 29/05/19
A Accumulation shares				
Group 1	0.5941	-	0.5941	0.9023
Group 2	-	0.5941	0.5941	0.9023
A Income shares				
Group 1	0.3650	-	0.3650	0.5877
Group 2	0.1732	0.1918	0.3650	0.5877
I Accumulation shares				
Group 1	0.5161	-	0.5161	0.7804
Group 2	0.2282	0.2879	0.5161	0.7804
I Income shares				
Group 1	0.3420	-	0.3420	0.5481
Group 2	0.1431	0.1989	0.3420	0.5481
M Accumulation shares				
Group 1	0.4722	-	0.4722	0.6935
Group 2	0.4722	-	0.4722	0.6935
M Income shares				
Group 1	0.4440	-	0.4440	0.6840
Group 2	0.4440	-	0.4440	0.6840
Z Accumulation shares				
Group 1	0.6497	-	0.6497	0.9751
Group 2	0.5868	0.0629	0.6497	0.9751

Tenth interim interest distribution

Group 1 - shares purchased prior to 1 May 2020

Group 2 - shares purchased between 1 May 2020 and 31 May 2020

	Revenue	Equalisation	Distribution paid 30/06/20	Distribution paid 28/06/19
A Accumulation shares				
Group 1	0.5811	-	0.5811	0.7465
Group 2	0.3590	0.2221	0.5811	0.7465
A Income shares				
Group 1	0.3554	-	0.3554	0.4831
Group 2	0.1548	0.2006	0.3554	0.4831
I Accumulation shares				
Group 1	0.5050	-	0.5050	0.6460
Group 2	0.1886	0.3164	0.5050	0.6460
I Income shares				
Group 1	0.3330	-	0.3330	0.4507
Group 2	0.1248	0.2082	0.3330	0.4507
M Accumulation shares				
Group 1	0.4604	-	0.4604	0.5605
Group 2	0.4604	-	0.4604	0.5605
M Income shares				
Group 1	0.4350	-	0.4350	0.5605
Group 2	0.4350	-	0.4350	0.5605
Z Accumulation shares				
Group 1	0.6361	-	0.6361	0.8076
Group 2	0.1745	0.4616	0.6361	0.8076

Eleventh interim interest distribution

Group 1 - shares purchased prior to 1 June 2020

Group 2 - shares purchased between 1 June 2020 and 30 June 2020

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
A Accumulation shares				
Group 1	0.5637	-	0.5637	0.7282
Group 2	0.2374	0.3263	0.5637	0.7282
A Income shares				
Group 1	0.3430	-	0.3430	0.4685
Group 2	0.1515	0.1915	0.3430	0.4685
I Accumulation shares				
Group 1	0.4901	-	0.4901	0.6304
Group 2	0.2237	0.2664	0.4901	0.6304
I Income shares				
Group 1	0.3217	-	0.3217	0.4373
Group 2	0.1727	0.1490	0.3217	0.4373
M Accumulation shares				
Group 1	0.4460	-	0.4460	0.5320
Group 2	0.4460	-	0.4460	0.5320
M Income shares				
Group 1	0.4049	-	0.4049	0.5225
Group 2	0.4049	-	0.4049	0.5225
Z Accumulation shares				
Group 1	0.6177	-	0.6177	0.7874
Group 2	0.3559	0.2618	0.6177	0.7874

Final interest distribution

Group 1 - shares purchased prior to 1 July 2020

Group 2 - shares purchased between 1 July 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 28/08/20	Distribution paid 30/08/19
A Accumulation shares				
Group 1	0.4473	-	0.4473	0.8061
Group 2	0.3240	0.1233	0.4473	0.8061
A Income shares				
Group 1	0.2712	-	0.2712	0.5160
Group 2	0.1774	0.0938	0.2712	0.5160
I Accumulation shares				
Group 1	0.3891	-	0.3891	0.6980
Group 2	0.1569	0.2322	0.3891	0.6980
I Income shares				
Group 1	0.2545	-	0.2545	0.4818
Group 2	0.0873	0.1672	0.2545	0.4818
M Accumulation shares				
Group 1	0.3533	-	0.3533	0.6000
Group 2	0.3533	-	0.3533	0.6000
M Income shares				
Group 1	0.3017	-	0.3017	0.6200
Group 2	0.3017	-	0.3017	0.6200
Z Accumulation shares				
Group 1	0.4911	-	0.4911	0.8737
Group 2	0.1695	0.3216	0.4911	0.8737

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Emerging Markets Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in emerging markets equities (company shares).

Performance Target: To achieve the return of the MSCI Emerging Markets Index, plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund invests at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in global emerging market countries, or companies that derive a significant proportion of their revenues or profits or have a significant proportion of their assets there.
- Emerging Markets include Asian, Eastern European, Middle Eastern, African and Latin American countries or any country included within the MSCI Emerging Markets Index.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the performance target, the MSCI Emerging Markets Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the Index over the long term.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI Emerging Markets Equity Fund - A Accumulation Shares decreased by 4.97% compared to a decrease of 3.25% in the performance target, the MSCI Emerging Markets Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

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Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Emerging market equities faced several challenges in the year under review and ended lower at the end of the period. In the first half, brinksmanship between the US and China over trade issues held back the stock market. The signing of an initial trade deal between the two sides brought brief respite at the start of 2020. But this was short lived as the rapid spread of COVID-19 sent markets into a tailspin. Governments worldwide were forced to impose draconian lockdowns and social-distancing measures to contain the disease. These measures brought international travel and trade to a standstill and severely hampered economic activity. Emerging market currencies slumped against the US dollar, causing the asset class to sell off aggressively in the first quarter of 2020. Markets subsequently rebounded in the second quarter, after initial lockdowns proved effective in quelling the outbreak in most affected areas. Also supporting the rebound was the unprecedented monetary and fiscal support by central banks and governments worldwide.

Towards the end of the period, a resurgence of COVID-19 infections in the wake of easing lockdowns in several countries stalled the markets' momentum. Geopolitical tensions also resurfaced, with civil unrest again erupting in Hong Kong, border clashes between China and India, and renewed US-China tensions hampering investors' risk appetite.

Another factor that influenced emerging markets stocks in the latter half of the period was the gyrating oil price. The pandemic brought a sharp fall in global demand for crude oil. This was compounded by a price war between Saudi Arabia and Russia in their bid to gain market share. Consequently, this contributed to the slump in the asset class earlier in 2020. Although the oil price has stabilised since the second quarter, it has remained volatile and continued to weigh on sentiment.

Portfolio Activity

The fund underperformed its benchmark, chiefly due to the exposure to Latin America and India.

The underweight to China also proved costly, while political turmoil in Hong Kong pressured the market, causing our off-benchmark exposure there to hurt the fund.

In Latin America, weak stock selection particularly in Brazil, dented the fund's returns. The rapid capital flight triggered by COVID-19 caused substantial currency depreciation, which added to the woes of markets, such as Brazil and Mexico. Key lenders in both these countries, Banco Bradesco and Banorte detracted on concerns over the pandemic's impact on growth and further interest rate cuts. Additionally, questions over poor accounting practices and management integrity hurt Brazilian insurer IRB, which we subsequently sold. Among consumer stocks, restrictions on social interactions hampered Coca-Cola bottler and retailer FEMSA's share price. More positively, MercadoLibre, the leading e-commerce platform in the region, which we introduced earlier in 2020, proved to be standout performer. The stock rose steadily, thanks to solid business performance, and the pandemic-induced social-distancing measures, which accelerated the penetration of e-commerce across Latin America.

Similarly in India, weak stock selection hampered the fund's performance. Mortgage lender HDFC suffered as panicky investors sold off stocks in the financial sector on fears of the liquidity crunch worsening. Kotak Mahindra Bank also lagged as capital constraints weighed on the sector as a whole. Additionally, ITC cost the fund as fears of a tax increase for cigarettes weighed on its share price.

In Asia, while the underweight to China cost performance, stock selection was positive. The ASI SICAV I China A Share Equity Fund proved resilient in the highly volatile climate. Several of its domestically-focused core underlying holdings generated robust returns despite a dimmer global economic outlook and trade war uncertainty weighing on the mainland market. These holdings also showed early signs of recovery after the COVID-19 lockdowns were lifted. Several direct holdings, such as clinical-research organisation and contract manufacturer Wuxi Biologics and e-commerce company Meituan Dianping also contributed on solid earnings and positive outlooks. Additionally, the exposure to Tencent helped performance as the entertainment and social-media giant proved defensive during the lockdowns as time spent on digital entertainment, including online games, surged. Having said that, the lack of exposure to Alibaba proved costly. The e-commerce giant successfully listed in Hong Kong in November 2019 and maintained impressive results despite challenging market conditions.

In terms of sectors, our exposure to semiconductor companies, such as Samsung Electronics, ASML and TSMC, was positive. These high-quality holdings, with solid balance sheets and wide competitive moats, proved defensive, owing to a steady demand outlook for memory chips and smart phones. They also benefited the fund as their products were supported by work-from-home policies, resulting in resilient earnings and healthy margins in the first half of 2020.

It was an eventful second half of the period for the portfolio. In addition to the trades already mentioned in the interim review, we took advantage of the pandemic-induced weakness to invest in several long-researched stocks that we previously eschewed due to their high valuations, among them several China-based holdings. In order to do this, we trimmed the ASI SICAV I China A Share Equity Fund to raise capital in favour of direct exposure to preferred names, given better access to the Shanghai bourse. These included duty-free operator China Tourism Group Duty Free, high-end liquor producer Kweichow Moutai, solar-wafer manufacturer Longi Green Energy, electrical-appliance manufacturer Midea Group, leading mainland provider of power grid automation and industrial control products Nari Technology, and airport operator Shanghai International Airport.

Additionally, we introduced hazardous-waste treatment business China Conch Venture for its rapidly expanding and lucrative business; China Resources Gas, which we believe is a good proxy for the clean-energy theme; New Oriental Education an after-school K-12 tutoring business benefiting from margin improvement; online services provider Meituan Dianping in view of its positive outlook, especially in its core food and travel business;; and leading clothing manufacturer Shenzhou International Group for its solid fundamentals and attractive growth prospects.

Elsewhere, we introduced Mercado Libre, the leading e-commerce player in Latin America with a burgeoning online and offline payments platform; Mondy, a global innovator in packaging and paper solutions, for its solid balance sheet and attractive valuation; Samsung SDI, the leading manufacturer of small-sized Lithium-ion batteries and a forerunner in the development of new energy solutions; Brazilian-based WEG in view of its exposure in the motor and renewables industries; and Yandex, Russia's leading internet service provider, on the back of its dominant market position and successful tech ecosystem.

In addition to divesting IRB mentioned above, we exited Banco Santander Chile following its relative share price resilience, and in order to reduce our exposure to the banking sector. We also sold MTN due to the deteriorating macro environment in Nigeria, and Tenaris on oil price and capex reduction concerns. We also divested 58.com, Ambev, AmorePacific, BRF, Lojas Renner, Multiplan, Siam Cement, Sunny Optical and in favour of more compelling opportunities in a post-pandemic environment.

Portfolio Outlook and Strategy

Emerging market equities have recouped some of their losses since the sell-off at the start of the year, and several encouraging factors point towards a further rebound. These include easing lockdowns and loosening social-distancing restrictions, the re-opening of economies and highly accommodative monetary policy. However, several challenges remain, such as the risks associated with a resurgence of COVID-19 infections, heightened geopolitical tensions, rising joblessness that would hinder a pick-up in consumer spending and an increased risk of bankruptcies. These will continue to weigh on corporate earnings, evidenced by the fact that several companies have revised downwards or withdrawn their forecasts for the year. As such, we are still cautious about the outlook for emerging-market equities in the near-term.

Nevertheless, the longer-term trends for emerging markets remain attractive, and historically, increasing exposure to the asset class during periods of dislocation has proven effective. As bottom-up stock pickers, we have our eye on high-quality companies with robust revenue streams and healthy balance sheets, which we expect to emerge stronger beyond the current crisis. We continue to favour names with exposure to themes that are undimmed by the pandemic. These include greater demand for healthcare, technological advancements, such as cloud services, and shifting consumption patterns, such as growing discretionary spending on education, online shopping and gaming. We will therefore continue to use our on-the-ground advantage to stay focused on companies with healthy fundamentals that should yield sustainable returns in the longer term.

Global Emerging Markets Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 6 because of the extent to which the following risk factors apply:

- Investing in China A shares involves special considerations and risks, including greater price volatility, a less developed regulatory and legal framework, exchange rate risk/controls, settlement, tax, quota, liquidity and regulatory risks.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The fund may invest in companies with Variable Interest Entity (VIE) structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the legal and regulatory framework.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	771.39	692.53	725.38
Return before operating charges*	(21.40)	91.03	(18.57)
Operating charges	(11.76)	(12.17)	(14.28)
Return after operating charges*	(33.16)	78.86	(32.85)
Distributions	(1.33)	(1.87)	(1.00)
Retained distributions on accumulation shares	1.33	1.87	1.00
Closing net asset value per share	738.23	771.39	692.53
* after direct transaction costs of:	0.71	0.53	0.30
Performance			
Return after charges	(4.30%)	11.39%	(4.53%)
Other information			
Closing net asset value (£'000)	286,682	351,921	402,727
Closing number of shares	38,833,931	45,621,938	58,152,690
Operating charges	1.65%	1.77%	1.98%
Direct transaction costs	0.10%	0.08%	0.04%
Prices			
Highest share price	789.4	784.0	769.5
Lowest share price	574.8	610.4	655.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

G Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	114.97	102.66	106.71
Return before operating charges*	(3.17)	13.56	(2.74)
Operating charges	(1.28)	(1.25)	(1.31)
Return after operating charges*	(4.45)	12.31	(4.05)
Distributions	(0.68)	(0.88)	(0.99)
Retained distributions on accumulation shares	0.68	0.88	0.99
Closing net asset value per share	110.52	114.97	102.66
* after direct transaction costs of:	0.11	0.08	0.04
Performance			
Return after charges	(3.87%)	11.99%	(3.80%)
Other information			
Closing net asset value (£'000)	38,494	39,365	53,387
Closing number of shares	34,831,050	34,240,189	52,004,873
Operating charges	1.20%	1.21%	1.23%
Direct transaction costs	0.10%	0.08%	0.04%
Prices			
Highest share price	117.9	116.9	113.6
Lowest share price	85.91	90.61	97.18

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	854.29	762.79	792.99
Return before operating charges*	(23.56)	100.74	(20.45)
Operating charges	(9.50)	(9.24)	(9.75)
Return after operating charges*	(33.06)	91.50	(30.20)
Distributions	(5.04)	(6.56)	(7.34)
Retained distributions on accumulation shares	5.04	6.56	7.34
Closing net asset value per share	821.23	854.29	762.79
* after direct transaction costs of:	0.79	0.59	0.33
Performance			
Return after charges	(3.87%)	12.00%	(3.81%)
Other information			
Closing net asset value (£'000)	448,110	603,265	640,258
Closing number of shares	54,565,409	70,615,581	83,936,171
Operating charges	1.20%	1.21%	1.23%
Direct transaction costs	0.10%	0.08%	0.04%
Prices			
Highest share price	875.9	868.3	844.4
Lowest share price	638.4	673.3	722.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	801.13	720.30	756.11
Return before operating charges*	(22.10)	95.37	(19.48)
Operating charges	(8.90)	(8.78)	(9.33)
Return after operating charges*	(31.00)	86.59	(28.81)
Distributions	(4.73)	(5.76)	(7.00)
Closing net asset value per share	765.40	801.13	720.30
* after direct transaction costs of:	0.74	0.56	0.32
Performance			
Return after charges	(3.87%)	12.02%	(3.81%)
Other information			
Closing net asset value (£'000)	2,262	2,535	1,507
Closing number of shares	295,600	316,401	209,266
Operating charges	1.20%	1.21%	1.23%
Direct transaction costs	0.10%	0.08%	0.04%
Prices			
Highest share price	821.4	820.0	805.1
Lowest share price	598.7	635.8	688.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Accumulation shares ^A	2020 pence per share
Change in net assets per share	
Opening net asset value per share	100.00 ^B
Return before operating charges*	1.74
Operating charges	(0.73)
Return after operating charges*	1.01
Distributions	(0.96)
Retained distributions on accumulation shares	0.96
Closing net asset value per share	101.01
* after direct transaction costs of:	0.09
Performance	
Return after charges	1.01%
Other information	
Closing net asset value (£'000)	128,231
Closing number of shares	126,953,346
Operating charges	0.80%
Direct transaction costs	0.10%
Prices	
Highest share price	107.5
Lowest share price	78.41

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A K Accumulation share class was launched on 15 August 2019.

^B The opening net asset value stated is the share class launch price.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	118.91	100.00 ^B
Return before operating charges*	(2.93)	19.84
Operating charges	(1.33)	(0.93)
Return after operating charges*	(4.26)	18.91
Distributions	(0.57)	(1.36)
Retained distributions on accumulation shares	0.57	1.36
Closing net asset value per share	114.65	118.91
* after direct transaction costs of:	0.11	0.06
Performance		
Return after charges	(3.58%)	18.91%
Other information		
Closing net asset value (£'000)	203	-
Closing number of shares	176,916	100
Operating charges	1.25%	1.26%
Direct transaction costs	0.10%	0.08%
Prices		
Highest share price	122.3	120.9
Lowest share price	89.14	100.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	117.55	100.00 ^B
Return before operating charges*	(2.89)	19.84
Operating charges	(1.35)	(0.93)
Return after operating charges*	(4.24)	18.91
Distributions	(0.43)	(1.36)
Closing net asset value per share	112.88	117.55
* after direct transaction costs of:	0.11	0.06
Performance		
Return after charges	(3.61%)	18.91%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	908	100
Operating charges	1.25%	1.26%
Direct transaction costs	0.10%	0.08%
Prices		
Highest share price	121.0	120.9
Lowest share price	88.15	100.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	962.57	851.25	876.13
Return before operating charges*	(26.32)	113.15	(22.86)
Operating charges	(1.80)	(1.83)	(2.02)
Return after operating charges*	(28.12)	111.32	(24.88)
Distributions	(14.46)	(15.74)	(16.96)
Retained distributions on accumulation shares	14.46	15.74	16.96
Closing net asset value per share	934.45	962.57	851.25
* after direct transaction costs of:	0.89	0.66	0.37
Performance			
Return after charges	(2.92%)	13.08%	(2.84%)
Other information			
Closing net asset value (£'000)	129,622	111,504	99,574
Closing number of shares	13,871,429	11,584,046	11,697,384
Operating charges	0.20%	0.21%	0.23%
Direct transaction costs	0.10%	0.08%	0.04%
Prices			
Highest share price	991.3	978.2	937.5
Lowest share price	723.7	752.8	805.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (91.01%)		962,903	93.16
Europe, Middle East & Africa Equities (9.48%)		116,685	11.29
Luxembourg (0.98%)		-	-
Netherlands (0.00%)		35,837	3.47
43,948	ASML	11,867	1.15
324,056	Prosus	23,970	2.32
Russia (3.23%)		45,594	4.41
188,403	Lukoil ADR	9,775	0.94
916,573	Novatek	10,242	0.99
4,312,124	Sberbank of Russia	9,787	0.95
360,300	Yandex	15,790	1.53
South Africa (4.22%)		23,794	2.30
168,966	Naspers	23,794	2.30
Turkey (1.05%)		4,883	0.47
626,508	BIM Birlesik Magazalar	4,883	0.47
United Kingdom (0.00%)		6,577	0.64
477,800	Mondi	6,577	0.64
Latin American Equities (17.15%)		108,873	10.53
Argentina (0.00%)		22,222	2.15
25,960	MercadoLibre	22,222	2.15
Brazil (11.90%)		57,870	5.60
5,155,713	Banco Bradesco ADR	16,577	1.60
3,210,050	Petrobras (Preference)	10,430	1.01
2,321,430	Vale ADR	20,570	1.99
1,044,335	WEG	10,293	1.00

Holding	Investment	Market Value £'000	Percentage of total net assets
Chile (0.91%)		-	-
Mexico (4.34%)		28,781	2.78
293,500	Fomento Economico Mexicano ADR	13,748	1.33
588,410	Grupo Aeroportuario del Sureste	4,477	0.43
3,861,323	Grupo Financiero Banorte	10,556	1.02
Pacific Basin Equities (64.38%)		737,345	71.34
China (16.42%)		278,124	26.91
158,784	Autohome ADR	10,600	1.02
1,481,000	China Conch Venture	4,848	0.47
377,414	China International Travel Service 'A'	10,014	0.97
3,546,000	China Merchants Bank 'H'	12,602	1.22
430,265	Huazhu Group ADR	11,254	1.09
33,100	Kweichow Moutai 'A'	6,066	0.59
1,709,600	LONGi Green Energy Technology 'A'	10,604	1.03
1,267,300	Meituan Dianping 'B'	23,908	2.31
763,518	Midea 'A'	5,982	0.58
2,208,700	NARI Technology 'A'	5,123	0.50
93,229	New Oriental Education & Technology	9,959	0.96
4,891,000	Ping An Insurance 'H'	39,476	3.82
579,938	Shanghai International Airport 'A'	4,302	0.42
1,120,700	Shenzhou	10,185	0.98
1,767,100	Tencent	92,766	8.97
974,500	Wuxi Biologics	15,290	1.48
131,877	Yum China	5,145	0.50
Hong Kong (8.61%)		85,603	8.28
2,256,800	AIA	15,541	1.50
4,538,200	Budweiser Brewing	12,514	1.21
759,500	China Mobile	3,965	0.38
2,716,000	China Resources Gas	10,200	0.99
6,578,000	China Resources Land	20,887	2.02
618,456	Hong Kong Exchanges & Clearing	22,496	2.18

Holding	Investment	Market Value £'000	Percentage of total net assets
India (14.56%)		106,566	10.31
446,517	Hindustan Unilever	10,050	0.97
1,360,503	Housing Development Finance	24,750	2.40
5,164,287	ITC	10,206	0.99
1,196,810	Kotak Mahindra Bank	16,639	1.61
1,415,874	SBI Life Insurance	13,144	1.27
909,874	Tata Consultancy Services	21,224	2.05
251,565	UltraTech Cement	10,553	1.02
Indonesia (5.75%)		34,794	3.37
33,133,500	Astra	8,861	0.86
10,282,900	Bank Central Asia	16,701	1.62
51,210,700	Bank Rakyat Indonesia	8,418	0.81
1,262,402	Indocement Tunggal Prakarsa	814	0.08
Macau (1.07%)		13,458	1.30
4,570,800	Sands China	13,458	1.30
Malaysia (0.49%)		-	-
Philippines (2.89%)		19,905	1.93
27,176,700	Ayala Land	13,988	1.36
5,604,045	Bank of the Philippine Islands	5,917	0.57
South Korea (6.80%)		111,140	10.75
53,411	LG Chemical	19,401	1.88
2,547,173	Samsung Electronics (Preference)	80,632	7.80
43,748	Samsung SDI	11,107	1.07
Taiwan (5.52%)		87,755	8.49
7,929,718	Taiwan Semiconductors Manufacturing	87,755	8.49

Holding	Investment	Market Value £'000	Percentage of total net assets
Thailand (2.27%)		-	-
Collective Investment Schemes (8.57%)		63,236	6.12
3,895,871	Aberdeen Standard SICAV I-China A Share Equity Fund Z Acc ⁺	63,236	6.12
Total investment assets		1,026,139	99.28
Net other assets		7,466	0.72
Total Net Assets		1,033,605	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.
The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺ Managed by subsidiaries of Standard Life Aberdeen plc.

^{*} A portion of this security is on loan at year end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(47,022)	108,948
Revenue	2	21,109	24,369
Expenses	3	(12,044)	(13,945)
Interest payable and similar charges		(8)	(2)
Net revenue before taxation		9,057	10,422
Taxation	4	(1,017)	(2,539)
Net revenue after taxation		8,040	7,883
Total return before distributions		(38,982)	116,831
Distributions	5	(6,622)	(7,884)
Change in net assets attributable to shareholders from investment activities		(45,604)	108,947

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	1,108,590	1,197,453
Amounts receivable on the issue of shares	153,635	22,637
Amounts payable on the cancellation of shares	(190,308)	(228,085)
	(36,673)	(205,448)
Dilution adjustment	261	24
Capacity Management Charge*	309	-
Change in net assets attributable to shareholders from investment activities (see above)	(45,604)	108,947
Retained distribution on accumulation shares	6,722	7,614
Closing net assets attributable to shareholders	1,033,605	1,108,590

* The Capacity management charge is included in the Amounts receivable on the issue of shares in the prior year.

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		1,026,139	1,103,873
Current assets:			
Debtors	6	7,089	2,348
Cash and bank balances		5,246	8,331
		12,335	10,679
Total assets		1,038,474	1,114,552
Liabilities:			
Provisions for liabilities	7	(2,063)	(3,476)
Creditors	8	(2,792)	(2,468)
Distribution payable		(14)	(18)
		(2,806)	(2,486)
Total liabilities		(4,869)	(5,962)
Net assets attributable to shareholders		1,033,605	1,108,590

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(45,573)	108,620
Forward currency contracts	34	-
Other (losses)/gains	(1,483)	328
Net capital (losses)/gains	(47,022)	108,948

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	59	3
Income from Overseas Collective Investment Schemes		
Franked income	1,237	1,456
Unfranked income	-	51
Interest on debt securities	-	12
Overseas dividends	19,789	22,776
Stocklending revenue	24	15
UK dividends	-	56
Total revenue	21,109	24,369

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	10,092	11,788
Operating, administrative and servicing fees	1,952	2,157
Total expenses	12,044	13,945

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Adjustments in respect of prior periods	(108)	-
Overseas taxes	2,543	2,539
Total current tax	2,435	2,539
Deferred tax (note 4(c))	(1,418)	-
Total taxation (note 4b)	1,017	2,539

(b)

Factors affecting current tax charge for the year

The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:

	2020 £'000	2019 £'000
Net revenue before taxation	9,057	10,422
Corporation tax at 20% (2019: 20%)	1,811	2,085
Effects of:		
Revenue not subject to taxation	(3,557)	(4,090)
Overseas taxes	2,543	2,539
Overseas tax expensed	(89)	(98)
Excess allowable expenses	1,835	2,103
Adjustments in respect of prior periods	(108)	-
Deferred tax	(1,418)	-
Total tax charge for year (note 4a)	1,017	2,539

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Deferred tax

Deferred tax charge in statement of total return for year (note 4a)	(1,418)	-
Provision at the end of the year	(1,418)	-

(d)

Factors that may affect future tax charge

The fund has not recognised a deferred tax asset of £47,764,000 (2019: £45,929,000) arising as a result of having unutilised management expenses. It is unlikely that these expenses will be utilised in future years.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	6,736	7,632
Add: Income deducted on cancellation of shares	502	304
Deduct: Income received on issue of shares	(616)	(52)
Net distribution for the year	6,622	7,884

Details of the distribution per share are set out in this fund's distribution tables.

Movement between net revenue and distributions

Net revenue after taxation	8,040	7,883
Capitalised fees	-	1
Transaction CGT	(1,418)	-
Total distributions	6,622	7,884

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	3,022	1,297
Amounts receivable from the ACD for the issue of shares	-	3
Overseas withholding tax recoverable	383	427
Sales awaiting settlement	3,684	598
Tax recoverable	-	23
Total debtors	7,089	2,348

7. Provisions for liabilities

	2020 £'000	2019 £'000
The provisions for liabilities comprise:		
CGT liability	2,063	3,476
	2,063	3,476

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	851	967
Amounts payable to the ACD for cancellation of shares	1,957	1,501
Other accrued expenses	(16)	-
Total creditors	2,792	2,468

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	357,419	157,322	349,317	338,121
Collective investment schemes	215,328	108,698	257,826	131,346
Corporate actions	-	132	-	6
Trades in the year before transaction costs	572,747	266,152	607,143	469,473
Commissions				
Equities	300	148	(233)	(327)
Total commissions	300	148	(233)	(327)
Taxes				
Equities	177	86	(307)	(269)
Total taxes	177	86	(307)	(269)
Total transaction costs	477	234	(540)	(596)
Total net trades in the year after transaction costs	573,224	266,386	606,603	468,877

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.08	0.09	0.07	0.10
Taxes				
Equities	0.05	0.05	0.09	0.08

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.05	0.05
Taxes	0.05	0.03

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.11% (2019: 0.13%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	45,621,938	689	(6,110,562)	(678,134)	38,833,931
G Accumulation shares	34,240,189	590,000	-	861	34,831,050
I Accumulation shares	70,615,581	-	(16,635,735)	585,563	54,565,409
I Income shares	316,401	64,618	(85,419)	-	295,600
K Accumulation shares	-	136,388,307	(9,434,961)	-	126,953,346
M Accumulation shares	100	868	(10,535)	186,483	176,916
M Income shares	100	808	-	-	908
Z Accumulation shares	11,584,046	2,811,084	(523,701)	-	13,871,429

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	962,903	-	-	1,008,895	-	-
Collective Investment Schemes	-	63,236	-	-	94,978	-
Total investment assets	962,903	63,236	-	1,008,895	94,978	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Brazilian Real	20,824	68,947
China Renminbi	42,091	-
Euro	35,841	-
Hong Kong Dollar	300,263	241,737
Indian Rupee	105,434	158,414
Indonesian Rupiah	35,239	63,792
Malaysian Ringgit	-	5,903
Mexican Peso	15,034	27,462
Philippines Peso	19,905	31,991
Polish Zloty	-	179
Russian Ruble	20,033	21,034
South African Rand	30,371	46,800
South Korean Won	111,649	75,810
Taiwan Dollar	88,000	61,502
Thai Baht	-	25,361
Turkish Lira	4,883	11,612
US Dollar	202,092	250,022
Total	1,031,659	1,090,566

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £51,583,000 (2019: £54,529,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £51,307,000 (2019: £55,194,000).

Counterparty risk**Financial derivatives instrument risk**

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £4,869,000 (2019: £5,962,000).

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £4,167,000 (2019: £12,812,000). 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 31 July 2020 is £4,536,000 (2019: £13,845,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Citigroup	-	12,812
UBS	4,167	-
Total securities on loan	4,167	12,812

Collateral held	2020 £'000	2019 £'000
Equities	4,536	13,845
Total collateral held	4,536	13,845

The gross earnings and fees paid for the year are £28,000 (2019: £19,000) and £4,000 (2019: £4,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 15.0% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution table

For the year ended 31 July 2020 (in pence per share)

Final dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	1.3306	-	1.3306	1.8748
Group 2	1.1677	0.1629	1.3306	1.8748
G Accumulation shares				
Group 1	0.6773	-	0.6773	0.8810
Group 2	0.5156	0.1617	0.6773	-
I Accumulation shares				
Group 1	5.0381	-	5.0381	6.5613
Group 2	3.5757	1.4624	5.0381	6.5613
I Income shares				
Group 1	4.7266	-	4.7266	5.7564
Group 2	3.5527	1.1739	4.7266	5.7564
K Accumulation shares				
Group 1 ^A	0.9558	-	0.9558	-
Group 2 ^B	0.5562	0.3996	0.9558	-
M Accumulation shares				
Group 1	0.5663	-	0.5663	1.3600
Group 2	0.4846	0.0817	0.5663	1.3600
M Income shares				
Group 1	0.4306	-	0.4306	1.3600
Group 2	0.4306	-	0.4306	1.3600
Z Accumulation shares				
Group 1	14.4621	-	14.4621	15.7403
Group 2	12.1667	2.2954	14.4621	15.7403

^A Shares created prior to the initial seeding of the shareclass on 14 August 2019.^B Shares purchased between 14 August 2019 and 31 July 2020.**Equalisation**

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Euro Corporate Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in Euro denominated investment grade corporate bonds.

Performance target: To achieve the return of the iBoxx Euro Corporates Index (in Euro terms), plus 0.65% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund invests at least 80% in investment grade corporate bonds that are denominated in Euros.
- The fund may also invest in bonds issued anywhere in the world by governments and corporations, such as: sub-sovereigns, sub-investment grade, inflation-linked, convertible, asset backed and mortgage backed. The fund will employ techniques to reduce (hedge) risk related to currency movements on non-Euro bonds.
- Where the fund gains exposure to currencies other than Euros, the fund will employ techniques to reduce (hedge) risk related to currency movements on non-Euro bonds.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to identify investments after analysing individual bonds and derivatives alongside global economic and market conditions.
- In seeking to achieve the performance target, the iBoxx Euro Corporates Index (in Euro terms) is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 2.50%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the iBoxx Euro Corporates Index (in Euro terms).

Please Note: The fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and techniques

- The fund will make routine use of derivatives to reduce risk, reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").

- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the period ended 22 June 2020, the value of ASI Euro Corporate Bond - A Accumulation Shares decreased by 4.12% compared to a decrease of 2.31% in the performance target, the iBoxx Euro Corporates Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

European economic data was poor in the early months of the review period. Business surveys suggested a continued slowdown, particularly in the manufacturing sector. The US-China trade war also rumbled on in the background, with President Trump imposing additional tariffs on Chinese imports in August. Against this backdrop, the European Central Bank (ECB) cut interest rates further into negative territory, restarted quantitative easing (QE) and committed to buying assets until its inflation target was achieved.

While credit spreads in the European investment grade (IG) corporate bond market widened early on, total returns remained positive as bund yields declined further into negative territory. European IG credit was stronger between October and December, with spreads tightening to their lowest level of the year. The positive impact of tighter spreads was offset by a sizeable increase in the 10-year German bund yield, which led to negative total returns for the period. The increase in risk appetite among investors could be attributed to improving eurozone economic activity, December's 'phase-one' US-China trade deal and the Conservative Party's emphatic UK election victory also had a positive impact on sentiment.

'Risk-off' sentiment returned in January, with bunds and global government bond yields declining to unprecedented levels. Credit spreads were remarkably resilient in the face of multiple, potentially adverse sentiment shocks. This included rising Middle East tensions, the Senate trial of the US president and the COVID-19 outbreak in China.

The European IG corporate bond market was markedly weaker in February, with an 18 basis point (bps) widening in spreads. As a result, this was the worst month for European IG credit since May 2019.

The widening of spreads mainly reflected the worsening COVID-19 outbreak. In particular, there was a growing realisation that the outbreak was increasingly global and potentially some time away from peaking. Unlike most adverse shocks, the impact of the coronavirus outbreak is on both the demand and the supply side. This makes it inherently more problematic than (more normal)

demand shocks, which can usually be mitigated by fiscal and/or monetary support measures.

Along with the spread of COVID-19 in Europe and the US, the oil-price war between Saudi Arabia and Russia triggered a market correction of historic proportions in March. Credit spreads in the European IG corporate bond market widened by 123bps. German bund yields fell to new record lows. The index total return for the period was -6.92%, which was the worst on record and exceeding even the combined negative two-month return of September and October 2008, around the time of Lehman Brothers' default.

Credit spreads for IG credit stabilised following the ECB's announcement of the Pandemic Emergency Purchase Programme which was designed to contain credit spreads for corporate bonds and government bond markets.

As a result, in April, European corporate bond markets bounced back strongly from the historic declines of the previous month. European IG bonds, as measured by the iBoxx Euro Corporates index, produced a total return of +3.72%, thereby clawing back a significant portion of the previous month's decline.

The partial recovery in European corporate bond markets in May reflected some optimism that the pandemic was slowly being brought under control. However, it would be the concerted mitigation efforts of European governments and the ECB that continued to drive the performance of corporate bonds.

Portfolio Activity

The fund remained underweight relative to the benchmark in the US industrial conglomerate General Electric. This largely reflected a damaging short-seller report, which adversely affected the value of its bonds. In September, the biggest positive contributor was UniCredit, which benefited both from a reduction in Italian political risk and the revival of QE by the ECB.

In October, Brexit-related concerns lessened, which was supportive for the our overweight positions in UK-based Barclays and FGP Topco, which is the consortium that owns Heathrow Airport. In addition, in an environment of generally improving sentiment, exposure to the subordinated debt of the Dutch insurer NN Group made a positive contribution.

While the fund delivered a negative total return in November, positive stock selection allowed the fund to outperform the benchmark. In terms of individual securities, the biggest positive contributor was pharmaceutical company Teva. The company is facing litigation in the US regarding its opioid products, but recovered some of its underperformance. In December and January, a backdrop of improving risk sentiment supported the fund's holdings of corporate hybrids and subordinated financial debt.

The fund traded regularly throughout the period participating in multiple new issues, including, but not limited to, Siemens (German engineering), Eon (German electric utilities), Dassault Systemes (French software), Unicredit (Italian bank) and Abertis Infraestructuras (Spanish road toll operator). In the secondary market, we looked to reduce exposure to sectors and credits where weakening global demand would weigh heavily on the credit. Following a period of good performance and owing to reduced conviction at current levels, we trimmed exposure to ZF Friedrichshafen, the German auto-parts maker. We also continued to sell our holdings in French automaker Renault, increasing our underweight position.

In the latter part of the review period, sector allocation became key to the fund's performance. Unsurprisingly, in an environment of surging risk aversion, the fund's underweights in both A-rated and AA-rated credits detracted significantly. In addition, our overweight exposure to subordinated bonds of banks and corporates hurt performance.

The decision to have minimal exposure to some of the worst-performing sectors in February and March, namely airlines, cruise ships and hotel operators, helped reduce the negative impact of COVID-19 on the fund's performance. The fund's large underweight in cyclicals also provided some relief. More specifically, a large underweight in autos was particularly beneficial, with notable relative-return contributions from an underweight position in Ford (a 'fallen angel') and having zero exposure to Daimler and General Motors.

As European credit markets recovered, a number of holdings that were potentially oversold in March were among the leading positive relative return contributors in April and May. An example of this was Heathrow Airport, which while highly exposed to COVID-19 owing to the collapse in travel, still benefited from signs of easing lockdowns in some countries. In line with the broader risk-sentiment recovery, leading contributors over the months included the subordinated debt of banks and the fund's holdings in corporate hybrids.

Conversely, a number of the previous month's top contributing positions featured among the biggest relative-return detractors in April and May. Examples included an underweight in Volkswagen, zero exposure to another German carmaker, Daimler, and an overweight in the telecommunications conglomerate CK Hutchison.

The fund was closed on 22 June 2020.

Euro IG and Aggregate Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 22 June 2020.

The fund is rated as 4 because of the extent to which the following risk factors apply:

- The fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Income shares ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	159.17	148.63	150.19
Return before operating charges*	(3.67)	12.77	0.84
Operating charges	(1.52)	(1.53)	(1.53)
Return after operating charges*	(5.19)	11.24	(0.69)
Distributions	(0.55)	(0.70)	(0.87)
Redemption value as at 22 June 2020	(153.43)	-	-
Closing net assets per share	-	159.17	148.63
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(3.26%)	7.56%	(0.46%)
Other information			
Closing net asset value (£'000)	-	30	66
Closing number of shares	-	18,882	44,673
Operating charges	1.01%	1.01%	1.02%
Direct transaction costs	-	-	-
Prices			
Highest share price	163.3	160.8	157.3
Lowest share price	141.3	143.2	145.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A A Income share class closed on 22 June 2020.

I Accumulation shares ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	212.05	196.31	196.46
Return before operating charges*	(4.93)	16.95	1.06
Operating charges	(1.22)	(1.21)	(1.21)
Return after operating charges*	(6.15)	15.74	(0.15)
Distributions	(1.45)	(1.77)	(1.94)
Retained distributions on accumulation shares	1.45	1.77	1.94
Redemption value as at 22 June 2020	(205.90)	-	-
Closing net assets per share	-	212.05	196.31
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(2.90%)	8.02%	(0.08%)
Other information			
Closing net asset value (£'000)	-	63	202
Closing number of shares	-	29,571	102,762
Operating charges	0.61%	0.61%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price	217.5	214.0	205.8
Lowest share price	189.0	190.1	191.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A I Accumulation share class closed on 22 June 2020.

I Income shares ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	158.41	147.97	149.56
Return before operating charges*	(3.72)	12.68	0.81
Operating charges	(0.92)	(0.90)	(0.92)
Return after operating charges*	(4.64)	11.78	(0.11)
Distributions	(1.08)	(1.34)	(1.48)
Redemption value as at 22 June 2020	(152.69)	-	-
Closing net assets per share	-	158.41	147.97
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(2.93%)	7.96%	(0.07%)
Other information			
Closing net asset value (£'000)	-	26,500	26,995
Closing number of shares	-	16,729,132	18,243,727
Operating charges	0.61%	0.61%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price	162.5	160.2	156.7
Lowest share price	140.7	142.6	144.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A I Income share class closed on 22 June 2020.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	110.09	100.00
Return before operating charges*	(2.22)	10.54
Operating charges	(0.68)	(0.45)
Return after operating charges*	(2.90)	10.09
Distributions	(0.64)	(1.25)
Retained distributions on accumulation shares	0.64	1.25
Redemption value as at 22 June 2020	(107.19)	-
Closing net assets per share	-	110.09
* after direct transaction costs of:	-	-
Performance		
Return after charges	(2.63%)	10.09%
Other information		
Closing net asset value (£'000)	-	-
Closing number of shares	-	100
Operating charges	0.66%	0.66%
Direct transaction costs	-	-
Prices		
Highest share price	113.0	111.1
Lowest share price	98.37	98.40

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class launched on 27 November 2018 and closed on 22 June 2020.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	108.82	100.00
Return before operating charges*	(2.24)	10.51
Operating charges	(0.67)	(0.45)
Return after operating charges*	(2.91)	10.06
Distributions	(0.63)	(1.24)
Redemption value as at 22 June 2020	(105.28)	-
Closing net assets per share	-	108.82
* after direct transaction costs of:	-	-
Performance		
Return after charges	(2.67%)	10.06%
Other information		
Closing net asset value (£'000)	-	-
Closing number of shares	-	100
Operating charges	0.66%	0.66%
Direct transaction costs	-	-
Prices		
Highest share price	111.7	110.3
Lowest share price	97.04	98.02

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class launched on 27 November 2018 and closed on 22 June 2020.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (102.42%)		-	-
Euro Denominated Bonds (102.42%)		-	-
2,000,000	Lehman Bros FRN 2019 (defaulted)	-	-
Derivatives (-0.02%)		1	100.00
Forward Currency Contracts (-0.02%)		1	100.00
	Buy EUR 87,466.87 Sell GBP 78,000 10/09/2020	1	100.00
	BUY GBP 78,000 Sell EUR 86,666 10/09/2020	-	-
Total investment assets and liabilities		1	100.00
Net other liabilities		(1)	(100.00)
Total Net Assets		-	100.00

All investments are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(1,104)	1,800
Revenue	2	299	397
Expenses	3	(129)	(159)
Interest payable and similar charges		(2)	(2)
Net revenue before taxation		168	236
Taxation	4	-	-
Net revenue after taxation		168	236
Total return before equalisation		(936)	2,036
Distributions	5	(169)	(236)
Change in net assets attributable to shareholders from investment activities		(1,105)	1,800

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	26,593	27,263
Amounts receivable on the issue of shares	1,074	1,039
Amounts payable on the cancellation of shares	(26,571)	(3,512)
	(25,497)	(2,473)
Dilution adjustment	9	2
Change in net assets attributable to shareholders from investment activities (see above)	(1,105)	1,800
Retained distribution on accumulation shares	-	1
Closing net assets attributable to shareholders	-	26,593

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		1	27,238
Current assets:			
Debtors	6	-	175
Cash and bank balances	7	-	264
		-	439
Total assets		1	27,677
Liabilities:			
Investment liabilities		-	(6)
Creditors	8	(1)	(1,016)
Distribution payable		-	(62)
		(1)	(1,078)
Total liabilities		(1)	(1,084)
Net assets attributable to shareholders		-	26,593

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(1,162)	1,819
Derivative contracts	10	(7)
Forward currency contracts	19	(6)
Other gains/(losses)	29	(6)
Net capital (losses)/gains	(1,104)	1,800

2. Revenue

	2020 £'000	2019 £'000
Interest on debt securities	299	397
Total revenue	299	397

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	106	130
Operating, administrative and servicing fees	23	29
Total expenses	129	159

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total taxation	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	168	236
Corporation tax at 20% (2019: 20%)	34	47
Effects of:		
Distributions treated as tax deductible	(34)	(47)
Total tax charge for year (note 4a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	43	59
Second interim distribution	41	61
Third interim distribution	49	50
Final distribution	32	62
	165	232
Add: Income deducted on cancellation of shares	5	5
Deduct: Income received on issue of shares	(1)	(1)
Net distribution for the year	169	236
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	168	236
Undistributed revenue carried forward	1	-
Total distributions	169	236

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	-	175
Total debtors	-	175

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	-	257
Cash at broker	-	7
	-	264
Net Liquidity	-	264

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	-	14
Amounts payable to the ACD for cancellation of shares	-	1,002
Other accrued expenses	1	-
Total creditors	1	1,016

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	8,394	18,594	34,427	20,162
Corporate actions	-	-	-	36
Trades in the year before transaction costs	8,394	18,594	34,427	20,198
Total net trades in the year after transaction costs	8,394	18,594	34,427	20,198

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.00% (2019: 0.39%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Closing shares 2020
A Income shares	18,882	28,636	(47,518)	-
I Accumulation shares	29,571	-	(29,571)	-
I Income shares	16,729,132	688,918	(17,418,050)	-
M Accumulation shares	100	858	(958)	-
M Income shares	100	868	(968)	-

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Bonds	-	-	-	29	27,208	-
Derivatives	-	1	-	-	1	-
Total investment assets	-	1	-	29	27,209	-
Fair value of investment liabilities						
Derivatives	-	-	-	-	(6)	-
Total investment liabilities	-	-	-	-	(6)	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Currency		
Euro	-	28,494
Total	-	28,494

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the year end consists of:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
Total	-	-	-	-

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2019				
Currency				
UK Sterling	11	-	(1,912)	(1,901)
Euro	6,740	20,750	1,004	28,494
Total	6,751	20,750	(908)	26,593

Other price risk

Sensitivity analysis

The sensitivity analysis of the fund's financial asset and liability positions is monitored by the Investment Manager using VaR analysis. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis.

VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	-	3.06%
Maximum VaR	-	3.62%
Average VaR	-	3.31%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	-	-	-	-	-
31 July 2019	2.31%	1.53%	-	(0.67%)	3.17%

The ACD must calculate the global exposure of any fund it manages either as: 1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property. This is known as the Commitment Approach and is a measure of leverage or; 2) the market risk of the scheme property by way of the value at risk (VaR) approach. Although, the sensitivity analysis of the fund's financial asset and liability positions described above uses VaR analysis, the global exposure calculations for funds may be calculated on the Commitment Basis. The Prospectus provides further details on which method is used to calculate Global Exposure for each fund.

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

2020	Market value £'000	Percentage of total net assets %
Investment grade securities	-	-
Below investment grade securities	-	-
Unrated securities	-	-
Total Value of Securities	-	-

2019	Market value £'000	Percentage of total net assets %
Investment grade securities	26,249	98.71%
Below investment grade securities	940	3.53%
Unrated securities	48	0.18%
Total Value of Securities	27,237	102.42%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

2020

There are no financial derivative risks as at 31 July 2020.

						Mark to Market Exposure		
	Swaps	Options	Futures	Forward Currency Contracts	Total	Collateral (held)/ pledged	Margin at clearing broker	Total by Counter- party
2019	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	-	(1)	(1)	-	-	(1)
BNP Paribas	-	-	-	(1)	(1)	-	-	(1)
Citigroup	-	-	-	(1)	(1)	-	-	(1)
HSBC	-	-	-	(1)	(1)	-	-	(1)
Morgan Stanley	-	-	-	(1)	(1)	-	-	(1)
Total	-	-	-	(5)	(5)	-	-	(5)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020

As the fund closed on 22 June 2020, the fund's financial liabilities have been paid.

	On demand	Up to	Over one year		
2019	£'000	one year	but not more	Over five years	Total
	£'000	£'000	than five years	£'000	£'000
			£'000		
Derivatives					
Investment liabilities	-	(6)	-	-	(6)
Non-derivatives					
Other creditors	-	(1,016)	-	-	(1,016)
Distribution payable	-	(62)	-	-	(62)
Total financial liabilities	-	(1,084)	-	-	(1,084)

Distribution tables

For the year ended 31 July 2020 (in pence per share)

First interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 October 2019

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
A Income shares				
Group 1	0.1023	-	0.1023	0.1761
Group 2	0.0418	0.0605	0.1023	0.1761
I Accumulation shares				
Group 1	0.3510	-	0.3510	0.4460
Group 2	0.3510	-	0.3510	0.4460
I Income shares				
Group 1	0.2598	-	0.2598	0.3362
Group 2	0.1643	0.0955	0.2598	0.3362
M Accumulation shares				
Group 1	0.0073	-	0.0073	-
Group 2	0.0073	-	0.0073	-
M Income shares				
Group 1	0.0072	-	0.0072	-
Group 2	0.0072	-	0.0072	-

Second interim interest distribution

Group 1 - shares purchased prior to 1 November 2019

Group 2 - shares purchased between 1 November 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Income shares				
Group 1	0.1225	-	0.1225	0.1615
Group 2	0.1212	0.0013	0.1225	0.1615
I Accumulation shares				
Group 1	0.3600	-	0.3600	0.4527
Group 2	0.3600	-	0.3600	0.4527
I Income shares				
Group 1	0.2685	-	0.2685	0.3464
Group 2	0.1388	0.1297	0.2685	0.3464
M Accumulation shares				
Group 1	0.1952	-	0.1952	0.3800
Group 2	0.1952	-	0.1952	0.3800
M Income shares				
Group 1	0.1911	-	0.1911	0.3800
Group 2	0.1911	-	0.1911	0.3800

Third interim interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 30 April 2020

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
A Income shares				
Group 1	0.1876	-	0.1876	0.1474
Group 2	0.0381	0.1495	0.1876	0.1474
I Accumulation shares				
Group 1	0.4447	-	0.4447	0.3853
Group 2	0.4447	-	0.4447	0.3853
I Income shares				
Group 1	0.3306	-	0.3306	0.2890
Group 2	0.1275	0.2031	0.3306	0.2890
M Accumulation shares				
Group 1	0.2589	-	0.2589	0.4100
Group 2	0.2589	-	0.2589	0.4100
M Income shares				
Group 1	0.2531	-	0.2531	0.4100
Group 2	0.2531	-	0.2531	0.4100

Final interest distribution

Group 1 - shares purchased prior to 1 May 2020

Group 2 - shares purchased between 1 May 2020 and 22 June 2020

	Revenue	Equalisation	Distribution paid 21/08/20	Distribution paid 31/10/19
A Income shares				
Group 1	0.1390	-	0.1390	0.2154
Group 2	0.1320	0.0070	0.1390	0.2154
I Accumulation shares				
Group 1	0.2949	-	0.2949	0.4908
Group 2	0.2949	-	0.2949	0.4908
I Income shares				
Group 1	0.2192	-	0.2192	0.3676
Group 2	0.1182	0.1010	0.2192	0.3676
M Accumulation shares				
Group 1	0.1795	-	0.1795	0.4600
Group 2	0.1795	-	0.1795	0.4600
M Income shares				
Group 1	0.1756	-	0.1756	0.4500
Group 2	0.1756	-	0.1756	0.4500

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Europe ex UK Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in European equities (company shares).

Performance target: To achieve the return of the FTSE World Europe ex UK Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in European countries, or companies that derive a significant proportion of their revenues or profits from European operations or have a significant proportion of their assets there.
- European countries can include the emerging markets of Europe, but excludes the UK.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the FTSE World Europe ex UK Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index over the long term.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI Europe ex UK Equity Fund – A Accumulation Shares increased by 5.79% compared with a decrease of 2.79% in the performance target, the FTSE World Europe ex UK Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Large-cap European equities fell in the 12 months under review, alongside global stockmarkets that faltered amid COVID-19 fears. Initially, the market trajectory was shaped by trade friction between the world's two largest economies that sparked fears of a global recession, whereas tortuous Brexit discussions seemed to have only a muted impact on stock prices. Competitive currency devaluation had triggered an early global selloff but shares stabilised as the US and China reached a truce, while monetary easing by major central banks provided some measure of support. Although European markets regained some of their poise at the year-end, it was short-lived as the COVID-19 pandemic took root and fears over a looming recession worsened as widespread lockdowns forced global trade and travel to grind to a halt. Adding further gloom, oil prices slumped as output talks between Saudi Arabia and Russia collapsed. Share prices rebounded towards the period end, amid attempts by some governments to reopen their economies as well as on news of progress in potential vaccines and a rebound in the oil price. But a resurgence of fresh infections and heightened geopolitical risks again dented sentiment.

Portfolio Activity

At the stock level, contributing to relative performance were Swedish Match, ASML and Tecan Group. Swedish Match's shares rallied as its tobacco free nicotine pouches saw robust growth in demand that exceeded expectations in the US, and its habit-forming product portfolio proved impressively resilient during lockdowns in developed markets. ASML also rose amid buoyant semiconductor end markets and an increasingly confident tone from the company regarding memory demand and deliveries of EUV machines. Finally, diagnostics and lab-handling equipment provider Tecan was resilient, given its end-markets may see higher demand arising from the global response to coronavirus containment.

In contrast, capping gains were Amadeus and MTU Aero Engines, as well as the decision not to hold Roche. Amadeus weakened due to the abrupt, severe reduction in flights for which its business model is largely based on fee per passenger. However we believe that the company is well placed to navigate this exceptionally difficult year given its solid balance sheet, high margins and dominant competitive position. Similarly for MTU Aero Engines, widespread global lockdowns caused a severe negative shock to the aerospace industry, impacting both sales and aftermarket,

although its spare parts business, combined with swift cost mitigation actions, has helped to alleviate some of the effects. Last, a lack of exposure to Roche proved a drag as it was lifted with the rest of the healthcare sector on market perception that it was a safe haven.

Portfolio Outlook and Strategy

Looking ahead, we see further scope for European equities to recover. This is predicated on our view that the summer will be the trough for economic activity and that stimulus will largely offset the economic shock resulting from lockdowns. The scale of monetary and fiscal policy intervention is certainly supportive of asset prices. However the risk of spikes in new infections and potential for further localised lockdowns suggest that volatility may return. It is also our view that economic reopening should not be conflated with a full recovery, as lasting damage seems likely, regardless of support from policymakers. As a result, the earnings outlook remains weak and uneven.

In contrast, we have confidence that the portfolio can once again deliver significantly better earnings and cash flow performance than the market in 2020 and beyond, thanks to our clear focus on high quality companies. In longer term, our best guess is that the post COVID-19 world will intensify many of the existing trends that were already powerful drivers for our portfolio. Therefore, with a low growth, low interest rate, low inflation world likely becoming even lower for longer. These market conditions are set to remain well suited to our approach. Certainly the operational performance of the vast majority of our holdings has been reassuringly resilient thus far. We expect this resilience to be increasingly evident, as the full financial impact of lockdown is revealed and companies begin to incorporate COVID-19 into their longer-term outlooks.

European Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund’s share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This fund offers no guarantee against loss or that the fund’s objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund’s ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	234.56	214.72	186.62
Return before operating charges*	15.55	22.80	31.28
Operating charges	(3.06)	(2.96)	(3.18)
Return after operating charges*	12.49	19.84	28.10
Distributions	-	(0.29)	(0.49)
Retained distributions on accumulation shares	-	0.29	0.49
Closing net asset value per share	247.05	234.56	214.72
* after direct transaction costs of:	0.21	0.17	0.08
Performance			
Return after charges	5.32%	9.24%	15.06%
Other information			
Closing net asset value (£'000)	157,587	159,733	156,893
Closing number of shares	63,787,758	68,097,970	73,067,146
Operating charges	1.32%	1.43%	1.64%
Direct transaction costs	0.09%	0.08%	0.04%
Prices			
Highest share price	259.3	236.8	216.7
Lowest share price	183.9	182.2	183.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	233.08	212.20	182.94
Return before operating charges*	15.54	22.69	30.96
Operating charges	(2.02)	(1.81)	(1.70)
Return after operating charges*	13.52	20.88	29.26
Distributions	(1.00)	(1.54)	(1.99)
Retained distributions on accumulation shares	1.00	1.54	1.99
Closing net asset value per share	246.60	233.08	212.20
* after direct transaction costs of:	0.21	0.17	0.07
Performance			
Return after charges	5.80%	9.84%	15.99%
Other information			
Closing net asset value (£'000)	251,173	89,702	45,495
Closing number of shares	101,856,237	38,485,262	21,439,852
Operating charges	0.87%	0.87%	0.89%
Direct transaction costs	0.09%	0.08%	0.04%
Prices			
Highest share price	258.8	235.3	214.2
Lowest share price	183.2	180.6	181.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	122.93	100.00 ^B
Return before operating charges*	8.37	23.60
Operating charges	(1.12)	(0.67)
Return after operating charges*	7.25	22.93
Distributions	(0.68)	(1.25)
Retained distributions on accumulation shares	0.68	1.25
Closing net asset value per share	130.18	122.93
* after direct transaction costs of:	0.11	0.06
Performance		
Return after charges	5.90%	22.93%
Other information		
Closing net asset value (£'000)	375	-
Closing number of shares	287,765	100
Operating charges	0.92%	0.92%
Direct transaction costs	0.09%	0.08%
Prices		
Highest share price	136.6	124.1
Lowest share price	96.74	95.14

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 27 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	281.31	254.19	217.51
Return before operating charges*	18.89	27.42	37.00
Operating charges	(0.34)	(0.30)	(0.32)
Return after operating charges*	18.55	27.12	36.68
Distributions	(3.08)	(3.63)	(4.11)
Retained distributions on accumulation shares	3.08	3.63	4.11
Closing net asset value per share	299.86	281.31	254.19
* after direct transaction costs of:	0.26	0.21	0.09
Performance			
Return after charges	6.59%	10.67%	16.86%
Other information			
Closing net asset value (£'000)	7,002	7,724	8,866
Closing number of shares	2,335,070	2,745,657	3,487,929
Operating charges	0.12%	0.12%	0.14%
Direct transaction costs	0.09%	0.08%	0.04%
Prices			
Highest share price	314.7	284.0	256.6
Lowest share price	222.2	217.0	215.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (95.47%)		398,472	95.76
European Equities (90.54%)		398,472	95.76
Austria (1.70%)		-	-
Denmark (5.82%)		22,278	5.35
442,190	Novo Nordisk	22,278	5.35
Finland (1.95%)		-	-
France (17.26%)		84,260	20.25
91,950	Dassault Systemes	12,754	3.07
279,689	Edenred	10,616	2.55
124,130	Essilor	12,542	3.01
49,440	L'Oreal	12,606	3.03
124,030	Pernod Ricard	16,309	3.92
304,740	Ubisoft Entertainment	19,433	4.67
Germany (14.53%)		83,758	20.13
141,190	Deutsche Boerse	19,704	4.74
104,410	Hannover Rueck	13,527	3.25
100,800	Knorr-Bremse	9,032	2.17
88,440	MTU Aero Engines	11,777	2.83
218,850	Nemetschek	12,235	2.94
144,900	SAP	17,483	4.20
Ireland (3.98%)		16,235	3.90
160,890	Kerry	16,235	3.90
Italy (7.38%)		19,628	4.72
383,600	Amplifon	9,981	2.40
1,258,330	Davide Campari-Milano	9,647	2.32

Holding	Investment	Market Value £'000	Percentage of total net assets
Netherlands (11.32%)		78,162	18.78
7,020	Adyen	8,956	2.15
85,240	ASML	23,016	5.53
215,015	Heineken	15,927	3.83
249,330	Prosus	18,442	4.43
196,240	Wolters Kluwer	11,821	2.84
Spain (3.95%)		13,091	3.15
343,090	Amadeus	13,091	3.15
Sweden (6.31%)		21,076	5.07
309,000	Atlas Copco 'B'	9,117	2.19
203,510	Swedish Match	11,959	2.88
Switzerland (16.34%)		59,984	14.41
244,000	Julius Baer	8,170	1.96
254,650	Nestle	23,051	5.54
11,830	Partners	8,731	2.10
34,630	Tecan	11,132	2.67
78,740	Temenos	8,900	2.14
UK Equities (4.93%)		-	-
Consumer Goods (4.93%)		-	-
Collective Investment Schemes (2.11%)		11,111	2.67
11,111	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc ⁺	11,111	2.67
Total investment assets		409,583	98.43
Net other assets		6,554	1.57
Total Net Assets		416,137	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	24,176	20,793
Revenue	2	4,798	3,711
Expenses	3	(3,393)	(2,557)
Interest payable and similar charges		(2)	(1)
Net revenue before taxation		1,403	1,153
Taxation	4	(646)	(391)
Net revenue after taxation		757	762
Total return before distributions		24,933	21,555
Distributions	5	(933)	(762)
Change in net assets attributable to shareholders from investment activities		24,000	20,793

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	257,159	211,254
Amounts receivable on the issue of shares	159,087	39,160
Amounts payable on the cancellation of shares	(25,304)	(14,941)
	133,783	24,219
Dilution adjustment	106	-
Change in net assets attributable to shareholders from investment activities (see above)	24,000	20,793
Retained distribution on accumulation shares	1,089	893
Closing net assets attributable to shareholders	416,137	257,159

Balance sheet

As at 31 July 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Assets:					
Fixed assets:					
Investment assets			409,583		250,945
Current assets:					
Debtors	6	1,452		896	
Cash and bank balances	7	5,504		5,646	
			6,956		6,542
Total assets			416,539		257,487
Liabilities:					
Creditors	8	(402)		(328)	
			(402)		(328)
Total liabilities			(402)		(328)
Net assets attributable to shareholders			416,137		257,159

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	23,935	20,767
Other gains	241	26
Net capital gains	24,176	20,793

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	46	21
Interest on debt securities	-	5
Overseas dividends	4,752	3,671
Stocklending revenue	-	14
Total revenue	4,798	3,711

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	3,013	2,308
Operating, administrative and servicing fees	380	249
Total expenses	3,393	2,557

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	646	391
Total taxation	646	391
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is the greater than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	1,403	1,153
Corporation tax at 20% (2019: 20%)	281	231
Effects of:		
Revenue not subject to taxation	(951)	(734)
Overseas taxes	646	391
Excess allowable expenses	670	503
Total tax charge for year (note 4a)	646	391

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) **Factors that may affect future tax charge**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £6,909,000 (2019: £6,239,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	1,089	893
Add: Income deducted on cancellation of shares	17	12
Deduct: Income received on issue of shares	(173)	(143)
Net distribution for the year	933	762
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	757	762
Shortfall transfer from capital to revenue	176	-
Total distributions	933	762

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	2	74
Amounts receivable from the ACD for the issue of shares	981	443
Overseas withholding tax recoverable	469	379
Total debtors	1,452	896

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	5,504	5,646
	5,504	5,646
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	11,111	5,432
Net Liquidity	16,615	11,078

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	327	240
Amounts payable to the ACD for cancellation of shares	32	88
Other accrued expenses	43	-
Total creditors	402	328

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	206,675	82,312	77,944	67,694
Collective investment schemes	51,857	29,722	46,178	24,342
Trades in the year before transaction costs	258,532	112,034	124,122	92,036
Commissions				
Equities	72	83	(47)	(34)
Total commissions	72	83	(47)	(34)
Taxes				
Equities	174	57	-	-
Total taxes	174	57	-	-
Total transaction costs	246	140	(47)	(34)
Total net trades in the year after transaction costs	258,778	112,174	124,075	92,002

Total transaction costs expressed as a percentage of asset type cost	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	0.03	0.10	0.06	0.05
Taxes				
Equities	0.08	0.07	0.00	-

Total transaction costs expressed as a percentage of net asset value	2020 %	2019 %
Commissions	0.04	0.05
Taxes	0.05	0.03

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.06% (2019: 0.06%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	68,097,970	390,898	(4,109,493)	(591,617)	63,787,758
I Accumulation shares	38,485,262	68,278,260	(5,349,953)	442,668	101,856,237
M Accumulation shares	100	1,470	(428)	286,623	287,765
Z Accumulation shares	2,745,657	929,041	(1,339,628)	-	2,335,070

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	398,472	-	-	245,513	-	-
Collective Investment Schemes	-	11,111	-	-	5,432	-
Total investment assets	398,472	11,111	-	245,513	5,432	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Currency		
Danish Krone	22,405	15,063
Euro	295,460	172,638
Norwegian Krone	-	19
Swedish Krona	21,076	16,232
Swiss Franc	59,984	41,984
US Dollar	16	26
Total	398,941	245,962

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £19,947,000 (2019: £12,298,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £20,479,000 (2019: £12,547,000).

Counterparty risk**Financial derivatives instrument risk**

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £402,000 (2019: £328,000).

14. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 5.0% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution table

For the year ended 31 July 2020 (in pence per share)

Final dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	-	-	-	0.2940
Group 2	-	-	-	0.2940
I Accumulation shares				
Group 1	0.9964	-	0.9964	1.5412
Group 2	0.7548	0.2416	0.9964	1.5412
M Accumulation shares				
Group 1	0.6837	-	0.6837	1.2500
Group 2	0.5608	0.1229	0.6837	1.2500
Z Accumulation shares				
Group 1	3.0820	-	3.0820	3.6291
Group 2	1.9471	1.1349	3.0820	3.6291

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI European High Yield Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in Sterling and Euro denominated sub-investment grade (high yield) corporate bonds.

Performance Target: To achieve the return of the ICE BofAML European Currency High Yield Constrained Index (Hedged to GBP) plus 1.25% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio Securities

- The fund will invest at least 70% in Sterling and Euro denominated sub-investment grade corporate bonds.
- The fund may also invest in bonds issued anywhere in the world by governments and corporations, such as sub-sovereigns, investment grade, inflation-linked, convertible, asset backed and mortgage-backed bonds.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management Process

- The management team use their discretion (active management) to identify bonds and derivatives after analysing companies prospects and creditworthiness alongside global economic and market conditions.
- In seeking to achieve the performance target, the ICE BofAML European Currency High Yield Constrained Index (Hedged to GBP) is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 4.50%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the ICE BofAML European Currency High Yield Constrained Index (Hedged to GBP).

Please Note: The fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and Techniques

- The fund will routinely use derivatives to reduce risk or reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI European High Yield Bond Fund – A Accumulation Shares increased by 0.49% compared to a decrease of 0.20% in the performance target, the ICE BofAML European Currency High Yield Constrained Index (Hedged to GBP).

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

During the past 12 months, the European high-yield market made a marginal loss of -0.20% (in sterling terms). This almost-flat return hides a significant amount of volatility as markets crashed during the COVID-19 pandemic, which spread globally in the first quarter of 2020. European high-yield bonds regained much of their losses towards the end of the period, however, as central banks around the world announced unprecedented monetary stimulus.

In the second half of 2019, European high yield made modest gains, as investors considered the implications of Brexit, the US-China trade war and declining economic momentum. This led to a new wave of interest-rate cuts by the European Central Bank (ECB) and the US Federal Reserve. In the new year, in addition to lower interest rates, markets were supported by the end of the impasse over Brexit and the signing of the phase-one trade agreement between the US and China. However, the spread of COVID-19 across the continent in March was the catalyst for an extreme sell-off in credit markets.

Lockdowns of varying severity were announced, as European countries struggled to alleviate the pressure on their healthcare systems. Although European high-yield investors were not as exposed to the collapsing oil price as their US counterparts, the lack of demand in the economy and flight to safety among many investors sent European high-yield credit down 18% in the first three weeks of March.

The rebound proved just as dramatic, however, as governments and central banks responded quickly with wide-ranging packages to support their economies – particularly the ECB expanding its pandemic emergency purchase programme to €1.35 trillion in June. Economic data also started to bounce back from historic lows as lockdowns were eased and investors reacted positively to a number of promising vaccine trials. In addition, during July, the EU launched its €750 billion European Recovery Fund to help those countries most affected by the pandemic. Defaults are rising but perhaps not at the rate many initially expected and capital markets have also reopened in the region for high yield issuers, which is an important development.

Portfolio Activity

The fund outperformed over the period, driven by an overweight to the UK and underweight to more cyclical sectors, such as automotives, capital goods, transportation and leisure. However, we did well to add substantial exposure to automotives as the year progressed. Meanwhile, we also benefited from purchases of fallen angels, which have performed particularly well. Conversely, our underweight to BB-rated bonds and overweight to B-rated bonds hurt relative performance, as the former returned 0.2% in comparison to -3.5% for the latter.

Portfolio Outlook and Strategy

We feel that high-yield spreads are telling us is that default rates may be lower than many predicted only a couple of months ago because of the amount of liquidity and support that governments are providing to cushion the economic shock of COVID-19. In the short term, momentum suggests there are further gains to be made from investing in risk assets, but the risk/reward is questionable on a longer-term basis, as the risks potentially build again later in the year and into next. These could include a second wave of infections, although we do not expect such extreme lockdown measures in response as healthcare systems are better prepared, we are more knowledgeable about the virus and there is scope for medical advancements. Rising geopolitical tensions, job losses crystallising and widening in breadth, second-order economic effects materialising and the potential for the early stages of fiscal and monetary tightening are additional risks that remain. It is too early to price in the last of these risks, but they are something the market will be watching for acutely. For the time being, we are looking to take advantage of strength while ensuring we are not caught in positions with structurally impaired business models.

Euro HY and Global Leverage Loans Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020

The fund is rated as 3 because of the extent to which the following risk factors apply:

- The fund invests in mortgage and asset-backed securities (which may include collateralised loan, debt or mortgage obligations (respectively CLOs, CDOs or CMOs)). These are subject to prepayment and extension risk and additional liquidity and default risk compared to other credit securities
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	140.90	137.78	136.16
Return before operating charges*	2.08	4.92	3.53
Operating charges	(1.77)	(1.80)	(1.91)
Return after operating charges*	0.31	3.12	1.62
Distributions	(7.09)	(6.93)	(7.45)
Retained distributions on accumulation shares	7.09	6.93	7.45
Closing net asset value per share	141.21	140.90	137.78
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.22%	2.26%	1.19%
Other information			
Closing net asset value (£'000)	2,114	2,415	3,703
Closing number of shares	1,496,940	1,713,716	2,687,625
Operating charges	1.26%	1.32%	1.38%
Direct transaction costs	-	-	-
Prices			
Highest share price	148.4	141.9	139.7
Lowest share price	117.6	131.3	136.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	85.48	87.93	91.71
Return before operating charges*	1.18	3.00	2.36
Operating charges	(1.05)	(1.13)	(1.25)
Return after operating charges*	0.13	1.87	1.11
Distributions	(4.20)	(4.32)	(4.89)
Closing net asset value per share	81.41	85.48	87.93
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.15%	2.13%	1.21%
Other information			
Closing net asset value (£'000)	5,116	6,331	8,683
Closing number of shares	6,284,076	7,406,065	9,874,822
Operating charges	1.26%	1.32%	1.38%
Direct transaction costs	-	-	-
Prices			
Highest share price	87.94	88.86	93.02
Lowest share price	69.44	81.91	87.88

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	145.98	142.06	139.63
Return before operating charges*	2.15	5.07	3.61
Operating charges	(1.18)	(1.15)	(1.18)
Return after operating charges*	0.97	3.92	2.43
Distributions	(7.36)	(7.16)	(7.66)
Retained distributions on accumulation shares	7.36	7.16	7.66
Closing net asset value per share	146.95	145.98	142.06
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.66%	2.76%	1.74%
Other information			
Closing net asset value (£'000)	13,226	17,552	19,983
Closing number of shares	9,000,236	12,023,678	14,066,219
Operating charges	0.81%	0.81%	0.83%
Direct transaction costs	-	-	-
Prices			
Highest share price	154.1	147.0	143.6
Lowest share price	122.2	135.7	139.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	99.62	101.98	105.77
Return before operating charges*	1.39	3.47	2.74
Operating charges	(0.79)	(0.81)	(0.87)
Return after operating charges*	0.60	2.66	1.87
Distributions	(4.91)	(5.02)	(5.66)
Closing net asset value per share	95.31	99.62	101.98
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.60%	2.61%	1.77%
Other information			
Closing net asset value (£'000)	21,263	27,560	31,871
Closing number of shares	22,308,951	27,664,000	31,253,137
Operating charges	0.81%	0.81%	0.83%
Direct transaction costs	-	-	-
Prices			
Highest share price	102.7	103.1	107.4
Lowest share price	81.16	95.22	101.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	105.37	100.00 ^B
Return before operating charges*	1.74	5.74
Operating charges	(0.88)	(0.37)
Return after operating charges*	0.86	5.37
Distributions	(5.36)	(3.44)
Retained distributions on accumulation shares	5.36	3.44
Closing net asset value per share	106.23	105.37
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.82%	5.37%
Other information		
Closing net asset value (£'000)	9	-
Closing number of shares	8,212	100
Operating charges	0.86%	0.86%
Direct transaction costs	-	-
Prices		
Highest share price	111.4	106.1
Lowest share price	88.33	97.77

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 27 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	101.82	100.00 ^B
Return before operating charges*	1.49	5.54
Operating charges	(0.85)	(0.36)
Return after operating charges*	0.64	5.18
Distributions	(5.08)	(3.36)
Closing net asset value per share	97.38	101.82
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.63%	5.18%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	975	100
Operating charges	0.86%	0.86%
Direct transaction costs	-	-
Prices		
Highest share price	105.0	102.9
Lowest share price	82.94	97.23

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 27 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	121.26	117.18	114.37
Return before operating charges*	1.80	4.21	2.96
Operating charges	(0.13)	(0.13)	(0.15)
Return after operating charges*	1.67	4.08	2.81
Distributions	(6.14)	(5.93)	(6.29)
Retained distributions on accumulation shares	6.14	5.93	6.29
Closing net asset value per share	122.93	121.26	117.18
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.38%	3.48%	2.46%
Other information			
Closing net asset value (£'000)	9,905	19,075	22,921
Closing number of shares	8,057,919	15,731,721	19,560,152
Operating charges	0.11%	0.11%	0.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	128.5	122.1	118.2
Lowest share price	101.9	112.2	114.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (95.62%)		50,556	97.91
Euro Denominated Bonds (64.44%)		38,276	74.13
Corporate Bonds (64.44%)		38,276	74.13
less than 5 years to maturity			
631,000	Adient 3.5% 2024	521	1.01
305,000	Autostrade 1.625% 2023	271	0.52
664,000	Avantor 4.75% 2024	621	1.20
600,000	Bausch Health 4.5% 2023	538	1.04
200,000	Casino Guichard 3.11% Variable 2023	165	0.32
200,000	Casino Guichard 3.248% Variable 2024	151	0.29
416,000	Cirsa Finance International 6.25% 2023	344	0.67
334,000	Cogent Communications 4.375% 2024	303	0.59
767,000	Constantin Investissement 3 SASU 5.375% 2025*	691	1.34
580,000	Consus Real Estate 9.625% 2024	563	1.09
738,000	Cott Finance 5.5% 2024	676	1.31
250,000	EG Global Finance 4.375% 2025	212	0.41
196,000	Europcar Mobility 4.125% 2024*	94	0.18
236,469	Explorer II 3.375% 2025*	178	0.34
206,000	Ford Motor Credit 0.185% 2021	180	0.35
505,000	Galapagos 5.375% 2021	-	-
178,000	HT Troplast 9.25% 2025	164	0.32
140,000	IHO Verwaltungs 3.625% 2025	127	0.25
150,000	INEOS 5.375% 2024	136	0.26
171,000	International Game Technology 3.5% 2024	150	0.29
850,000	International Game Technology 4.75% 2023	779	1.51
719,000	Kleopatra Holdings 1 SCA 8.5% 2023	566	1.10
182,000	La Financiere Atalian 4% 2024	137	0.26
313,000	LHC3 4.125% 2024	282	0.55
800,000	Lincoln Financing 3.625% 2024	708	1.37
357,000	Monitchem HoldCo 3 5.25% 2025	329	0.64
189,000	Motion Finco 7% 2025	174	0.34
1,421,000	Nassa Topco 2.875% 2024*	1,189	2.30
530,225	Newco GB 8% 2022	423	0.82
442,000	Nidda Healthcare 3.5% 2024	392	0.76
470,000	Novafives 5% 2025	308	0.60
742,000	OCI 3.125% 2024	658	1.27
129,000	OCI 5% 2023	118	0.23
250,000	OI European 2.875% 2025	225	0.43
150,000	Pemex Project 5.5% 2025	137	0.26

		Market Value £'000	Percentage of total net assets
Holding	Investment		
447,000	Petroleos Mexicanos 3.75% 2024	376	0.73
1,000,000	Petroleos Mexicanos 5.125% 2023	896	1.73
184,000	PPF Arena 2.125% 2025	160	0.31
742,000	PrestigeBidCo 6.25% 2023	681	1.32
178,000	Quatrim 5.875% 2024*	160	0.31
175,000	Samvardhana Moterson Automotive Systems 1.8% 2024	139	0.27
250,000	Sazka 9% 2021	-	-
200,000	Synlab Unsecured Bondco 8.25% 2023	185	0.36
127,000	Synthomer 3.875% 2025	118	0.23
361,000	Techem Verwaltungsgesellschaft 675 mbH 2% 2025	312	0.60
700,000	Tele Columbus 3.875% 2025*	594	1.15
892,000	Teva Pharmaceutical 4.5% 2025	807	1.56
590,000	Unilabs Subholding 5.75% 2025	526	1.02
300,000	United Group 4.875% 2024	276	0.53
290,000	Verisure 5.75% 2023	263	0.51
220,000	Verisure Holding 3.5% 2023	199	0.38
between 5 and 10 years to maturity			
200,000	ADO Properties 3.25% 2025	179	0.35
750,000	Altice 4.75% 2028	628	1.22
772,000	Altice France 8% 2027	746	1.45
200,000	ARD Finance 5% 2027	175	0.34
182,000	Ardagh Packaging 2.125% 2026	160	0.31
100,000	Arena 1.875% 2028	82	0.16
300,000	Ashland Services 2% 2028	257	0.50
300,000	Banca Monte dei Paschi di Siena 5.375% Fixed to Floating 2028	241	0.47
563,000	Banca Monte dei Paschi di Siena 8% Fixed to Floating 2030	489	0.95
480,000	Banff Merger Sub 8.375% 2026	440	0.85
936,000	Blitz F18-674 6% 2026	870	1.68
281,840	Cirsa Finance International 7.25% 2025	175	0.34
143,000	Cirsa Finance International FRN 2025	108	0.21
100,000	Clarios Global 4.375% 2026	90	0.17
643,000	Diocle FRN 2026	546	1.06
290,000	Energizer Gamma Acquisition 4.625% 2026	268	0.52
200,000	Europcar Mobility 4% 2026	94	0.18
150,000	Faurecia 2.375% 2027	127	0.25
150,000	Faurecia 3.125% 2026	133	0.26
269,000	Faurecia 3.75% 2028	242	0.47
324,000	Fiat Chrysler Automobiles 4.5% 2028	321	0.62
572,000	House of Finance 4.375% 2026*	465	0.90
150,000	IHO Verwaltungs 3.875% 2027	136	0.26
440,000	Ineos Styrolution 2.25% 2027*	370	0.72

			Market Value £'000	Percentage of total net assets
Holding	Investment			
194,000	Intertrust Group 3.375% 2025		178	0.34
554,000	Intrum 3% 2027		440	0.85
287,000	Intrum 3.5% 2026		239	0.46
361,000	IQVIA 2.25% 2028		322	0.62
310,000	IQVIA 2.875% 2028		285	0.55
229,000	Jaguar Land Rover Automotive 6.875% 2026		181	0.35
900,000	Matterhorn Telecom 3.125% 2026		787	1.52
350,000	Motion Bondco 4.5% 2027*		272	0.53
100,000	Netflix 3.625% 2027		98	0.19
143,000	Nidda BondCo 5% 2025		127	0.25
700,000	RCI Banque 2.625% Fixed to Floating 2030		587	1.14
104,000	Samsonite 3.5% 2026		80	0.15
360,000	Sigma 5.75% 2026		323	0.63
116,000	SoftBank 4.75% 2025		110	0.21
774,000	SoftBank 5% 2028		755	1.46
336,000	SoftBank 5.25% 2027		324	0.63
200,000	Summer BidCo 9.75% 2025		190	0.37
191,000	UGI International 3.25% 2025		172	0.33
271,000	UPCB Finance IV 4% 2027		223	0.43
267,000	Vertical Holdco 6.625% 2028		242	0.47
136,000	Vertical Midco 4.375% 2027		123	0.24
114,000	Vertical Midco FRN 2027		102	0.20
300,000	ZF Europe Finance 2% 2026		256	0.50
300,000	ZF Europe Finance 2.5% 2027*		254	0.49
1,574,000	Ziggo 3.375% 2030		1,353	2.62
700,000	Ziggo 4.25% 2027		589	1.14
between 10 and 15 years to maturity				
100,000	Invesco FRN 2033		80	0.16
605,000	Telecom Italia 7.75% Fixed to Floating 2033		781	1.51
greater than 25 years to maturity				
100,000	Bayer 2.375% Fixed to Floating 2079		88	0.17
151,000	British Telecom 1.874% Fixed to Floating 2080		129	0.25
Perpetual				
200,000	Banco BPM 6.125% Fixed to Floating Perpetual		150	0.29
400,000	Banco Santander 4.375% Fixed to Floating Perpetual		314	0.61
200,000	Banco Santander 6.25% Fixed to Floating Perpetual		172	0.33
400,000	Bankia 6.375% Fixed to Floating Perpetual		344	0.67
400,000	Caixa Geral de Depositos 10.75% Fixed to Floating Perpetual		390	0.76
110,000	ELM 3.75% Fixed to Floating Perpetual		103	0.20

			Market Value £'000	Percentage of total net assets
Holding	Investment			
200,000	LeasePlan 7.375% Fixed to Floating Perpetual		179	0.35
575,000	Stichting FRN Perpetual		566	1.10
200,000	Telefonica 3% Fixed to Floating Perpetual		178	0.34
400,000	Telefonica Europe 4.375% Fixed to Floating Perpetual		378	0.73
300,000	Unicredit 6.625% Fixed to Floating Perpetual		268	0.52
Sterling Denominated Bonds (31.18%)			10,859	21.03
Corporate Bonds (31.18%)			10,859	21.03
less than 5 years to maturity				
752,000	Arqiva 6.75% 2023		779	1.51
660,000	Arrow Global 5.125% 2024*		621	1.20
141,000	B&M European Value Retail 3.625% 2025		142	0.27
250,000	Cabot 7.5% 2023*		254	0.49
537,000	Co-Operative 5.125% 2024		563	1.09
308,000	CPUK 4.25% 2022		301	0.58
227,700	EnQuest 7% 2022		127	0.25
100,000	Jaguar Land Rover 3.875% 2023		88	0.17
300,000	Matalan Finance 6.75% 2023		202	0.39
300,000	Moto Finance 4.5% 2022		285	0.55
206,000	Newday Bondco 7.375% 2024		188	0.36
275,000	Petróleos Mexicanos 8.25% 2022		282	0.55
550,000	Shop Direct Funding 7.75% 2022		504	0.98
655,000	Talk Talk 3.875% 2025		641	1.24
629,000	Voyage Care 5.875% 2023		580	1.12
270,000	Voyage Care Bonco 10% 2023		233	0.45
between 5 and 10 years to maturity				
200,000	Ardagh Packaging 4.75% 2027		197	0.38
275,000	Virgin Media 4.25% 2030		274	0.53
589,000	Virgin Media 4.875% 2028		597	1.16
270,000	Virgin Media 5% 2027		281	0.54
greater than 25 years to maturity				
1,023,000	RAC Bond 5% 2046		969	1.88
198,000	RL Finance 4.875% Fixed to Floating 2049		210	0.41
Perpetual				
200,000	Barclays 6.375% Fixed to Floating Perpetual		194	0.38
539,000	Barclays 7.25% Fixed to Floating Perpetual		544	1.05
258,000	BP Capital Markets 4.25% Fixed to Floating Perpetual		266	0.52
1,120,000	CYBG 8% Fixed to Floating Perpetual		1,023	1.98

Holding	Investment	Market Value £'000	Percentage of total net assets
300,000	Lloyds Bank 13% Fixed to Floating Perpetual	514	1.00
US Dollar Denominated Bonds (0.00%)		1,421	2.75
Corporate Bonds (0.00%)		1,421	2.75
less than 5 years to maturity			
653,000	Ford Motor 8.5% 2023	549	1.06
211,000	Ford Motor 9% 2025	189	0.37
between 5 and 10 years to maturity			
42,000	Ford Motor 9.625% 2030	42	0.08
500,000	JBS Investments II 7% 2026	411	0.79
Perpetual			
320,000	General Motors Financial 5.75% Fixed to Floating Perpetual	230	0.45
Equities (0.02%)		-	-
European Equities (0.02%)		-	-
Luxembourg (0.02%)		-	-
26,196	BrightHouse	-	-
Derivatives (-0.90%)		467	0.90
Forward Currency Contracts (-0.90%)		467	0.90
Buy EUR 154,968 Sell GBP 139,960 05/08/2020		-	-
Buy GBP 140,037 Sell EUR 155,000 27/08/2020		-	-
Buy GBP 151,973 Sell EUR 168,000 27/08/2020		1	-
Buy GBP 547,274 Sell EUR 600,000 27/08/2020		6	0.01
Buy GBP 38,584,020 Sell EUR 42,342,000 27/08/2020		419	0.81
Buy GBP 1,254,781 Sell USD 1,593,000 27/08/2020		41	0.08
Total investment assets and liabilities		51,023	98.81
Net other assets		611	1.19
Total Net Assets		51,634	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities or approved derivatives within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

* A portion of this security is on loan at the period end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital losses	1	(2,367)	(1,486)
Revenue	2	3,119	4,193
Expenses	3	(426)	(563)
Interest payable and similar charges		(6)	(4)
Net revenue before taxation		2,687	3,626
Taxation	4	(3)	-
Net revenue after taxation		2,684	3,626
Total return before distributions		317	2,140
Distributions	5	(3,044)	(4,100)
Change in net assets attributable to shareholders from investment activities		(2,727)	(1,960)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	72,933	87,161
Amounts receivable on the issue of shares	2,971	9,732
Amounts payable on the cancellation of shares	(23,155)	(24,192)
	(20,184)	(14,460)
Dilution adjustment	94	8
Change in net assets attributable to shareholders from investment activities (see above)	(2,727)	(1,960)
Retained distribution on accumulation shares	1,518	2,184
Closing net assets attributable to shareholders	51,634	72,933

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		51,023	69,776
Current assets:			
Debtors	6	585	3,801
Cash and bank balances		1,030	2,001
		1,615	5,802
Total assets		52,638	75,578
Liabilities:			
Investment liabilities		-	(682)
Creditors	7	(890)	(1,851)
Distribution payable		(114)	(112)
		(1,004)	(1,963)
Total liabilities		(1,004)	(2,645)
Net assets attributable to shareholders		51,634	72,933

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Losses

	2020 £'000	2019 £'000
Non-derivative securities	(3,136)	(1,147)
Forward currency contracts	678	(763)
Other gains	91	424
Net capital losses	(2,367)	(1,486)

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	-	2
Interest on debt securities	2,986	4,098
Stocklending revenue	133	93
Total revenue	3,119	4,193

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	360	474
Operating, administrative and servicing fees	66	89
Total expenses	426	563

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in period		
Corporation tax	1	-
Double taxation relief	(1)	-
Overseas taxes	3	-
Total taxation	3	-
(b) Factors affecting current tax charge for the period		
The tax assessed for the period is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	2,687	3,626
Corporation tax at 20% (2019: 20%)	538	725
Effects of:		
Overseas taxes	3	-
Double taxation relief	(1)	-
Distributions treated as tax deductible	(537)	(725)
Total tax charge for period (note 4a)	3	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) **Factors that may affect future tax charge**

At the period end there are no surplus expenses and therefore no deferred tax asset in the current or prior period.

5. **Distributions**

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	315	395
Second interim distribution	247	358
Third interim distribution	245	415
Fourth interim distribution	262	330
Fifth interim distribution	241	373
Sixth interim distribution	236	335
Seventh interim distribution	217	283
Eighth interim distribution	323	340
Ninth interim distribution	228	345
Tenth interim distribution	230	354
Eleventh interim distribution	228	309
Final distribution	223	240
	2,995	4,077
Add: Income deducted on cancellation of shares	56	47
Deduct: Income received on issue of shares	(7)	(24)
Net distribution for the period	3,044	4,100
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	2,684	3,626
Capitalised fees	360	474
Total distributions	3,044	4,100

6. **Debtors**

	2020 £'000	2019 £'000
Accrued revenue	574	831
Amounts receivable from the ACD for the issue of shares	11	425
Sales awaiting settlement	-	2,545
Total debtors	585	3,801

7. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	28	43
Amounts payable to the ACD for cancellation of shares	679	841
Other accrued expenses	5	-
Purchases awaiting settlement	178	967
Total creditors	890	1,851

8. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting period are disclosed in notes 6 and 7.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the period end in note 7.

9. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds and derivatives during the period, or in the prior period.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	34,651	32,941	50,229	43,705
Equities	-	-	-	27
Corporate actions	-	-	-	4,634
Trades in the year before transaction costs	34,651	32,941	50,229	48,366
Total net trades in the year after transaction costs	34,651	32,941	50,229	48,366

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 1.49% (2019: 0.91%), this is representative of the average spread on the assets held during the period.

10. Shares in issue reconciliation

	Opening shares 2019	Creations during the period	Cancellations during the period	Conversions during the period	Closing shares 2020
A Accumulation shares	1,713,716	36,890	(248,194)	(5,472)	1,496,940
A Income shares	7,406,065	350,992	(1,418,880)	(54,101)	6,284,076
I Accumulation shares	12,023,678	770,798	(3,794,240)	-	9,000,236
I Income shares	27,664,000	1,515,525	(6,916,938)	46,364	22,308,951
M Accumulation shares	100	838	(12)	7,286	8,212
M Income shares	100	875	-	-	975
Z Accumulation shares	15,731,721	1,247	(7,675,049)	-	8,057,919

11. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Bonds	-	50,556	-	-	69,733	-
Equities	-	-	-	17	-	-
Derivatives	-	467	-	-	26	-
Total investment assets	-	51,023	-	17	69,759	-
Fair value of investment liabilities						
Derivatives	-	-	-	-	(682)	-
Total investment liabilities	-	-	-	-	(682)	-

12. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

The income and capital value of the fund's investments are mainly denominated in Sterling, the fund's functional currency; therefore, the financial statements are not subject to any significant risk of currency movements. This is consistent with the exposure during the prior year.

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the period end consists of:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	982	10,858	40,298	52,138
Euro	1,450	36,874	(39,035)	(711)
US Dollar	-	1,421	(1,214)	207
Total	2,432	49,153	49	51,634

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2019				
Currency				
UK Sterling	5,406	18,929	48,599	72,934
Euro	5,798	41,601	(47,400)	(1)
Total	11,204	60,530	1,199	72,933

Sensitivity analysis

The sensitivity analysis of the fund's financial asset and liability positions is monitored by the Investment Manager using VaR analysis. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	0.67%	0.76%
Maximum VaR	1.47%	1.66%
Average VaR	0.99%	0.98%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	-	1.06%	-	0.40%	1.46%
31 July 2019	0.96%	0.65%	-	(0.26%)	1.35%

The ACD must calculate the global exposure of any fund it manages either as: 1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property. This is known as the Commitment Approach and is a measure of leverage or; 2) the market risk of the scheme property by way of the value at risk (VaR) approach. Although, the sensitivity analysis of the fund's financial asset and liability positions described above uses VaR analysis, the global exposure calculations for funds may be calculated on the Commitment Basis. The Prospectus provides further details on which method is used to calculate Global Exposure for each fund.

Counterparty risk**Credit quality of debt security investment assets**

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	1,158	2.24%
Below investment grade securities	48,832	94.57%
Unrated securities	566	1.10%
Total Value of Securities	50,556	97.91%

	Market value £'000	Percentage of total net assets %
2019		
Investment grade securities	2,254	3.09%
Below investment grade securities	67,054	91.94%
Unrated securities	424	0.59%
Total Value of Securities	69,732	95.62%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
2020								
Counterparty or clearer								
Citigroup	-	-	-	41	41	-	-	41
Deutsche Bank	-	-	-	419	419	-	-	419
StateStreet	-	-	-	7	7	-	-	7
Total	-	-	-	467	467	-	-	467

						Mark to Market Exposure		
	Swaps	Options	Futures	Forward Currency Contracts	Total	Collateral (held)/ pledged	Margin at clearing broker	Total by Counter- party
2019	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	-	(161)	(161)	-	-	(161)
BNP Paribas	-	-	-	1	1	-	-	1
Citigroup	-	-	-	9	9	-	-	9
HSBC	-	-	-	(165)	(165)	-	-	(165)
Morgan Stanley	-	-	-	(8)	(8)	-	-	(8)
Royal Bank of Canada	-	-	-	5	5	-	-	5
StateStreet	-	-	-	(333)	(333)	-	-	(333)
UBS	-	-	-	(4)	(4)	-	-	(4)
Total	-	-	-	(656)	(656)	-	-	(656)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	-	-	-	-
Non-derivatives					
Other creditors	-	(890)	-	-	(890)
Distribution payable	-	(114)	-	-	(114)
Total financial liabilities	-	(1,004)	-	-	(1,004)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(682)	-	-	(682)
Non-derivatives					
Other creditors	-	(1,851)	-	-	(1,851)
Distribution payable	-	(112)	-	-	(112)
Total financial liabilities	-	(2,645)	-	-	(2,645)

13. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £5,004,000 (2019: £8,468,000). 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 31 July 2020 is £5,355,000 (2019: £9,555,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Credit Suisse	5,004	8,468
Total securities on loan	5,004	8,468

Collateral held	2020 £'000	2019 £'000
Government Bond	5,355	9,555
Total collateral held	5,355	9,555

The gross earnings and fees paid for the year are £156,000 (2019: £109,000) and £23,000 (2019: £16,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

14. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 5.8% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

First interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 August 2019

	Revenue	Equalisation	Distribution paid 30/09/19	Distribution paid 28/09/18
A Accumulation shares				
Group 1	0.6413	-	0.6413	0.6301
Group 2	0.4220	0.2193	0.6413	0.6301
A Income shares				
Group 1	0.3891	-	0.3891	0.4021
Group 2	0.0877	0.3014	0.3891	0.4021
I Accumulation shares				
Group 1	0.6642	-	0.6642	0.6496
Group 2	0.3905	0.2737	0.6642	0.6496
I Income shares				
Group 1	0.4535	-	0.4535	0.4663
Group 2	0.0992	0.3543	0.4535	0.4663
M Accumulation shares				
Group 1	0.5200	-	0.5200	-
Group 2	0.5200	-	0.5200	-
M Income shares				
Group 1	0.4600	-	0.4600	-
Group 2	0.4600	-	0.4600	-
Z Accumulation shares				
Group 1	0.5522	-	0.5522	0.5359
Group 2	0.5522	-	0.5522	0.5359

Second interim interest distribution

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 September 2019

	Revenue	Equalisation	Distribution paid 31/10/19	Distribution paid 31/10/18
A Accumulation shares				
Group 1	0.5132	-	0.5132	0.5772
Group 2	0.3868	0.1264	0.5132	0.5772
A Income shares				
Group 1	0.3100	-	0.3100	0.3667
Group 2	0.2256	0.0844	0.3100	0.3667
I Accumulation shares				
Group 1	0.5320	-	0.5320	0.5955
Group 2	0.2207	0.3113	0.5320	0.5955
I Income shares				
Group 1	0.3612	-	0.3612	0.4255
Group 2	0.1447	0.2165	0.3612	0.4255
M Accumulation shares				
Group 1	0.4100	-	0.4100	-
Group 2	0.4100	-	0.4100	-
M Income shares				
Group 1	0.4000	-	0.4000	-
Group 2	0.4000	-	0.4000	-
Z Accumulation shares				
Group 1	0.4403	-	0.4403	0.4914
Group 2	0.4403	-	0.4403	0.4914

Third interim interest distribution

Group 1 - shares purchased prior to 1 October 2019

Group 2 - shares purchased between 1 October 2019 and 31 October 2019

	Revenue	Equalisation	Distribution paid 29/11/19	Distribution paid 30/11/18
A Accumulation shares				
Group 1	0.5229	-	0.5229	0.6690
Group 2	0.4472	0.0757	0.5229	0.6690
A Income shares				
Group 1	0.3147	-	0.3147	0.4233
Group 2	0.2088	0.1059	0.3147	0.4233
I Accumulation shares				
Group 1	0.5424	-	0.5424	0.6905
Group 2	0.2499	0.2925	0.5424	0.6905
I Income shares				
Group 1	0.3672	-	0.3672	0.4914
Group 2	0.0858	0.2814	0.3672	0.4914
M Accumulation shares				
Group 1	0.3720	-	0.3720	-
Group 2	0.1520	0.2200	0.3720	-
M Income shares				
Group 1	0.3762	-	0.3762	-
Group 2	0.1462	0.2300	0.3762	-
Z Accumulation shares				
Group 1	0.4514	-	0.4514	0.5702
Group 2	0.4514	-	0.4514	0.5702

Fourth interim interest distribution

Group 1 - shares purchased prior to 1 November 2019

Group 2 - shares purchased between 1 November 2019 and 30 November 2019

	Revenue	Equalisation	Distribution paid 31/12/19	Distribution paid 31/12/18
A Accumulation shares				
Group 1	0.5837	-	0.5837	0.5459
Group 2	0.4279	0.1558	0.5837	0.5459
A Income shares				
Group 1	0.3500	-	0.3500	0.3437
Group 2	0.0716	0.2784	0.3500	0.3437
I Accumulation shares				
Group 1	0.6054	-	0.6054	0.5624
Group 2	0.3043	0.3011	0.6054	0.5624
I Income shares				
Group 1	0.4083	-	0.4083	0.3993
Group 2	0.2212	0.1871	0.4083	0.3993
M Accumulation shares				
Group 1	0.4445	-	0.4445	0.0700
Group 2	0.4445	-	0.4445	0.0700
M Income shares				
Group 1	0.4203	-	0.4203	0.0700
Group 2	0.4203	-	0.4203	0.0700
Z Accumulation shares				
Group 1	0.5036	-	0.5036	0.4661
Group 2	0.5036	-	0.5036	0.4661

Fifth interim interest distribution

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 31 December 2019

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
A Accumulation shares				
Group 1	0.5464	-	0.5464	0.6205
Group 2	0.4206	0.1258	0.5464	0.6205
A Income shares				
Group 1	0.3263	-	0.3263	0.3890
Group 2	0.1577	0.1686	0.3263	0.3890
I Accumulation shares				
Group 1	0.5669	-	0.5669	0.6411
Group 2	0.2173	0.3496	0.5669	0.6411
I Income shares				
Group 1	0.3808	-	0.3808	0.4521
Group 2	0.1498	0.2310	0.3808	0.4521
M Accumulation shares				
Group 1	0.4221	-	0.4221	0.4600
Group 2	0.4221	-	0.4221	0.4600
M Income shares				
Group 1	0.3987	-	0.3987	0.4600
Group 2	0.3987	-	0.3987	0.4600
Z Accumulation shares				
Group 1	0.4721	-	0.4721	0.5302
Group 2	0.4721	-	0.4721	0.5302

Sixth interim interest distribution

Group 1 - shares purchased prior to 1 January 2020

Group 2 - shares purchased between 1 January 2020 and 31 January 2020

	Revenue	Equalisation	Distribution paid 28/02/20	Distribution paid 28/02/19
A Accumulation shares				
Group 1	0.5482	-	0.5482	0.5519
Group 2	0.3369	0.2113	0.5482	0.5519
A Income shares				
Group 1	0.3261	-	0.3261	0.3443
Group 2	0.1302	0.1959	0.3261	0.3443
I Accumulation shares				
Group 1	0.5691	-	0.5691	0.5703
Group 2	0.2488	0.3203	0.5691	0.5703
I Income shares				
Group 1	0.3810	-	0.3810	0.4004
Group 2	0.1677	0.2133	0.3810	0.4004
M Accumulation shares				
Group 1	0.4093	-	0.4093	0.4200
Group 2	0.4093	-	0.4093	0.4200
M Income shares				
Group 1	0.3905	-	0.3905	0.4200
Group 2	0.3905	-	0.3905	0.4200
Z Accumulation shares				
Group 1	0.4742	-	0.4742	0.4719
Group 2	0.4742	-	0.4742	0.4719

Seventh interim interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 29 February 2020

	Revenue	Equalisation	Distribution paid 31/03/20	Distribution paid 29/03/19
A Accumulation shares				
Group 1	0.5261	-	0.5261	0.4750
Group 2	0.3670	0.1591	0.5261	0.4750
A Income shares				
Group 1	0.3119	-	0.3119	0.2953
Group 2	0.2272	0.0847	0.3119	0.2953
I Accumulation shares				
Group 1	0.5465	-	0.5465	0.4911
Group 2	0.2957	0.2508	0.5465	0.4911
I Income shares				
Group 1	0.3643	-	0.3643	0.3434
Group 2	0.2287	0.1356	0.3643	0.3434
M Accumulation shares				
Group 1	0.3960	-	0.3960	0.3600
Group 2	0.3960	-	0.3960	0.3600
M Income shares				
Group 1	0.3751	-	0.3751	0.3600
Group 2	0.3751	-	0.3751	0.3600
Z Accumulation shares				
Group 1	0.4557	-	0.4557	0.4069
Group 2	0.4557	-	0.4557	0.4069

Eighth interim interest distribution

Group 1 - shares purchased prior to 1 March 2020

Group 2 - shares purchased between 1 March 2020 and 31 March 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.8161	-	0.8161	0.5870
Group 2	0.5153	0.3008	0.8161	0.5870
A Income shares				
Group 1	0.4814	-	0.4814	0.3629
Group 2	0.1393	0.3421	0.4814	0.3629
I Accumulation shares				
Group 1	0.8474	-	0.8474	0.6060
Group 2	0.3328	0.5146	0.8474	0.6060
I Income shares				
Group 1	0.5630	-	0.5630	0.4221
Group 2	0.1110	0.4520	0.5630	0.4221
M Accumulation shares				
Group 1	0.6089	-	0.6089	0.4200
Group 2	0.6089	-	0.6089	0.4200
M Income shares				
Group 1	0.5761	-	0.5761	0.4200
Group 2	0.5761	-	0.5761	0.4200
Z Accumulation shares				
Group 1	0.7074	-	0.7074	0.5019
Group 2	0.5703	0.1371	0.7074	0.5019

Ninth interim interest distribution

Group 1 - shares purchased prior to 1 April 2020

Group 2 - shares purchased between 1 April 2020 and 30 April 2020

	Revenue	Equalisation	Distribution paid 29/05/20	Distribution paid 29/05/19
A Accumulation shares				
Group 1	0.5784	-	0.5784	0.6019
Group 2	0.4183	0.1601	0.5784	0.6019
A Income shares				
Group 1	0.3393	-	0.3393	0.3711
Group 2	0.1300	0.2093	0.3393	0.3711
I Accumulation shares				
Group 1	0.6011	-	0.6011	0.6227
Group 2	0.3511	0.2500	0.6011	0.6227
I Income shares				
Group 1	0.3968	-	0.3968	0.4320
Group 2	0.1789	0.2179	0.3968	0.4320
M Accumulation shares				
Group 1	0.4297	-	0.4297	0.4700
Group 2	0.4297	-	0.4297	0.4700
M Income shares				
Group 1	0.4049	-	0.4049	0.4400
Group 2	0.4049	-	0.4049	0.4400
Z Accumulation shares				
Group 1	0.5019	-	0.5019	0.5163
Group 2	0.5019	-	0.5019	0.5163

Tenth interim interest distribution

Group 1 - shares purchased prior to 1 May 2020

Group 2 - shares purchased between 1 May 2020 and 31 May 2020

	Revenue	Equalisation	Distribution paid 30/06/20	Distribution paid 28/06/19
A Accumulation shares				
Group 1	0.6019	-	0.6019	0.6386
Group 2	0.2497	0.3522	0.6019	0.6386
A Income shares				
Group 1	0.3515	-	0.3515	0.3921
Group 2	0.2060	0.1455	0.3515	0.3921
I Accumulation shares				
Group 1	0.6256	-	0.6256	0.6610
Group 2	0.3218	0.3038	0.6256	0.6610
I Income shares				
Group 1	0.4110	-	0.4110	0.4566
Group 2	0.1435	0.2675	0.4110	0.4566
M Accumulation shares				
Group 1	0.4476	-	0.4476	0.5200
Group 2	0.4476	-	0.4476	0.5200
M Income shares				
Group 1	0.4254	-	0.4254	0.4900
Group 2	0.4254	-	0.4254	0.4900
Z Accumulation shares				
Group 1	0.5225	-	0.5225	0.5482
Group 2	0.5225	-	0.5225	0.5482

Eleventh interim interest distribution

Group 1 - shares purchased prior to 1 June 2020

Group 2 - shares purchased between 1 June 2020 and 30 June 2020

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
A Accumulation shares				
Group 1	0.6019	-	0.6019	0.5701
Group 2	0.5327	0.0692	0.6019	0.5701
A Income shares				
Group 1	0.3500	-	0.3500	0.3486
Group 2	0.2823	0.0677	0.3500	0.3486
I Accumulation shares				
Group 1	0.6259	-	0.6259	0.5904
Group 2	0.2931	0.3328	0.6259	0.5904
I Income shares				
Group 1	0.4096	-	0.4096	0.4058
Group 2	0.1752	0.2344	0.4096	0.4058
M Accumulation shares				
Group 1	0.4477	-	0.4477	0.4000
Group 2	0.4477	-	0.4477	0.4000
M Income shares				
Group 1	0.4223	-	0.4223	0.3700
Group 2	0.4223	-	0.4223	0.3700
Z Accumulation shares				
Group 1	0.5232	-	0.5232	0.4900
Group 2	0.5232	-	0.5232	0.4900

Final interest distribution

Group 1 - shares purchased prior to 1 July 2020

Group 2 - shares purchased between 1 July 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 28/08/20	Distribution paid 30/08/19
A Accumulation shares				
Group 1	0.6095	-	0.6095	0.4637
Group 2	0.2449	0.3646	0.6095	0.4637
A Income shares				
Group 1	0.3529	-	0.3529	0.2824
Group 2	0.2441	0.1088	0.3529	0.2824
I Accumulation shares				
Group 1	0.6342	-	0.6342	0.4799
Group 2	0.3921	0.2421	0.6342	0.4799
I Income shares				
Group 1	0.4130	-	0.4130	0.3278
Group 2	0.2718	0.1412	0.4130	0.3278
M Accumulation shares				
Group 1	0.4532	-	0.4532	0.3200
Group 2	0.4532	-	0.4532	0.3200
M Income shares				
Group 1	0.4326	-	0.4326	0.3300
Group 2	0.4326	-	0.4326	0.3300
Z Accumulation shares				
Group 1	0.5311	-	0.5311	0.3988
Group 2	0.5311	-	0.5311	0.3988

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI European Real Estate Share Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in European property-related equities (company shares) including listed closed ended real estate investment trusts ("REITs").

Performance target: To achieve the return of the FTSE EPRA Nareit Europe (UK Restricted) 10% Capped Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund invests in equities and equity-related securities of companies that derive a significant proportion of their revenues or profits from European real estate operations or have a significant proportion of their assets in European real estate.
- European countries can include the UK and the emerging markets of Europe.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to maintain a concentrated asset mix at sector, country and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings that can be held for the long term.
- The FTSE EPRA Nareit Europe (UK Restricted) 10% Capped Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index over the long term.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI European Real Estate Share Fund – A Accumulation Shares increased by 1.06% compared to a decrease of 8.44% in the performance target, the FTSE EPRA Nareit Europe (UK Restricted) 10% Capped Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

European real estate shares were lower during the reporting period. Markets sold off in early 2020 as the economic consequences of COVID-19 became clear. However, market support from central banks sparked a strong rally in April that continued into May and June. This was dampened somewhat in July amid poor Eurozone economic data.

US-China trade tensions dominated European investor sentiment in the second half of 2019, given Europe's dominant economies are export-dependent. Economic weakness prompted the European Central Bank (ECB) to cut interest rates in September and to restart its bond-buying programme. This boosted Eurozone shares into the end of 2019, as did clarity on Brexit and a 'phase-one' trade agreement between the US and China.

European investor confidence nosedived with market returns early in 2020 as COVID-19 spread around the world. Eurozone economic activity collapsed as countries shut down to tackle the coronavirus. In response, the ECB announced a massive €750 billion corporate and government bond-buying scheme to shore up markets.

In the direct property market, capital flows held up surprisingly well in early 2020, but tailed off towards the summer. Comparing the first half of 2020 with the same period of 2019, volumes were down by 11% to €116 billion. The number of deals fell by 22%, highlighting that large deals were propping up the average. Investors extended exclusivity periods on live transactions, placing their acquisition activities on hold to take a wait-and-see approach.

The true condition of the occupier markets is tricky to read across Europe. The economic impact has been huge and so, too, has the fiscal policy response. This has left businesses and consumers suspended in an artificially robust position, which will not be sustained indefinitely. Many governments have withdrawn lockdown restrictions fully or partially, with social distancing measures generally still observed. This is allowing some of the fiscal support to be removed, such as furlough schemes and other income support mechanisms.

The latest available data shows that office take-up across the major cities of Europe fell 32% in the first half of 2020 compared with the same period in 2019. The most supply-constrained markets in Europe are Berlin, Munich and Paris's central business district, which had rates of less than 2% going into the pandemic.

In the logistics markets, the strong demand drivers established prior to the pandemic have been accelerated through enforced changes to the way people source goods. Ecommerce has grown sharply, with European online retail sales rising by 28% year-on-year to June 2020 on a three-month rolling average basis – an acceleration of roughly five years of pre-COVID-19 online retail sales growth.

In the listed market, returns followed the direction of underlying property fundamentals and were further amplified by a race-to-safety by investors. This saw more defensive countries, such as Switzerland and Germany, outperforming. The latter was particularly buoyed by the significant exposure of the listed market to its resilient residential sector. On the flip side, investor sentiment soured towards markets perceived as more economically at risk, such as Spain and Italy. France also saw poor returns due to the significant retail exposure of its listed property market.

Portfolio Activity

The fund delivered another year of strong relative performance. This was set against a backdrop of significant market disruption as a result of COVID-19. Key contributors included an overweight position in the logistics market, with holdings including SEGRO, Catena, Warehouses de Pauw, and LondonMetric Property boosting performance. An underweight position in the challenged retail segment was also beneficial. In particular, an underweight position in large index constituent Unibail-Rodamco-Westfield and not owning any of the UK retail specialists helped relative performance. Stock selection within the mid-cap market was also positive, with especially good performance from UK healthcare landlord Assura and pan-European Shurgard Self-Storage. Recent additions to the fund, including Germany's Scout24 and Finland's Kojamo, also helped. They not only brought the benefits of operational and geographic diversification, but they also contributed to the fund's performance. Both companies are operating in markets with strong fundamentals and have proven to be resilient and defensive in this crisis.

Negative contributors to performance included the underweight position in the resilient German residential sector. This is a segment of the market where the fund has significant exposure, but it struggles to be overweight given its size in the benchmark. A selection of the fund's office specialists also lagged on relative performance in the latter part of the period, given the COVID-19 pandemic.

In portfolio activity, we made a number of strategic changes. We started a position in Kojamo, a leading Finnish residential landlord, with an attractive operating platform and favourable supply-demand characteristics. We also bought Instone, an experienced German housebuilder, which benefits from the shortage of new housing in key German cities. It also has a business model that reduces the risk of residential development, given a high level of pre-sales. A new holding in Swedish office landlord Fabège brings a favourable combination of recurring cash-flow from let offices, together with an attractive development pipeline and a sensible approach to financial leverage. We also introduced IWG, which is a geographically diverse office services provider. We believe its robust balance sheet will allow it to weather near-term market challenges before expanding its market share at an attractive rate of return in the coming years.

Lastly, Scout24 is an innovative digital platform for residential and commercial real estate in Germany, which offers an attractive rate of improving sales and profitability.

Introductions were funded primarily through a number of sales. These included a well-timed sale at the start of 2020 in London mixed-use landlord Shaftesbury. We felt the valuation was full given the muted outlook. To finance the introduction of Instone, we sold Irish housebuilder Cairn Homes as we felt the original investment reasons no longer held. The introduction of Fabège was funded by selling fellow Swedish office landlord Wihlborgs, given its decision to continue buying assets with ever-increasing financial leverage. Towards the end of the period, we sold the position in London office specialist Derwent London. The valuation was not sufficiently attractive considering the weak outlook for returns.

Portfolio Outlook and Strategy

With the sector having gained over 20% during 2019, valuations suggested that returns would be limited for 2020. That said, we were encouraged by leading European macro indicators until COVID-19 hit and economies across Europe went into lockdown. With the European economy contracting by approximately 15% in the second quarter, we believe we are now witnessing early stages of a recovery as restrictions are lifted and demand returns to the market. But there will undoubtedly be some long-lasting repercussions.

We continue to emphasise the importance of taking a selective and unconstrained approach, given the variability in returns and occupational trends across different property types and locations. The listed property segment in Europe offers a diversified universe of potential holdings for active stock pickers. In terms of sector preference, the pandemic has reinforced our views rather than changed them, with many of the structural trends that drive subsectors having accelerated in recent months.

The fund remains notably underweight in retail, given the outlook for declining rental income and asset valuations alongside stressed balance sheets. In contrast to this, the fund continues to be overweight in companies and sectors where we have high conviction, including European industrials, prime Swedish offices and continental self-storage.

Given our rigorous investment focus on quality, we remain confident in the prospects for our holdings, which are backed by robust balance sheets and experienced management teams. They should be well-positioned to manage a more challenging part of the cycle and to benefit from any opportunities that may arise. This should continue to generate attractive risk-adjusted returns for our clients.

European Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- Dividend payment policies of the REITs in which the fund invests are not representative of the dividend payment policy of the fund.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	236.08	223.27	203.55
Return before operating charges*	5.84	15.87	23.13
Operating charges	(3.14)	(3.06)	(3.41)
Return after operating charges*	2.70	12.81	19.72
Distributions	(6.95)	(6.67)	(6.74)
Retained distributions on accumulation shares	6.95	6.67	6.74
Closing net asset value per share	238.78	236.08	223.27
* after direct transaction costs of:	0.09	0.06	0.38
Performance			
Return after charges	1.14%	5.74%	9.69%
Other information			
Closing net asset value (£'000)	5,196	6,148	6,874
Closing number of shares	2,176,170	2,604,185	3,078,634
Operating charges	1.30%	1.40%	1.61%
Direct transaction costs	0.04%	0.03%	0.18%
Prices			
Highest share price	276.2	240.8	224.5
Lowest share price	184.2	199.1	200.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	138.51	134.82	126.75
Return before operating charges*	3.53	9.55	14.35
Operating charges	(1.84)	(1.85)	(2.11)
Return after operating charges*	1.69	7.70	12.24
Distributions	(4.06)	(4.01)	(4.17)
Closing net asset value per share	136.14	138.51	134.82
* after direct transaction costs of:	0.05	0.04	0.23
Performance			
Return after charges	1.22%	5.71%	9.66%
Other information			
Closing net asset value (£'000)	418	516	570
Closing number of shares	306,991	372,324	422,789
Operating charges	1.30%	1.40%	1.61%
Direct transaction costs	0.04%	0.03%	0.18%
Prices			
Highest share price	161.2	144.6	138.9
Lowest share price	107.5	120.2	124.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	187.45	176.51	159.97
Return before operating charges*	4.50	12.41	17.98
Operating charges	(1.63)	(1.47)	(1.44)
Return after operating charges*	2.87	10.94	16.54
Distributions	(5.54)	(5.26)	(5.06)
Retained distributions on accumulation shares	5.54	5.26	5.06
Closing net asset value per share	190.32	187.45	176.51
* after direct transaction costs of:	0.07	0.05	0.30
Performance			
Return after charges	1.53%	6.20%	10.34%
Other information			
Closing net asset value (£'000)	54,992	57,080	61,387
Closing number of shares	28,893,727	30,451,058	34,779,010
Operating charges	0.85%	0.85%	0.86%
Direct transaction costs	0.04%	0.03%	0.18%
Prices			
Highest share price	219.8	191.2	177.4
Lowest share price	146.7	157.8	157.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	123.09	119.25	111.28
Return before operating charges*	3.06	8.37	12.48
Operating charges	(1.07)	(0.99)	(1.00)
Return after operating charges*	1.99	7.38	11.48
Distributions	(3.62)	(3.54)	(3.51)
Closing net asset value per share	121.46	123.09	119.25
* after direct transaction costs of:	0.05	0.03	0.21
Performance			
Return after charges	1.62%	6.19%	10.32%
Other information			
Closing net asset value (£'000)	9,493	8,976	12,578
Closing number of shares	7,815,789	7,292,493	10,547,769
Operating charges	0.85%	0.85%	0.86%
Direct transaction costs	0.04%	0.03%	0.18%
Prices			
Highest share price	143.6	128.5	122.7
Lowest share price	95.83	106.6	109.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	112.56	100.00 ^B
Return before operating charges*	2.81	13.19
Operating charges	(0.98)	(0.63)
Return after operating charges*	1.83	12.56
Distributions	(3.35)	(2.91)
Retained distributions on accumulation shares	3.35	2.91
Closing net asset value per share	114.39	112.56
* after direct transaction costs of:	0.04	0.02
Performance		
Return after charges	1.63%	12.56%
Other information		
Closing net asset value (£'000)	17	-
Closing number of shares	15,125	100
Operating charges	0.90%	0.90%
Direct transaction costs	0.04%	0.03%
Prices		
Highest share price	132.2	114.8
Lowest share price	88.18	94.60

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 27 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	109.73	100.00 ^B
Return before operating charges*	2.93	13.27
Operating charges	(1.01)	(0.63)
Return after operating charges*	1.92	12.64
Distributions	(3.28)	(2.91)
Closing net asset value per share	108.37	109.73
* after direct transaction costs of:	0.04	0.02
Performance		
Return after charges	1.75%	12.64%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	888	100
Operating charges	0.90%	0.90%
Direct transaction costs	0.04%	0.03%
Prices		
Highest share price	128.2	114.6
Lowest share price	85.52	94.60

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 27 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	278.62	260.84	235.00
Return before operating charges*	6.33	18.04	26.11
Operating charges	(0.29)	(0.26)	(0.27)
Return after operating charges*	6.04	17.78	25.84
Distributions	(8.26)	(7.72)	(7.37)
Retained distributions on accumulation shares	8.26	7.72	7.37
Closing net asset value per share	284.66	278.62	260.84
* after direct transaction costs of:	0.11	0.07	0.43
Performance			
Return after charges	2.17%	6.82%	11.00%
Other information			
Closing net asset value (£'000)	37,798	40,915	43,292
Closing number of shares	13,278,212	14,684,895	16,597,008
Operating charges	0.10%	0.10%	0.11%
Direct transaction costs	0.04%	0.03%	0.18%
Prices			
Highest share price	328.0	284.2	262.2
Lowest share price	218.9	233.7	232.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (99.34%)		106,810	98.98
European Equities (71.10%)		80,822	74.90
Austria (3.23%)		2,717	2.52
114,000	CA Immo	2,717	2.52
Belgium (6.66%)		10,184	9.44
190,000	Shurgard Self Storage	5,709	5.29
183,000	Warehouses De Pauw	4,475	4.15
Finland (0.00%)		4,665	4.32
246,000	Kojamo	4,665	4.32
France (9.10%)		6,200	5.74
46,300	Gecina	4,564	4.23
75,000	Klepierre	986	0.91
16,200	Unibail-Rodamco*	650	0.60
Germany (22.41%)		31,459	29.16
331,000	Alstria Office REIT	3,784	3.51
159,000	Deutsche Wohnen	5,906	5.47
127,827	Instone Real Estate	2,511	2.33
41,500	LEG Immobilien	4,418	4.09
37,000	Scout24	2,450	2.27
6,375,000	Sirius Real Estate	4,679	4.34
154,610	Vonovia	7,711	7.15
Ireland (4.74%)		1,558	1.44
1,525,000	Hibernia REIT	1,558	1.44
Spain (6.77%)		5,106	4.73
450,000	Inmobiliaria Colonial	2,927	2.71
346,000	Merlin Properties	2,179	2.02

Holding	Investment	Market Value £'000	Percentage of total net assets
Sweden (12.96%)		12,455	11.54
244,000	Castellum	3,980	3.69
156,000	Catena	4,887	4.53
269,090	Fabege	2,603	2.41
100,000	Hufvudstaden	985	0.91
Switzerland (5.23%)		6,478	6.01
18,500	Flughafen Zurich	1,780	1.65
808,707	IWG	1,865	1.73
33,200	PSP Swiss Property	2,833	2.63
UK Equities (28.24%)		25,988	24.08
Consumer Services (1.82%)		1,996	1.85
361,000	Rightmove	1,996	1.85
Financials (26.42%)		23,992	22.23
5,596,000	Assura	4,415	4.09
177,000	Big Yellow	1,802	1.67
970,000	LondonMetric Property	2,239	2.07
201,000	Savills	1,502	1.39
856,000	Segro	8,295	7.69
475,970	Unite	4,467	4.14
207,000	Workspace	1,272	1.18
Collective Investment Schemes (0.71%)		1,019	0.94
1,019	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc ⁺	1,019	0.94
Total investment assets		107,829	99.92
Net other assets		86	0.08
Total Net Assets		107,915	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺ Managed by subsidiaries of Standard Life Aberdeen plc.

* A portion of this security is on loan at the period end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(851)	3,440
Revenue	2	2,898	3,877
Expenses	3	(682)	(754)
Interest payable and similar charges		-	(1)
Net revenue before taxation		2,216	3,122
Taxation	4	566	(187)
Net revenue after taxation		2,782	2,935
Total return before distributions		1,931	6,375
Distributions	5	(3,264)	(3,452)
Change in net assets attributable to shareholders from investment activities		(1,333)	2,923

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	113,635	124,701
Amounts receivable on the issue of shares	26,521	19,882
Amounts payable on the cancellation of shares	(33,800)	(36,848)
	(7,279)	(16,966)
Dilution adjustment	12	-
Change in net assets attributable to shareholders from investment activities (see above)	(1,333)	2,923
Retained distribution on accumulation shares	2,880	2,977
Closing net assets attributable to shareholders	107,915	113,635

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		107,829	113,694
Current assets:			
Debtors	6	315	266
Cash and bank balances	7	426	295
		741	561
Total assets		108,570	114,255
Liabilities:			
Creditors	8	(416)	(395)
Distribution payable		(239)	(225)
		(655)	(620)
Total liabilities		(655)	(620)
Net assets attributable to shareholders		107,915	113,635

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(822)	3,460
Forward currency contracts	-	4
Other losses	(29)	(24)
Net capital (losses)/gains	(851)	3,440

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	49	10
Overseas dividends	1,868	2,545
Stocklending revenue	-	1
UK dividends	480	621
UK REIT	501	700
Total revenue	2,898	3,877

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	570	634
Operating, administrative and servicing fees	112	120
Total expenses	682	754

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Adjustments in respect of prior periods	(712)	3
Overseas taxes	146	196
Total current tax	(566)	199
Deferred tax (note 4(c))	-	(12)
Total taxation (note 4b)	(566)	187

(b)

Factors affecting current tax charge for the year

The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:

	2020 £'000	2019 £'000
Net revenue before taxation	2,216	3,122
Corporation tax at 20% (2019: 20%)	443	624
Effects of:		
Revenue not subject to taxation	(470)	(633)
Overseas taxes	146	196
Excess allowable expenses	27	9
Adjustments in respect of prior periods	(712)	3
Deferred Tax	-	(12)
Total tax charge for year (note 4a)	(566)	187

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Deferred tax

Deferred tax charge at the start of the year	-	12
Deferred tax charge in statement of total return for year (note 4a)	-	(12)
Provision at the end of the year	-	-

(d)

Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £36,000 (2019: £9,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	619	641
Final distribution	2,549	2,635
	3,168	3,276
Add: Income deducted on cancellation of shares	258	245
Deduct: Income received on issue of shares	(162)	(69)
Net distribution for the year	3,264	3,452
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	2,782	2,935
Capitalised fees	570	634
Tax charge on capital management fee rebates	(88)	(117)
Total distributions	3,264	3,452

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	189	189
Amounts receivable from the ACD for the issue of shares	8	13
Overseas withholding tax recoverable	118	58
United Kingdom income tax recoverable	-	6
Total debtors	315	266

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	426	295
	426	295
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	1,019	807
Net Liquidity	1,445	1,102

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	48	60
Amounts payable to the ACD for cancellation of shares	356	335
Corporation tax payable	3	-
Other accrued expenses	9	-
Total creditors	416	395

9. Related Party Transactions

Aberdeen European Property Share Fund, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen European Property Share Fund at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen European Property Share Fund, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	27,560	23,639	32,857	37,337
Collective investment schemes	36,004	26,183	35,792	26,199
Trades in the year before transaction costs	63,564	49,822	68,649	63,536
Commissions				
Equities	15	21	(11)	(17)
Total commissions	15	21	(11)	(17)
Taxes				
Equities	16	11	-	-
Total taxes	16	11	-	-
Total transaction costs	31	32	(11)	(17)
Total net trades in the year after transaction costs	63,595	49,854	68,638	63,519

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.05	0.09	0.03	0.04
Taxes				
Equities	0.06	0.05	-	-

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.02	0.03
Taxes	0.01	0.01

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.17% (2019: 0.17%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	2,604,185	442,963	(845,754)	(25,224)	2,176,170
A Income shares	372,324	44,756	(110,089)	-	306,991
I Accumulation shares	30,451,058	10,696,916	(12,277,330)	23,083	28,893,727
I Income shares	7,292,493	2,625,396	(2,102,100)	-	7,815,789
M Accumulation shares	100	5,501	(4,752)	14,276	15,125
M Income shares	100	788	-	-	888
Z Accumulation shares	14,684,895	782,806	(2,189,489)	-	13,278,212

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	106,810	-	-	112,887	-	-
Collective Investment Schemes	-	1,019	-	-	807	-
Total investment assets	106,810	1,019	-	112,887	807	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Euro	57,476	55,947
Swedish Krona	12,454	14,731
Swiss Franc	4,614	5,942
Total	74,544	76,620

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £3,727,000 (2019: £3,831,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £5,391,000 (2019: £5,685,000).

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £655,000 (2019: £620,000).

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £820,000 (2019: £Nil). 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 31 July 2020 is £945,000 (2019: £Nil).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Goldman Sachs International	820	-
Total securities on loan	820	-

Collateral held	2020 £'000	2019 £'000
Government Bond	944	-
Equities	1	-
Total collateral held	945	-

The gross earnings and fees paid for the year are £Nil (2019: £1,000) and £Nil (2019: £Nil).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 7.2% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	1.3202	-	1.3202	1.2034
Group 2	0.4697	0.8505	1.3202	1.2034
A Income shares				
Group 1	0.7746	-	0.7746	0.7266
Group 2	0.2750	0.4996	0.7746	0.7266
I Accumulation shares				
Group 1	1.0492	-	1.0492	0.9164
Group 2	0.2983	0.7509	1.0492	0.9164
I Income shares				
Group 1	0.6890	-	0.6890	0.6194
Group 2	0.2658	0.4232	0.6890	0.6194
M Accumulation shares				
Group 1	0.6688	-	0.6688	0.2500
Group 2	0.2388	0.4300	0.6688	0.2500
M Income shares				
Group 1	0.6517	-	0.6517	0.2500
Group 2	0.2317	0.4200	0.6517	0.2500
Z Accumulation shares				
Group 1	1.5618	-	1.5618	1.2819
Group 2	0.5240	1.0378	1.5618	1.2819

Final dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	5.6345	-	5.6345	5.4691
Group 2	4.4045	1.2300	5.6345	5.4691
A Income shares				
Group 1	3.2892	-	3.2892	3.2831
Group 2	1.8194	1.4698	3.2892	3.2831
I Accumulation shares				
Group 1	4.4866	-	4.4866	4.3395
Group 2	2.9962	1.4904	4.4866	4.3395
I Income shares				
Group 1	2.9319	-	2.9319	2.9158
Group 2	2.1370	0.7949	2.9319	2.9158
M Accumulation shares				
Group 1	2.6855	-	2.6855	2.6600
Group 2	0.9352	1.7503	2.6855	2.6600
M Income shares				
Group 1	2.6293	-	2.6293	2.6600
Group 2	2.6293	-	2.6293	2.6600
Z Accumulation shares				
Group 1	6.7025	-	6.7025	6.4396
Group 2	4.5514	2.1511	6.7025	6.4396

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI European Smaller Companies Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the longer term (5 years or more) by investing in European smaller capitalisation equities (company shares).

Performance target: To achieve the return of the EMIX Smaller European Companies Index, plus 3% per annum over rolling five year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in equities and equity related securities of smaller capitalisation companies listed, incorporated or domiciled in European countries, or companies that derive a significant proportion of their revenues or profits from European operations or have a significant proportion of their assets there.
- European countries include the emerging markets of Europe and the UK.
- Smaller capitalisation companies are defined as any stock included in the EMIX Smaller European Companies Index or, if not included within the index any stock having a market capitalisation smaller than that of the stock with the largest market capitalisation in such index.
- The fund may also invest in mid and larger capitalisation companies listed, incorporated or domiciled in European countries.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using the management team's quality, growth and momentum approach. It aims to identify companies that exhibit a range of high quality characteristics, operate in growing markets and display positive business momentum.
- In seeking to achieve the performance target, the EMIX Smaller European Companies Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index.

Please note: The fund's ability to buy and sell small and mid-capitalisation shares and the associated costs can be affected during periods of market stress. In certain circumstances investors in the fund may not be able to sell their investment when they want to.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI European Smaller Companies Equity Fund – A Accumulation Shares increased by 3.88% compared to a decrease of 3.08% in the performance target, the EMIX Smaller European Companies Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Small-cap European equities fell in the 12 months under review, alongside global stockmarkets that faltered amid COVID-19 fears. Initially, the market trajectory was shaped by trade friction between the world's two largest economies that sparked fears of a global recession, whereas tortuous Brexit discussions seemed to have only a muted impact on stock prices. Competitive currency devaluation had triggered an early global selloff but shares stabilised as the US and China reached a truce, while monetary easing by major central banks provided some measure of support. Although European markets regained some of their poise at the year-end, it was short-lived as the COVID-19 pandemic took root and fears over a looming recession worsened as widespread lockdowns forced global trade and travel to grind to a halt. Adding further gloom, oil prices slumped as output talks between Saudi Arabia and Russia collapsed. Share prices rebounded towards the period end, amid attempts by some governments to reopen their economies as well as on news of progress in potential vaccines and a rebound in the oil price. But a resurgence of fresh infections and heightened geopolitical risks again dented sentiment.

Portfolio Activity

At the stock level, benefiting the fund were Tecan Group, Addtech and Amplifon. Diagnostics and lab-handling equipment provider Tecan was resilient, given its end-markets may see higher demand arising from the global response to coronavirus containment. Addtech did well as the business demonstrated a high degree of resilience in the pandemic with the company making several acquisitions over recent months. Finally, Amplifon's shares continued to recover as lockdowns lifted across many of its main markets, allowing the majority of its hearing-aid retail locations to reopen. Encouragingly, the company expects its stores to deliver structurally higher profitability post-pandemic, thanks to cost cutting actions taken during the crisis.

In contrast, capping gains were Do & Co, Burford Capital and Schoeller-Bleckmann. Do & Co detracted as its business continue to suffer in the short-term due to the difficulties being experienced by the airline industry, which is a key customer segment. Also costing the fund was Burford Capital, which suffered from an aggressive short-selling attack during the period. Meanwhile, Schoeller-Bleckmann's shares weakened on concerns over its exposure to US shale activities.

Portfolio Outlook and Strategy

Looking ahead, we see further scope for European equities to recover. This is predicated on our view that the summer will be the trough for economic activity and that stimulus will largely offset the economic shock resulting from lockdowns. The scale of monetary and fiscal policy intervention is certainly supportive of asset prices. However the risk of spikes in new infections and potential for further localised lockdowns suggest that volatility may return. It is also our view that economic reopening should not be conflated with a full recovery, as lasting damage seems likely, regardless of support from policymakers. As a result, the earnings outlook remains weak and uneven.

In contrast, we have confidence that the portfolio can once again deliver significantly better earnings and cash flow performance than the market in 2020 and beyond, thanks to our clear focus on high quality companies. In longer term, our best guess is that the post COVID-19 world will intensify many of the existing trends that were already powerful drivers for our portfolio. Therefore, with a low growth, low interest rate, low inflation world likely becoming even lower for longer. These market conditions are set to remain well suited to our approach. Certainly the operational performance of the vast majority of our holdings has been reassuringly resilient thus far. We expect this resilience to be increasingly evident, as the full financial impact of lockdown is revealed and companies begin to incorporate COVID-19 into their longer-term outlooks.

Small Cap Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The shares of small and mid-cap companies may be less liquid and more volatile than those of larger companies.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	1,811.44	1,727.36	1,445.33
Return before operating charges*	92.79	107.44	307.22
Operating charges	(23.07)	(23.36)	(25.19)
Return after operating charges*	69.72	84.08	282.03
Distributions	-	(4.69)	(1.13)
Retained distributions on accumulation shares	-	4.69	1.13
Closing net asset value per share	1,881.16	1,811.44	1,727.36
* after direct transaction costs of:	0.39	1.08	-
Performance			
Return after charges	3.85%	4.87%	19.51%
Other information			
Closing net asset value (£'000)	34,716	36,339	36,981
Closing number of shares	1,845,463	2,006,100	2,140,895
Operating charges	1.32%	1.43%	1.65%
Direct transaction costs	0.02%	0.07%	-
Prices			
Highest share price	1,934	1,869	1,746
Lowest share price	1,291	1,390	1,416

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	223.58	212.03	176.08
Return before operating charges*	11.53	13.30	37.65
Operating charges	(1.88)	(1.75)	(1.70)
Return after operating charges*	9.65	11.55	35.95
Distributions	(0.70)	(1.73)	(1.66)
Retained distributions on accumulation shares	0.70	1.73	1.66
Closing net asset value per share	233.23	223.58	212.03
* after direct transaction costs of:	0.05	0.13	-
Performance			
Return after charges	4.32%	5.45%	20.42%
Other information			
Closing net asset value (£'000)	27,056	28,235	18,057
Closing number of shares	11,600,106	12,628,518	8,516,105
Operating charges	0.87%	0.87%	0.90%
Direct transaction costs	0.02%	0.07%	-
Prices			
Highest share price	239.7	230.6	214.3
Lowest share price	159.8	171.2	172.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	176.26	167.03	138.60
Return before operating charges*	9.10	10.49	29.70
Operating charges	(1.37)	(1.26)	(1.27)
Return after operating charges*	7.73	9.23	28.43
Distributions	(0.67)	(1.51)	(1.41)
Retained distributions on accumulation shares	0.67	1.51	1.41
Closing net asset value per share	183.99	176.26	167.03
* after direct transaction costs of:	0.04	0.10	-
Performance			
Return after charges	4.39%	5.53%	20.51%
Other information			
Closing net asset value (£'000)	304	221	111
Closing number of shares	165,473	125,060	66,646
Operating charges	0.80%	0.80%	0.83%
Direct transaction costs	0.02%	0.07%	-
Prices			
Highest share price	189.1	181.8	168.8
Lowest share price	126.0	134.9	135.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	121.76	100.00 ^B
Return before operating charges*	6.46	22.44
Operating charges	(1.06)	(0.68)
Return after operating charges*	5.40	21.76
Distributions	(0.35)	(1.21)
Retained distributions on accumulation shares	0.35	1.21
Closing net asset value per share	127.16	121.76
* after direct transaction costs of:	0.03	0.05
Performance		
Return after charges	4.43%	21.76%
Other information		
Closing net asset value (£'000)	162	-
Closing number of shares	127,038	100
Operating charges	0.92%	0.92%
Direct transaction costs	0.02%	0.07%
Prices		
Highest share price	130.7	125.6
Lowest share price	87.14	93.07

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 27 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	2,110.45	1,739.70
Return before operating charges*	(128.67)	373.44
Operating charges	(1.57)	(2.69)
Return after operating charges*	(130.17)	370.75
Distributions	-	(30.39)
Retained distributions on accumulation shares	-	30.39
Redemption value as at 18 March 2019	(1,980.38)	-
Closing net asset value per share	-	2,110.45
* after direct transaction costs of:	1.28	-
Performance		
Return after charges	(6.17%)	21.31%
Other information		
Closing net asset value (£'000)	-	2,113
Closing number of shares	-	100,113
Operating charges	0.12%	0.12%
Direct transaction costs	0.07%	-
Prices		
Highest share price	2,182	2,133
Lowest share price	1,709	1,705

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Z Accumulation share class closed on 18 March 2019.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (94.47%)		60,522	97.25
European Equities (67.52%)		44,663	71.76
Austria (6.75%)		1,942	3.12
29,200	DO & CO*	1,144	1.84
47,000	Vienna Insurance	798	1.28
Belgium (0.00%)		733	1.18
42,935	Fagron	733	1.18
Denmark (0.92%)		777	1.25
69,000	Scandinavian Tobacco 'A'	777	1.25
Finland (0.00%)		719	1.15
44,000	Kesko	719	1.15
France (6.92%)		4,622	7.42
79,671	Interparfums	2,839	4.56
8,001	Teleperformance	1,783	2.86
Germany (17.86%)		9,501	15.26
15,600	Cancom	719	1.16
26,000	CTS Eventim	784	1.26
33,666	Dermapharm	1,296	2.08
14,500	Gerresheimer	1,272	2.04
22,402	Grenke	1,294	2.08
2,409	Hypoport	868	1.39
29,854	Nemetschek	1,669	2.68
1,461	New Work	363	0.58
59,000	PATRIZIA Immobilien	1,236	1.99
Ireland (1.54%)		792	1.27
1,036,256	Cairn Homes	792	1.27

Holding	Investment	Market Value £'000	Percentage of total net assets
Italy (11.28%)		6,971	11.20
132,500	Amplifon	3,448	5.54
16,000	Azimut	231	0.37
57,500	Brunello Cucinelli	1,275	2.05
109,000	Cerved Information Solutions	686	1.10
6,726	IMA*	409	0.66
13,200	Reply	922	1.48
Norway (0.58%)		418	0.67
36,301	Kongsberg Gruppen	418	0.67
Spain (0.00%)		875	1.41
70,523	Almirall	598	0.96
3,300	Vidrala	277	0.45
Sweden (10.15%)		8,034	12.91
149,200	AddLife 'B'	1,599	2.57
70,000	AddTech 'B'	2,480	3.98
180,000	Coor Service Management	1,085	1.74
129,000	Eleckta	1,006	1.62
121,000	Lagercrantz 'B'	1,864	3.00
Switzerland (11.52%)		9,279	14.92
4,280	Bachem	980	1.58
280	Belimo	1,688	2.71
4,600	Burckhardt Compression	888	1.43
1,114	Dormakaba 'B'	476	0.77
9,600	Tecan	3,086	4.96
9,100	Temenos	1,029	1.65
18,750	VZ	1,132	1.82
North American Equities (0.00%)		-	-
United States (0.00%)		-	-
3,184,500	Ashurst Technology ^Ω	-	-

Holding	Investment	Market Value £'000	Percentage of total net assets
UK Equities (26.95%)		15,859	25.49
Basic Materials (2.69%)		1,218	1.96
65,003	Victrex	1,218	1.96
Consumer Goods (0.00%)		1,208	1.94
13,770	Games Workshop	1,208	1.94
Consumer Services (2.38%)		888	1.43
112,000	Euromoney Institutional Investor	888	1.43
Financials (3.47%)		1,364	2.19
82,000	Burford Capital ⁺⁺	440	0.71
31,500	Close Brothers	345	0.55
43,000	Intermediate Capital	579	0.93
Health Care (6.31%)		4,193	6.74
100,500	Abcam ⁺⁺	1,290	2.08
71,500	Dechra Pharmaceuticals	2,041	3.28
25,354	Genus	862	1.38
Industrials (5.70%)		4,224	6.79
93,763	Diploma	1,700	2.73
97,500	Oxford Instruments	1,310	2.11
51,000	Ultra Electronics	1,214	1.95
Technology (6.40%)		2,764	4.44
66,676	AVEVA	2,764	4.44

Holding	Investment	Market Value £'000	Percentage of total net assets
Collective Investment Schemes (4.32%)		1,335	2.14
1,335	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc [†]	1,335	2.14
Total investment assets		61,857	99.39
Net other assets		381	0.61
Total Net Assets		62,238	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.
The percentage figures in brackets show the comparative holding as at 31 July 2019.

[†] Managed by subsidiaries of Standard Life Aberdeen plc.

^{**} AIM listed.

[‡] Unapproved/unquoted security.

* A portion of this security is on loan at the period end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	1,865	2,242
Revenue	2	644	1,000
Expenses	3	(663)	(670)
Net (expense)/revenue before taxation		(19)	330
Taxation	4	56	(38)
Net revenue after taxation		37	292
Total return before distributions		1,902	2,534
Distributions	5	(81)	(292)
Change in net assets attributable to shareholders from investment activities		1,821	2,242

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	64,795	57,262
Amounts receivable on the issue of shares	7,592	15,940
Amounts payable on the cancellation of shares	(12,054)	(10,967)
	(4,462)	4,973
Dilution adjustment	1	4
Change in net assets attributable to shareholders from investment activities (see above)	1,821	2,242
Retained distribution on accumulation shares	83	314
Closing net assets attributable to shareholders	62,238	64,795

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		61,857	64,014
Current assets:			
Debtors	6	197	334
Cash and bank balances	7	481	544
		678	878
Total assets		62,535	64,892
Liabilities:			
Creditors	8	(297)	(97)
		(297)	(97)
Total liabilities		(297)	(97)
Net assets attributable to shareholders		62,238	64,795

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	1,872	2,235
Other (losses)/gains	(7)	7
Net capital gains	1,865	2,242

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	8	10
Interest on debt securities	-	6
Overseas dividends	398	660
Stocklending revenue	12	4
UK dividends	226	320
Total revenue	644	1,000

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	592	603
Operating, administrative and servicing fees	71	67
Total expenses	663	670

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	(56)	38
Total taxation	(56)	38
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net (expense)/revenue before taxation	(19)	330
Corporation tax at 20% (2019: 20%)	(4)	66
Effects of:		
Revenue not subject to taxation	(125)	(196)
Overseas taxes	(56)	38
Excess allowable expenses	129	130
Total tax charge for year (note 4a)	(56)	38

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) **Factors that may affect future tax charge**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £2,123,000 (2019: £1,994,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. **Distributions**

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	83	314
Add: Income deducted on cancellation of shares	9	18
Deduct: Income received on issue of shares	(11)	(40)
Net distribution for the year	81	292
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	37	292
Shortfall transfer from capital to revenue	44	-
Total distributions	81	292

6. **Debtors**

	2020 £'000	2019 £'000
Accrued revenue	35	48
Amounts receivable from the ACD for the issue of shares	65	183
Overseas withholding tax recoverable	97	103
Total debtors	197	334

7. **Liquidity**

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	481	544
	481	544
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	1,335	2,796
Net Liquidity	1,816	3,340

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	52	62
Amounts payable to the ACD for cancellation of shares	239	35
Other accrued expenses	6	-
Total creditors	297	97

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	4,209	10,589	6,790	4,642
Collective investment schemes	7,222	7,822	8,683	8,467
Trades in the year before transaction costs	11,431	18,411	15,473	13,109
Commissions				
Equities	4	20	(4)	(3)
Total commissions	4	20	(4)	(3)
Taxes				
Equities	5	14	-	-
Total taxes	5	14	-	-
Total transaction costs	9	34	(4)	(3)
Total net trades in the year after transaction costs	11,440	18,445	15,469	13,106

	Purchases		Sales	
Total transaction costs expressed as a percentage of asset type cost	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	0.09	0.19	0.06	0.07
Taxes				
Equities	0.12	0.14	-	-

Total transaction costs expressed as a percentage of net asset value	2020 %	2019 %
Commissions	0.01	0.04
Taxes	0.01	0.03

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.30% (2019: 0.21%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	2,006,100	28,011	(174,645)	(14,003)	1,845,463
I Accumulation shares	12,628,518	3,186,579	(4,259,357)	44,366	11,600,106
K Accumulation shares	125,060	140,099	(99,686)	-	165,473
M Accumulation shares	100	1,005	(177)	126,110	127,038

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	60,522	-	-	61,218	-	-
Collective Investment Schemes	-	1,335	-	-	2,796	-
Total investment assets	60,522	1,335	-	61,218	2,796	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Danish Krone	815	630
Euro	26,208	28,819
Norwegian Krone	418	379
Swedish Krona	8,035	6,578
Swiss Franc	9,285	7,467
Total	44,761	43,873

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £2,238,000 (2019: £2,194,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £3,093,000 (2019: £3,201,000).

Counterparty risk

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £297,000 (2019: £97,000).

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £1,546,000 (2019: £1,803,000). 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 31 July 2020 is £1,810,000 (2019: £2,052,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Goldman Sachs	1,136	1,803
JP Morgan	410	-
Total securities on loan	1,546	1,803

Collateral held	2020 £'000	2019 £'000
Equities	551	2,052
Government Bonds	1,259	-
Total collateral held	1,810	2,052

The gross earnings and fees paid for the year are £14,000 (2019: £5,000) and £2,000 (2019: £1,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 10.2% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution table

For the year ended 31 July 2020 (in pence per share)

Final dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	-	-	-	4.6854
Group 2	-	-	-	4.6854
I Accumulation shares				
Group 1	0.6984	-	0.6984	1.7252
Group 2	0.4136	0.2848	0.6984	1.7252
K Accumulation shares				
Group 1	0.6722	-	0.6722	1.5104
Group 2	0.2997	0.3725	0.6722	1.5104
M Accumulation shares				
Group 1	0.3538	-	0.3538	1.2100
Group 2	0.2821	0.0717	0.3538	1.2100

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Financial Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in equities (company shares) issued by financial institutions.

Performance target: To achieve the return of the MSCI AC World Financials Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in equities and equity related securities of financial institutions, such as banking, insurance, financial services and property companies, listed on global stock exchanges.
- The fund may also invest in companies which generate a significant part of their earnings from financial activity.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.

Management process

- The management team use their discretion (active management) to maintain a concentrated but diversified asset mix at country and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the MSCI AC Financial Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ('tracking error') between the returns of the fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index over the long term.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI Financial Equity Fund – A Income Shares decreased by 13.23% compared to a decrease of 19.68% in the performance target, the MSCI AC World Financials Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

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Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Financial equities faced volatility through the period under review and fell in sterling terms. Initially, a major factor driving sentiment was the continued slowdown in global growth which compelled major central banks, including the Federal Reserve and European Central Bank, to ease policy further, with interest rate cuts, providing support to their economies. Thereafter, financial stocks tracked the broad market rally to end 2019 on a positive note on optimism that a US-China preliminary trade deal was imminent.

However, concerns over the impact of COVID-19 on growth worldwide dampened the mood in the new year. The rapid spread of the virus across the world led many countries to impose lockdowns and social-distancing measures. As a result, most businesses ground to a halt and increased the risk of defaults and loan losses for lenders. The subsequent reopening of economies brought a new set of problems, namely, a resurgence in infections even in nations that had apparently contained the virus. Governments and central banks stepped in with more stimulus, this time to counter the effects of the pandemic on financial markets and various industries.

Portfolio Activity

At the stock level, exchange operators did well overall as trading volumes surged due to increased volatility amid the pandemic. Japan Exchange's shares rose on optimism that its well-managed, vertically-integrated exchange business will continue to benefit as local markets consolidate. The bourse operator's move to commence commodities futures trading at its subsidiary Osaka Exchange, allowed the group to compete with integrated bourses overseas that offer both financial and commodities futures trading on a single platform. Meanwhile, Hong Kong Exchanges' shares gained on expectations that more stringent US listing regulations, due to rising tensions between the world's two largest economies, would compel more mainland Chinese companies re-list in the city.

The group subsequently launched an index which tracks the 30 largest technology companies listed in the territory. Elsewhere, Deutsche Boerse posted robust earnings in the first half of 2020 on increased trading volumes, amid heightened volatility, as the virus spread across Europe. We like the exchange operator for its diversified business.

Conversely, holding Banco Bradesco dented returns. The Brazilian lender's shares were weighed by political turmoil and the effects of the pandemic during the period. Nevertheless, we believe it is in a better position compared with peers, as its robust capital position should provide buffer against more potential COVID-19-related loan losses in the first half of the year. We were also encouraged to hear management's commitment to slash operating costs further. Meanwhile, Ayala Land's shares declined on a poor set of results. The Philippine real estate developer's first-half net profits slumped as the government's social-distancing measures to contain the virus weighed on property sales and business at its shopping malls and hotels. However, we believe the company will be able to recover well from this crisis, given its robust land bank, brand name and strategy execution. Elsewhere, Hong Kong-based Swire Pacific's shares dropped as protracted anti-government protests, and the ongoing pandemic, hurt its airline, property as well as oil and gas businesses. We subsequently exited Swire Pacific in view of the difficult outlook for its underlying units.

In portfolio activity, we introduced the following stocks. Fidelity National Information Services, based on our conviction in its ability to execute its strategy and private revenue growth, which should support steady cash conversion; Private-equity business Blackstone Group, which benefits from economies of scale; S&P Global, a high-quality ratings and index provider; Indian property developer Prestige Estates for its attractive portfolio of investment properties and solid franchise in residential development; US investment bank Goldman Sachs, which has attractive initiatives for new revenue streams and cost reduction; Austrian bank Bawag, which generates high return on equity, has a conservative loan book, and is attractively valued; Leading Dutch payment company Adyen, which we believe will benefit from the shift to digital payments. The firm should continue to carve out a leading market position, allowing it to boost revenue and subsequently, long-term free cash flow; Real estate company Vonovia on its diversified exposure within the German residential market and growth potential in other European markets; France-based Worldline as its payment processing business is well-positioned to benefit from industry consolidation, which will support growth and earnings.

Against these, apart from Swire Pacific, mentioned above, we divested the following holdings. Thai lender Kasikornbank in favour of better opportunities elsewhere, as its outlook remains challenging and we expect its fees to remain under pressure; Swiss bank UBS Group, on waning conviction as a result of increased competition in the US wealth market and lower expectations for further capital return; Indian lender ICICI Bank following a rally, in favour of Prestige Estates; M&G, which was spun off from UK insurer Prudential, as its long-term fundamentals appear unattractive; German property company Deutsche Wohnen, following a share-price rebound, as its earnings remain constrained by regulatory rent controls; Polish lender Bank Pekao, Japanese developer Mitsubishi Estate, Brazilian shopping-mall

operator Iguatemi and Asia-focused lender Standard Chartered, in favour of holdings we have higher conviction in; Brazilian mall operator Multiplan to manage our exposure to the country and explore more attractive opportunities elsewhere.

Portfolio Outlook and Strategy

A flare up of infections afflicting the US and other parts of the world, as their economies reopen, is a grim reminder that the fight against the coronavirus pandemic is far from over. The fresh outbreaks could threaten the nascent global recovery, as the potential re-imposition of movement restrictions will hurt fragile consumption and business sentiment. A growing number of bankruptcies and defaults in the US and Europe demonstrates that COVID-19's economic impact is just becoming evident, while many countries in Asia and South America continue the difficult task of suppressing viral infections while resuming much-needed economic activity. Elsewhere, worsening geopolitical tensions between China and various countries bear watching. Thus, we remain cautious, even as sustained stimulus from governments and central banks should provide support.

From a portfolio perspective, we are giving serious consideration to two key aspects. Firstly, whether the businesses in our portfolios are positioned to weather this COVID-19 storm. Secondly, how normalised earnings will look like as we move forward in this crisis. In such times of uncertainty, sound bottom-up analysis and stock-picking strategies are crucial. We have the advantage of a world-class proprietary research platform, and an exceptionally well-resourced and experienced team that has navigated many past crises. We stay disciplined in putting capital to work on our best ideas: ensuring the fund's largest weights are in quality companies with the highest potential returns.

Global Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	4,145.12	3,637.85	3,437.31
Return before operating charges*	(478.71)	586.28	272.48
Operating charges	(50.60)	(52.96)	(58.19)
Return after operating charges*	(529.31)	533.32	214.29
Distributions	(13.84)	(26.05)	(13.75)
Closing net asset value per share	3,601.97	4,145.12	3,637.85
* after direct transaction costs of:	2.32	1.19	0.59
Performance			
Return after charges	(12.77%)	13.94%	6.23%
Other information			
Closing net asset value (£'000)	43,042	52,334	48,463
Closing number of shares	1,194,951	1,262,553	1,332,198
Operating charges	1.32%	1.42%	1.64%
Direct transaction costs	0.06%	0.03%	0.02%
Prices			
Highest share price	4,188	4,240	3,726
Lowest share price	3,004	3,391	3,348

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	174.07	152.73	144.28
Return before operating charges*	(20.09)	24.65	11.48
Operating charges	(1.40)	(1.36)	(1.33)
Return after operating charges*	(21.49)	23.29	10.15
Distributions	(1.31)	(1.95)	(1.70)
Closing net asset value per share	151.27	174.07	152.73
* after direct transaction costs of:	0.10	0.05	0.03
Performance			
Return after charges	(12.35%)	15.25%	7.03%
Other information			
Closing net asset value (£'000)	1,802	2,026	1,229
Closing number of shares	1,191,418	1,163,848	804,445
Operating charges	0.87%	0.87%	0.89%
Direct transaction costs	0.06%	0.03%	0.02%
Prices			
Highest share price	176.1	178.5	157.0
Lowest share price	126.2	142.6	140.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	116.41	100.00 ^B
Return before operating charges*	(13.19)	18.44
Operating charges	(0.94)	(0.66)
Return after operating charges*	(14.13)	17.78
Distributions	(0.82)	(1.37)
Closing net asset value per share	101.46	116.41
* after direct transaction costs of:	0.06	0.02
Performance		
Return after charges	(12.14%)	17.78%
Other information		
Closing net asset value (£'000)	5	-
Closing number of shares	5,033	100
Operating charges	0.92%	0.92%
Direct transaction costs	0.06%	0.03%
Prices		
Highest share price	118.1	119.6
Lowest share price	84.68	95.88

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 27 November 2018.

^B The opening net asset value stated is the share class launch price.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (97.31%)		44,068	98.26
Emerging Market Equities (7.68%)		2,070	4.62
Brazil (5.99%)		1,228	2.74
381,886	Banco Bradesco ADR	1,228	2.74
Chile (1.69%)		842	1.88
646,073	Parque Arauco	842	1.88
European Equities (8.78%)		6,421	14.31
Austria (0.00%)		929	2.07
33,200	BAWAG Group	929	2.07
France (0.00%)		675	1.50
10,300	Worldline	675	1.50
Germany (5.19%)		3,557	7.93
12,500	Deutsche Boerse	1,744	3.89
2,400	Hypoport	865	1.93
19,000	Vonovia	948	2.11
Netherlands (0.00%)		689	1.54
540	Adyen	689	1.54
Poland (1.41%)		-	-
Sweden (1.08%)		571	1.27
79,100	Svenska Handelsbanken	571	1.27
Switzerland (1.10%)		-	-
Japanese Equities (5.30%)		1,582	3.53
87,900	Japan Exchange Group	1,582	3.53

Holding	Investment	Market Value £'000	Percentage of total net assets
North America Equities (32.04%)		18,507	41.27
Canada (2.68%)		1,056	2.36
20,100	Royal Bank of Canada	1,056	2.36
Mexico (1.39%)		500	1.11
182,900	Grupo Financiero Banorte	500	1.11
United States (27.97%)		16,951	37.80
20,600	Blackstone	836	1.87
14,500	CME	1,836	4.09
4,100	Fair Isaac	1,372	3.06
8,600	Fidelity National Information Services	959	2.14
18,100	First Republic Bank	1,551	3.46
8,600	Goldman Sachs	1,297	2.89
36,000	Intercontinental Exchange	2,653	5.92
42,800	Regions Financial	354	0.79
3,700	S&P Global	987	2.20
79,300	Schwab (Charles)	2,002	4.46
21,400	Visa	3,104	6.92
Pacific Basin Equities (34.28%)		12,920	28.81
China (0.97%)		1,400	3.12
173,500	Ping An Insurance 'H'*	1,400	3.12
Hong Kong (9.72%)		2,805	6.25
196,600	AIA	1,354	3.02
39,885	Hong Kong Exchanges & Clearing	1,451	3.23
India (7.60%)		3,265	7.28
104,800	Housing Development Finance	1,906	4.25
235,400	Prestige Estates	468	1.04
96,000	SBI Life Insurance	891	1.99

Holding	Investment	Market Value £'000	Percentage of total net assets
Indonesia (3.01%)		1,312	2.93
4,317,000	Bank Rakyat Indonesia	710	1.59
27,217,300	Pakuwon Jati	602	1.34
Philippines (4.54%)		1,591	3.55
3,090,300	Ayala Land	1,591	3.55
Singapore (3.21%)		1,237	2.76
260,060	Oversea-Chinese Banking	1,237	2.76
Thailand (4.97%)		992	2.21
2,320,400	Tesco Lotus Retail Growth	992	2.21
Vietnam (0.26%)		318	0.71
532,900	Vietnam Technological & Commercial Joint Stock Bank	318	0.71
UK Equities (9.23%)		2,568	5.72
Financials (5.89%)		625	1.39
56,600	Prudential	625	1.39
Industrials (3.34%)		1,943	4.33
72,600	Experian	1,943	4.33
Total investment assets		44,068	98.26
Net other assets		781	1.74
Total Net Assets		44,849	100.00

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

* A portion of this security is on loan at the period end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(7,043)	6,630
Revenue	2	942	1,132
Expenses	3	(636)	(692)
Net revenue before taxation		306	440
Taxation	4	(55)	(90)
Net revenue after taxation		251	350
Total return before distributions		(6,792)	6,980
Distributions	5	(184)	(350)
Change in net assets attributable to shareholders from investment activities		(6,976)	6,630

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	54,360	49,692
Amounts receivable on the issue of shares	842	1,183
Amounts payable on the cancellation of shares	(3,378)	(3,146)
	(2,536)	(1,963)
Change in net assets attributable to shareholders from investment activities (see above)	(6,976)	6,630
Unclaimed distributions	1	1
Closing net assets attributable to shareholders	44,849	54,360

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		44,068	52,897
Current assets:			
Debtors	6	66	477
Cash and bank balances		929	1,466
		995	1,943
Total assets		45,063	54,840
Liabilities:			
Creditors	7	(58)	(133)
Distribution payable		(156)	(347)
		(214)	(480)
Total liabilities		(214)	(480)
Net assets attributable to shareholders		44,849	54,360

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(6,994)	6,603
Forward currency contracts	7	(4)
Other (losses)/gains	(56)	31
Net capital (losses)/gains	(7,043)	6,630

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	-	2
Overseas dividends	824	754
Overseas REIT	49	55
Stocklending revenue	-	1
UK dividends	69	320
Total revenue	942	1,132

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	577	633
Operating, administrative and servicing fees	59	59
Total expenses	636	692

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	122	90
Total current tax	122	90
Deferred tax (note 4(c))	(67)	-
Total taxation (note 4b)	55	90

(b)

Factors affecting current tax charge for the year

The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:

	2020 £'000	2019 £'000
Net revenue before taxation	306	440
Corporation tax at 20% (2019: 20%)	61	88
Effects of:		
Revenue not subject to taxation	(169)	(202)
Overseas taxes	122	90
Overseas tax expensed	(2)	(2)
Excess allowable expenses	110	116
Deferred tax	(67)	-
Total tax charge for year (note 4a)	55	90

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Deferred tax

Provision at the start of the year	-	-
Deferred tax charge in statement of total return for year (note 4a)	(67)	-
Provision at the end of the year	(67)	-

(d) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £661,000 (2019: £551,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	25	3
Final distribution	156	347
	181	350
Add: Income deducted on cancellation of shares	4	4
Deduct: Income received on issue of shares	(1)	(4)
Net distribution for the year	184	350
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	251	350
Transaction CGT	(67)	-
Total distributions	184	350

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	47	67
Amounts receivable from the ACD for the issue of shares	1	22
Overseas withholding tax recoverable	18	16
Sales awaiting settlement	-	372
Total debtors	66	477

7. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	48	61
Amounts payable to the ACD for cancellation of shares	5	6
Capital gains tax payable	-	66
Other accrued expenses	5	-
Total creditors	58	133

8. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 7.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 7.

9. Portfolio Transaction Costs

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	13,983	9,063	15,847	11,772
Trades in the year before transaction costs	13,983	9,063	15,847	11,772
Commissions				
Equities	9	5	(9)	(4)
Total commissions	9	5	(9)	(4)
Taxes				
Equities	6	5	(4)	(1)
Total taxes	6	5	(4)	(1)
Total transaction costs	15	10	(13)	(5)
Total net trades in the year after transaction costs	13,998	9,073	15,834	11,767

	Purchases		Sales	
Total transaction costs expressed as a percentage of asset type cost	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	0.07	0.05	0.06	0.04
Taxes				
Equities	0.04	0.05	0.03	0.01

Total transaction costs expressed as a percentage of net asset value	2020 %	2019 %
Commissions	0.04	0.02
Taxes	0.02	0.01

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.16% (2019: 0.16%), this is representative of the average spread on the assets held during the year.

10. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Income shares	1,262,553	9,503	(76,961)	(144)	1,194,951
I Income shares	1,163,848	295,346	(268,439)	663	1,191,418
M Income shares	100	804	(7)	4,136	5,033

11. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	44,068	-	-	52,897	-	-
Total investment assets	44,068	-	-	52,897	-	-

12. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Brazilian Real	4	1,389
Canadian Dollar	1,067	1,470
Chilean Peso	842	921
Euro	5,856	2,824
Hong Kong Dollar	4,205	5,811
Indian Rupee	3,286	4,088
Indonesian Rupiah	1,312	1,635
Japanese Yen	1,582	2,880
Mexican Peso	500	754
Philippines Peso	1,591	2,470
Polish Zloty	9	822
Singapore Dollar	1,237	1,745
Swedish Krona	571	587
Swiss Franc	-	595
Thai Baht	998	2,717
US Dollar	18,186	17,461
Vietnam Dong	343	496
Total	41,589	48,665

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £2,079,000 (2019: £2,433,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £2,203,000 (2019: £2,645,000).

Counterparty risk

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £214,000 (2019: £133,000).

13. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £1,405,000 (2019: £Nil). 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 31 July 2020 is £1,620,000 (2019: £Nil).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
UBS	1,405	-
Total securities on loan	1,405	-

Collateral held	2020 £'000	2019 £'000
Equities	1,620	-
Total collateral held	1,620	-

The gross earnings and fees paid for the year are £Nil (2019: £1,000) and £Nil (2019: £Nil).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

14. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 9.7% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the ended 31 July 2020 (in pence per share)

Interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Income shares				
Group 1	1.6393	-	1.6393	-
Group 2	-	1.6393	1.6393	-
I Income shares				
Group 1	0.4512	-	0.4512	0.4361
Group 2	0.1574	0.2938	0.4512	0.4361
M Income shares				
Group 1	0.2544	-	0.2544	0.1500
Group 2	0.0044	0.2500	0.2544	0.1500

Final dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Income shares				
Group 1	12.2035	-	12.2035	26.0505
Group 2	8.1311	4.0724	12.2035	26.0505
I Income shares				
Group 1	0.8556	-	0.8556	1.5141
Group 2	0.5290	0.3266	0.8556	1.5141
M Income shares				
Group 1	0.5672	-	0.5672	1.2200
Group 2	0.5672	-	0.5672	1.2200

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Global Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in equities (company shares) worldwide.

Performance target: To achieve the return of the MSCI AC World Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 80% in equities and equity related securities of companies listed on global stock exchanges.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the MSCI AC World Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI Global Equity Fund – A Income Shares decreased by 2.73% compared to an increase of 0.53% in the performance target, the MSCI AC World Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

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Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Global equities edged higher in sterling terms, despite volatility through the period under review. Initially, a major factor driving sentiment was the ongoing trade disputes instigated by the US against its key partners, with punitive tariffs used as leverage in re-negotiations. The continued slowdown in global growth compelled major central banks, including the Federal Reserve and European Central Bank, to ease policy further, providing support to their economies. Thereafter, markets ended 2019 on a positive note on news that a US-China preliminary trade deal was imminent.

However, concerns over the impact of COVID-19 on growth worldwide dampened the mood in the new year. The rapid spread of the virus across the world led many countries to impose lockdowns and social-distancing measures. As a result, most businesses ground to a halt. The subsequent reopening of economies brought a new set of problems, namely, a resurgence in infections even in nations that had apparently contained the virus. Governments and central banks stepped in with more stimulus, this time to counter the effects of the pandemic on financial markets and various industries.

By sector, energy, consumer staples and consumer discretionary stocks were the key detractors to relative performance. On the other hand, communication services, information technology and industrials were the major contributors over the period.

Portfolio Activity

At the stock level, our lack of exposure to Apple weighed on performance. The technology company continued to post stellar sales as it rolled out new iPhones and Macbooks, and as more people bought its products amid COVID-19 related lockdowns worldwide. Meanwhile, US oilfield services provider Schlumberger and oil & gas company EOG Resources continued to feel the effects of volatile crude prices as the pandemic curbed energy demand.

Conversely, holding Taiwan's TSMC aided performance. Shares of the semiconductor company surged on increased demand for electronics as more people worked from home during the pandemic. News that US rival Intel planned to outsource production of its latest chip technology due to schedule delays also helped lift TSMC's stock price. Meanwhile, Chinese internet giant Tencent's shares gained on healthy usage of its online media, payment and communications platforms amid social-distancing measures worldwide. Elsewhere, US design software company Autodesk benefited from an accelerated digitalisation trend, particularly in the construction and manufacturing sectors, due to the virus.

In portfolio activity, we introduced the following stocks. Payment services provider Fidelity National Information Services (FIS), based on our conviction in its ability to execute its strategy and private revenue growth, which should support steady cash conversion; US medical-device maker Boston Scientific, which has a diversified portfolio of market-leading products. Its management has a decent track record and we are confident in its ability to innovate, which will help drive growth; US heavy-equipment manufacturer Deere & Co. It has an established brand, is dominant in big-ticket agricultural machinery, and generates recurring revenues through providing maintenance services; Market-leading US e-commerce and cloud platform Amazon, given its long runway for growth which should lead to improved cash generation; Anglo-Swedish drugmaker AstraZeneca, which offers an attractive dividend yield and a good drug portfolio; Dutch brewer Heineken, which continues to have bright prospects and was trading at a good valuation; US sports apparel maker Nike, which has an iconic brand, powerful market presence and resilient business model, as well as a solid e-commerce business and digital opportunities; UK antibody producer and distributor Abcam, which has attractive long-term growth opportunities in both its core business and adjacent fields; Dutch semiconductor-equipment manufacturer ASML, which has a promising long-term outlook in developing next-generation chip-making tools.

Against these, we exited the following holdings. Thai lender Kasikornbank in favour of better opportunities elsewhere, as its outlook remains challenging and we expect its fees to remain under pressure; British engine manufacturer Rolls Royce, given uncertainty over its ability to hit free cash flow targets; US consumer goods giant Johnson and Johnson, given the issues with its products as well as legal troubles that have made it difficult to value the company accurately;

Indian tobacco firm ITC, following a policy decision which will mean higher taxes for the company; US brokerage Charles Schwab to reduce relative cyclicality in the portfolio; US oilfield services provider Schlumberger as the oil-price slump could delay prospects for returns on its investments; Mexican convenience store and beverage company FEMSA, given our exposure to Heineken which has a larger geographical footprint; Australian wine producer Treasury Wine Estates as the company was looking to spin off its popular Penfolds brand, leaving a segment more reliant on the struggling commercial wine industry. In our view, the timing, lack of detail, rationale and continued dominance of the outgoing chief executive weakened the investment case and lessened our conviction in the name; South Korean chipmaker Samsung Electronics in favour of ASML, which we have higher conviction in; Canadian fertiliser giant Nutrien, British American Tobacco, German chipmaker Infineon Technologies, energy giant Royal Dutch Shell and Israeli cybersecurity firm Check Point Software, Asia-based conglomerate Jardine Matheson, and lender Standard Chartered, in favour of better opportunities elsewhere.

Portfolio Outlook and Strategy

A flare up of infections afflicting the US and other parts of the world, as their economies reopen, is a grim reminder that the fight against the coronavirus pandemic is far from over. The fresh outbreaks could threaten the nascent global recovery, as the potential re-imposition of movement restrictions will hurt fragile consumption and business sentiment. A growing number of bankruptcies and defaults in the US and Europe demonstrates that COVID-19's economic impact is just becoming evident, while many countries in Asia and South America continue the difficult task of suppressing viral infections while resuming much-needed economic activity. Elsewhere, worsening geopolitical tensions between China and various countries bear watching. Thus, we remain cautious, even as sustained stimulus from governments and central banks should provide support.

From a portfolio perspective, we are giving serious consideration to two key aspects. Firstly, whether the businesses in our portfolios are positioned to weather this COVID-19 storm. Secondly, how normalised earnings will look like as we move forward in this crisis. In such times of uncertainty, sound bottom-up analysis and stock-picking strategies are crucial. We have the advantage of a world-class proprietary research platform and an exceptionally well-resourced and experienced team that has navigated many past crises. We stay disciplined in putting capital to work on our best ideas: ensuring the fund's largest weights are in quality companies with the highest potential returns.

Global Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- Investing in China A shares involves special considerations and risks, including greater price volatility, a less developed regulatory and legal framework, exchange rate risk/controls, settlement, tax, quota, liquidity and regulatory risks.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The fund may invest in companies with Variable Interest Entity (VIE) structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the legal and regulatory framework.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment. Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner. The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	274.56	256.53	240.22
Return before operating charges*	(1.08)	21.94	20.29
Operating charges	(4.17)	(3.91)	(3.98)
Return after operating charges*	(5.25)	18.03	16.31
Distributions	(0.11)	(1.06)	(0.80)
Retained distributions on accumulation shares	0.11	1.06	0.80
Closing net asset value per share	269.31	274.56	256.53
* after direct transaction costs of:	0.20	0.23	0.10
Performance			
Return after charges	(1.91%)	7.03%	6.79%
Other information			
Closing net asset value (£'000)	88,178	95,192	125,381
Closing number of shares	32,742,468	34,670,286	48,875,780
Operating charges	1.57%	1.57%	1.63%
Direct transaction costs	0.08%	0.09%	0.04%
Prices			
Highest share price	288.3	279.5	257.6
Lowest share price	218.5	227.5	230.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	233.08	218.63	205.38
Return before operating charges*	(0.93)	18.71	17.34
Operating charges	(3.54)	(3.35)	(3.40)
Return after operating charges*	(4.47)	15.36	13.94
Distributions	(0.09)	(0.91)	(0.69)
Closing net asset value per share	228.52	233.08	218.63
* after direct transaction costs of:	0.17	0.19	0.09
Performance			
Return after charges	(1.92%)	7.03%	6.79%
Other information			
Closing net asset value (£'000)	28,545	30,818	30,456
Closing number of shares	12,491,107	13,222,496	13,930,661
Operating charges	1.57%	1.57%	1.63%
Direct transaction costs	0.08%	0.09%	0.04%
Prices			
Highest share price	244.7	238.1	220.2
Lowest share price	185.4	193.9	196.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	290.10	269.79	251.42
Return before operating charges*	(1.11)	23.25	21.27
Operating charges	(3.15)	(2.94)	(2.90)
Return after operating charges*	(4.26)	20.31	18.37
Distributions	(1.38)	(2.36)	(2.14)
Retained distributions on accumulation shares	1.38	2.36	2.14
Closing net asset value per share	285.84	290.10	269.79
* after direct transaction costs of:	0.21	0.24	0.10
Performance			
Return after charges	(1.47%)	7.53%	7.31%
Other information			
Closing net asset value (£'000)	85,146	128,891	174,699
Closing number of shares	29,788,534	44,429,567	64,754,759
Operating charges	1.12%	1.12%	1.13%
Direct transaction costs	0.08%	0.09%	0.04%
Prices			
Highest share price	305.3	295.3	270.9
Lowest share price	231.5	239.7	241.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	163.78	153.61	144.30
Return before operating charges*	(0.62)	13.18	12.19
Operating charges	(1.78)	(1.67)	(1.66)
Return after operating charges*	(2.40)	11.51	10.53
Distributions	(0.78)	(1.34)	(1.22)
Closing net asset value per share	160.60	163.78	153.61
* after direct transaction costs of:	0.12	0.14	0.06
Performance			
Return after charges	(1.47%)	7.49%	7.30%
Other information			
Closing net asset value (£'000)	7,979	8,530	9,250
Closing number of shares	4,968,476	5,208,057	6,021,439
Operating charges	1.12%	1.12%	1.13%
Direct transaction costs	0.08%	0.09%	0.04%
Prices			
Highest share price	172.3	167.7	155.3
Lowest share price	130.4	136.5	138.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

L Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	130.72	121.26	112.65
Return before operating charges*	(0.51)	10.49	9.58
Operating charges	(1.10)	(1.03)	(0.97)
Return after operating charges*	(1.61)	9.46	8.61
Distributions	(0.94)	(1.36)	(1.30)
Retained distributions on accumulation shares	0.94	1.36	1.30
Closing net asset value per share	129.11	130.72	121.26
* after direct transaction costs of:	0.10	0.11	0.05
Performance			
Return after charges	(1.23%)	7.80%	7.64%
Other information			
Closing net asset value (£'000)	22	23	22
Closing number of shares	17,318	17,318	18,200
Operating charges	0.87%	0.87%	0.84%
Direct transaction costs	0.08%	0.09%	0.04%
Prices			
Highest share price	137.7	133.1	121.8
Lowest share price	104.5	107.9	108.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

L Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	126.67	118.80	111.57
Return before operating charges*	(0.47)	10.21	9.47
Operating charges	(1.07)	(1.01)	(0.96)
Return after operating charges*	(1.54)	9.20	8.51
Distributions	(0.91)	(1.33)	(1.28)
Closing net asset value per share	124.22	126.67	118.80
* after direct transaction costs of:	0.09	0.11	0.05
Performance			
Return after charges	(1.22%)	7.74%	7.63%
Other information			
Closing net asset value (£'000)	1,196	1,550	1,455
Closing number of shares	962,600	1,223,969	1,224,900
Operating charges	0.87%	0.87%	0.84%
Direct transaction costs	0.08%	0.09%	0.04%
Prices			
Highest share price	133.5	129.8	120.2
Lowest share price	100.9	105.7	107.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	113.14	100.00 ^B
Return before operating charges*	(0.14)	13.94
Operating charges	(1.26)	(0.80)
Return after operating charges*	(1.40)	13.14
Distributions	(1.68)	(1.53)
Retained distributions on accumulation shares	1.68	1.53
Closing net asset value per share	111.74	113.14
* after direct transaction costs of:	0.08	0.06
Performance		
Return after charges	(1.24%)	13.14%
Other information		
Closing net asset value (£'000)	225	-
Closing number of shares	201,533	100
Operating charges	1.17%	1.17%
Direct transaction costs	0.08%	0.09%
Prices		
Highest share price	119.4	115.2
Lowest share price	90.52	92.95

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	111.51	100.00 ^B
Return before operating charges*	(0.11)	13.83
Operating charges	(1.23)	(0.80)
Return after operating charges*	(1.34)	13.03
Distributions	(1.65)	(1.52)
Closing net asset value per share	108.52	111.51
* after direct transaction costs of:	0.08	0.06
Performance		
Return after charges	(1.20%)	13.03%
Other information		
Closing net asset value (£'000)	42	-
Closing number of shares	38,581	100
Operating charges	1.17%	1.17%
Direct transaction costs	0.08%	0.09%
Prices		
Highest share price	117.7	114.7
Lowest share price	88.53	92.95

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares ^A	2018 pence per share
Change in net assets per share	
Opening net asset value per share	280.17
Return before operating charges*	8.97
Operating charges	(0.29)
Return after operating charges*	8.68
Distributions	(1.98)
Retained distributions on accumulation shares	1.98
Redemption value as at 11 May 2018	(288.85)
Closing net asset value per share	-
* after direct transaction costs of:	0.12
Performance	
Return after charges	3.10%
Other information	
Closing net asset value (£'000)	-
Closing number of shares	-
Operating charges	0.13%
Direct transaction costs	0.04%
Prices	
Highest share price	301.0
Lowest share price	271.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Z Accumulation share class closed on 11 May 2018.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (99.59%)		211,087	99.88
Emerging Market Equities (2.85%)		2,564	1.21
Brazil (1.87%)		2,564	1.21
797,346	Banco Bradesco ADR	2,564	1.21
Israel (0.98%)		-	-
European Equities (13.80%)		35,741	16.91
France (2.01%)		4,097	1.94
12,400	LVMH	4,097	1.94
Germany (1.32%)		-	-
Ireland (1.58%)		3,067	1.45
114,600	Experian	3,067	1.45
Netherlands (0.00%)		9,826	4.65
16,200	ASML	4,374	2.07
73,600	Heineken	5,452	2.58
Sweden (1.72%)		4,532	2.14
134,300	Atlas Copco 'A'	4,532	2.14
Switzerland (7.17%)		14,219	6.73
63,300	Nestle	5,730	2.71
45,500	Novartis	2,876	1.36
21,200	Roche	5,613	2.66
Japanese Equities (7.77%)		12,845	6.08
15,000	Fanuc	1,913	0.91
16,300	Keyence	5,192	2.46
40,900	Shin-Etsu Chemical	3,616	1.71
36,300	Sysmex	2,124	1.00

Holding	Investment	Market Value £'000	Percentage of total net assets
North American Equities (39.34%)		98,899	46.80
Canada (2.11%)		-	-
Mexico (1.82%)		-	-
United States (35.41%)		98,899	46.80
6,800	Alphabet 'A'	7,708	3.65
2,700	Amazon.com	6,508	3.08
36,600	Autodesk	6,590	3.12
3,400	Booking	4,304	2.04
189,800	Boston Scientific	5,578	2.64
51,400	CME	6,507	3.08
34,900	Deere & Co	4,688	2.22
111,600	EOG Resources	3,983	1.88
33,700	Estee Lauder	5,072	2.40
44,500	Fidelity National Information Services	4,960	2.35
39,400	First Republic Bank	3,376	1.60
56,100	Intercontinental Exchange	4,134	1.96
65,000	Microsoft	10,155	4.80
56,200	NIKE	4,180	1.98
36,050	PepsiCo	3,782	1.79
42,800	PRA Health Sciences	3,475	1.64
131,900	TJX	5,225	2.47
59,800	Visa	8,674	4.10
Pacific Basin Equities (24.77%)		39,089	18.50
Australia (4.77%)		5,134	2.43
34,800	CSL	5,134	2.43
China (2.05%)		9,917	4.69
188,900	Tencent	9,917	4.69
Hong Kong (3.58%)		7,214	3.41
1,047,600	AIA	7,214	3.41
India (3.95%)		3,817	1.81
209,800	Housing Development Finance	3,817	1.81

Holding	Investment	Market Value £'000	Percentage of total net assets
Singapore (2.69%)		4,135	1.96
869,368	Oversea-Chinese Banking	4,135	1.96
South Korea (3.10%)		-	-
Taiwan (2.71%)		8,872	4.20
801,705	Taiwan Semiconductors Manufacturing	8,872	4.20
Thailand (1.92%)		-	-
UK Equities (11.06%)		21,949	10.38
Basic Materials (2.74%)		8,443	3.99
84,463	Croda	4,838	2.29
19,300	Linde	3,605	1.70
Consumer Goods (3.88%)		5,618	2.66
200,600	Diageo	5,618	2.66
Health Care (0.00%)		7,888	3.73
239,000	Abcam ⁺⁺	3,069	1.45
56,500	AstraZeneca	4,819	2.28
1,500	Sinclair Research	-	-
Industrials (1.34%)		-	-
Financials (1.58%)		-	-
Oil & Gas (1.52%)		-	-
Total investment assets		211,087	99.88
Net other assets		246	0.12
Total Net Assets		211,333	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺⁺ AIM listed.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(5,290)	14,108
Revenue	2	4,164	5,893
Expenses	3	(3,091)	(3,585)
Interest payable and similar charges		(1)	(1)
Net revenue before taxation		1,072	2,307
Taxation	4	(422)	(556)
Net revenue after taxation		650	1,751
Total return before distributions		(4,640)	15,859
Distributions	5	(623)	(1,751)
Change in net assets attributable to shareholders from investment activities		(5,263)	14,108

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	265,004	341,263
Amounts receivable on the issue of shares	16,908	36,090
Amounts payable on the cancellation of shares	(65,793)	(127,990)
	(48,885)	(91,900)
Dilution adjustment	-	54
Change in net assets attributable to shareholders from investment activities (see above)	(5,263)	14,108
Retained distribution on accumulation shares	472	1,475
Unclaimed distributions	5	4
Closing net assets attributable to shareholders	211,333	265,004

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		211,087	263,928
Current assets:			
Debtors	6	124	1,489
Cash and bank balances		1,213	1,208
		1,337	2,697
Total assets		212,424	266,625
Liabilities:			
Creditors	7	(1,064)	(1,455)
Distribution payable		(27)	(166)
		(1,091)	(1,621)
Total liabilities		(1,091)	(1,621)
Net assets attributable to shareholders		211,333	265,004

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(5,334)	14,038
Forward currency contracts	3	(2)
Other gains	41	72
Net capital (losses)/gains	(5,290)	14,108

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	12	16
Interest on debt securities	-	6
Overseas dividends	3,638	3,409
Stocklending revenue	1	5
UK dividends	513	2,457
Total revenue	4,164	5,893

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	2,817	3,264
Operating, administrative and servicing fees	274	321
Total expenses	3,091	3,585

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	451	556
Total current tax	451	556
Deferred tax (note 4(c))	(29)	-
Total taxation (note 4b)	422	556

(b)

Factors affecting current tax charge for the year

The tax assessed for the year is the greater than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:

	2020 £'000	2019 £'000
Net revenue before taxation	1,072	2,307
Corporation tax at 20% (2019: 20%)	215	461
Effects of:		
Revenue not subject to taxation	(809)	(1,129)
Overseas taxes	450	556
Overseas tax expensed	(3)	(6)
Excess allowable expenses	598	674
Deferred Tax	(29)	-
Total tax charge for year (note 4a)	422	556

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Deferred tax

Deferred tax charge in statement of total return for year (note 4a)	(29)	-
Provision at the end of the year	(29)	-

(d)

Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £11,471,000 (2019: £10,873,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5.

Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	293	468
Final distribution	239	1,215
	532	1,683
Add: Income deducted on cancellation of shares	108	175
Deduct: Income received on issue of shares	(17)	(107)
Net distribution for the year	623	1,751
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	650	1,751
Capitalised fees	2	-
Transaction CGT	(29)	-
Total distributions	623	1,751

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	60	254
Amounts receivable from the ACD for the issue of shares	-	22
Overseas withholding tax recoverable	64	99
Sales awaiting settlement	-	1,114
Total debtors	124	1,489

7. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	233	299
Amounts payable to the ACD for cancellation of shares	191	311
Capital gains tax payable	-	29
Other accrued expenses	22	-
Purchases awaiting settlement	618	816
Total creditors	1,064	1,455

8. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 7.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 7.

9. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	65,709	95,300	113,394	181,644
Collective investment schemes	59,289	80,887	59,289	83,768
Trades in the year before transaction costs	124,998	176,187	172,683	265,412
Commissions				
Equities	32	60	(58)	(127)
Total commissions	32	60	(58)	(127)

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Taxes				
Equities	44	40	(40)	(16)
Total taxes	44	40	(40)	(16)
Total transaction costs	76	100	(98)	(143)
Total net trades in the year after transaction costs	125,074	176,287	172,585	265,269

Total transaction costs expressed as a percentage of asset type cost	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	0.05	0.06	0.05	0.07
Taxes				
Equities	0.07	0.04	0.04	0.01

Total transaction costs expressed as a percentage of net asset value	2020 %	2019 %
Commissions	0.04	0.07
Taxes	0.04	0.02

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.07% (2019: 0.13%), this is representative of the average spread on the assets held during the year.

10. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	34,670,286	6,082,926	(7,806,191)	(204,553)	32,742,468
A Income shares	13,222,496	30,360	(663,013)	(98,736)	12,491,107
I Accumulation shares	44,429,567	36,719	(14,788,058)	110,306	29,788,534
I Income shares	5,208,057	472,886	(827,321)	114,854	4,968,476
L Accumulation shares	17,318	-	-	-	17,318
L Income shares	1,223,969	-	(261,369)	-	962,600
M Accumulation shares	100	11,864	(22,522)	212,091	201,533
M Income shares	100	840	(59)	37,700	38,581

11. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	211,087	-	-	263,928	-	-
Total investment assets	211,087	-	-	263,928	-	-

12. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Australian Dollar	5,134	12,639
Canadian Dollar	-	5,587
Euro	13,950	8,987
Hong Kong Dollar	17,131	12,697
Indian Rupee	3,857	10,311
Japanese Yen	12,845	21,591
Singapore Dollar	4,135	7,116
South Korean Won	-	8,289
Swedish Krona	4,532	4,552
Swiss Franc	14,219	19,003
Taiwan Dollar	8,904	7,207
Thai Baht	-	5,090
US Dollar	104,503	112,396
Total	189,210	235,465

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £9,461,000 (2019: £11,773,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £10,554,000 (2019: £13,196,000).

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £1,091,000 (2019: £1,621,000).

13. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 10.3% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.0712	-	0.0712	0.1089
Group 2	-	0.0712	0.0712	0.1089
A Income shares				
Group 1	0.0604	-	0.0604	0.0928
Group 2	-	0.0604	0.0604	0.0928
I Accumulation shares				
Group 1	0.7223	-	0.7223	0.7443
Group 2	0.2163	0.5060	0.7223	0.7443
I Income shares				
Group 1	0.4076	-	0.4076	0.4238
Group 2	0.0586	0.3490	0.4076	0.4238
L Accumulation shares				
Group 1	0.4879	-	0.4879	0.4808
Group 2	0.4879	-	0.4879	0.4808
L Income shares				
Group 1	0.4727	-	0.4727	0.4710
Group 2	0.4727	-	0.4727	0.4710
M Accumulation shares				
Group 1	0.9067	-	0.9067	0.3000
Group 2	0.3067	0.6000	0.9067	0.3000
M Income shares				
Group 1	0.8957	-	0.8957	0.3000
Group 2	0.3057	0.5900	0.8957	0.3000

Final dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.0425	-	0.0425	0.9550
Group 2	-	0.0425	0.0425	0.9550
A Income shares				
Group 1	0.0336	-	0.0336	0.8179
Group 2	-	0.0336	0.0336	0.8179
I Accumulation shares				
Group 1	0.6602	-	0.6602	1.6153
Group 2	0.1176	0.5426	0.6602	1.6153
I Income shares				
Group 1	0.3733	-	0.3733	0.9169
Group 2	0.0625	0.3108	0.3733	0.9169
L Accumulation shares				
Group 1	0.4529	-	0.4529	0.8769
Group 2	0.4529	-	0.4529	0.8769
L Income shares				
Group 1	0.4381	-	0.4381	0.8566
Group 2	0.4381	-	0.4381	0.8566
M Accumulation shares				
Group 1	0.7719	-	0.7719	1.2300
Group 2	0.2342	0.5377	0.7719	1.2300
M Income shares				
Group 1	0.7535	-	0.7535	1.2200
Group 2	0.7535	-	0.7535	1.2200

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Global Ethical Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in a global equities (company shares) which meet the fund's ethical screening criteria.

Performance Target: To achieve the return of the MSCI AC World Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in equities and equity related securities of companies listed on global stock exchanges.
- As well as choosing companies on the basis of their financial record, management and business prospects, the investment team will consider environmental, social and other relevant criteria. Where they believe that practices relating to these criteria are lacking they will encourage the company to adopt more responsible practices.
- All investments will comply with the fund's ethical screening criteria, which looks to exclude investing in companies that operate to a degree in certain areas, including but not limited to those deriving revenue from animal testing, tobacco, pornography and weaponry.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level, with country and sector weightings within the portfolio typically a by-product of the underlying stock exposure.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- To deliver the performance target, the MSCI AC World Index is also used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 9%. Due to the ethical nature of the management process, there are a material number of stocks and sectors in the MSCI AC World Index that the fund is unable to invest, which means the fund's performance profile may deviate significantly from that of the MSCI AC World Index.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").

- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI Global Ethical Equity Fund – A Income Shares decreased by 1.22% compared to an increase of 0.53% in the performance target, the MSCI AC World Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

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Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Global equities edged higher in sterling terms despite volatility through the period under review. Initially, a major factor driving sentiment was the ongoing trade disputes instigated by the US against its key partners, with punitive tariffs used as leverage in re-negotiations. The continued slowdown in global growth compelled major central banks, including the Federal Reserve and European Central Bank, to ease policy further, providing support to their economies. Thereafter, as the US and China reached a preliminary trade deal, markets ended 2019 on a positive note.

However, concerns over the impact of COVID-19 on growth worldwide dampened the mood in the new year. The rapid spread of the virus across the world led many countries to impose lockdowns and social-distancing measures. As a result, most businesses ground to a halt. The subsequent reopening of economies brought a new set of problems, namely, a resurgence in infections even in nations that had apparently contained the virus. Governments and central banks stepped in with more stimulus, this time to counter the effects of the pandemic on financial markets and various industries.

By sector, consumer services, financials as well as oil and gas stocks were the key detractors to relative performance. On the other hand, technology, industrials and consumer goods were the major contributors in the period.

Portfolio Activity

At the stock level, our lack of exposure to Apple weighed on performance. The technology company continued to post stellar sales as it rolled out new iPhones and Macbooks, and as more people bought its products amid COVID-19 related lockdowns worldwide. Apple is not held as it does not meet the requirements of the fund's ethical screens. Meanwhile, US oilfield services provider Schlumberger continued to feel the effects of volatile crude prices as the pandemic curbed energy demand. We exited the stock as the oil price slump prolongs when it can recoup its investments. Elsewhere, Brazilian lender Banco Bradesco's shares were weighed by political turmoil and the effects of the pandemic during the period. Nevertheless, we believe it is in a better position compared with peers, as its robust capital position should provide buffer against more potential COVID-19-related loan losses in the first half of the year. We were also encouraged to hear management's commitment to cut operating costs further.

Conversely, holding Taiwan's TSMC helped performance. Shares of the semiconductor company surged on increased demand for electronics as more people worked from home during the pandemic. News that US rival Intel planned to outsource production of its latest chip technology due to schedule delays also helped lift TSMC's stock price. Meanwhile, US design software company Autodesk benefited from accelerated digitalisation, particularly in the construction and manufacturing sectors, due to the virus. Elsewhere, Japan-based sensor maker Keyence was buoyed by more manufacturers turning to factory automation to boost productivity. The company's shares also rose amid robust demand from the semiconductor and electronics sectors experiencing an upcycle trend.

In portfolio activity, we initiated the following holdings: Payment services provider Fidelity National Information Services (FIS) based on our conviction in its ability to execute on synergies and private revenue growth, which should support steady cash conversion; Deutsche Boerse on our belief that the company should deliver double-digit growth in earnings-per-share, and for its good cash flow; US heavy-equipment manufacturer Deere & Co. It has an established brand, is dominant in big-ticket agricultural machinery, and generates recurring revenue through providing maintenance services. US specialist vehicle-component manufacturer Aptiv, whose advanced portfolio of technology-led mobility solutions positions it well to benefit from increasing complexity and electrification of vehicles; Australian property developer Goodman Group, which enjoys favourable market dynamics and has good fundamentals as well as a solid focus on environmental considerations; Power-equipment manufacturer Schneider Electric, which has a clear strategy focused on sustainability, including access to energy and clean-energy solutions; Dutch chip supplier ASML, which has a dominant market position in structurally growing areas within semiconductor tools; Spanish fashion giant Inditex, a high-quality business with solid financials; Kansas City Southern, which has a good rail franchise with growth opportunities from the cross-border business; US beverage firm PepsiCo, a high-quality business with a broad portfolio of brands; Salesforce, a leading customer relationship management software firm whose growth is driven by accelerating adoption of cloud products; S&P Global, a US financial research and data provider with a solid market position in the ratings business. It generates significant recurring revenue and high returns, while ESG

credentials are impressive relative to its peers; Swiss laboratory automation firm Tecan, which improves accuracy and efficiency through instrument technology, with automation lowering overall costs in the healthcare system; US-listed Trane Technologies, a market leader in heating, ventilating and air-conditioning systems with a clear strategic focus on environmental sustainability and innovation.

Against these, apart from Schlumberger, mentioned above, we exited the following: Thai lender Kasikornbank as its outlook remains challenging and we expect its fees to remain under pressure; Swiss software provider Temenos Group on rich valuations; French-Italian eyewear firm EssilorLuxotica following a recovery in its share price, as we believe its valuation now reflects all of its merger opportunities but few of the risks. Management and corporate governance concerns also remain; US brokerage Charles Schwab to reduce relative cyclicality in the portfolio, particularly through financials; Swiss security group Dormakaba as it has struggled to integrate recent acquisitions; Israeli cybersecurity firm Check Point Software, German chipmaker Infineon Technologies, Japan Exchange Group, Japanese developer Mitsubishi Estate, Japanese baby-product maker Pigeon, Canadian telco Telus, Asia-based conglomerate Jardine Matheson and Asia-focused lender Standard Chartered in favour of other higher conviction ideas; UK-listed consumer credit reporting agency Experian, South Korean chipmaker Samsung Electronics, Chinese internet giant Tencent and US managed-care company UnitedHealth Group, as they failed to meet the requirements of the fund's ethical screens.

Portfolio Outlook and Strategy

A flare-up of infections afflicting the US and other parts of the world, as their economies reopen, is a grim reminder that the fight against the coronavirus pandemic is far from over. The fresh outbreaks could threaten the nascent global recovery, as the potential re-imposition of movement restrictions will hurt fragile consumption and business sentiment. A growing number of bankruptcies and defaults in the US and Europe demonstrates that COVID-19's economic impact is just becoming evident, while many countries in Asia and South America continue the difficult task of suppressing viral infections while resuming much-needed economic activity. Elsewhere, worsening geopolitical tensions between China and various countries bear watching. Thus, we remain cautious, even as sustained stimulus from governments and central banks should provide support.

From a portfolio perspective, we are giving serious consideration to two key aspects. Firstly, whether the businesses in our portfolios are positioned to weather this COVID-19 storm. Secondly, how normalised earnings will look like as we move forward in this crisis. In such times of uncertainty, sound bottom-up analysis and stock-picking strategies are crucial. We have the advantage of a world-class proprietary research platform, and an exceptionally well-resourced and experienced team that has navigated many past crises. We stay disciplined in putting capital to work on our best ideas: ensuring the fund's largest weights are in quality companies with the highest potential returns.

Global Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020

The fund is rated as 5 because of the extent to which the following risk factors apply:

- Investing in China A shares involves special considerations and risks, including greater price volatility, a less developed regulatory and legal framework, exchange rate risk/controls, settlement, tax, quota, liquidity and regulatory risks.
- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The fund may invest in companies with Variable Interest Entity (VIE) structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the legal and regulatory framework.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	272.86	252.02	233.41
Return before operating charges*	3.24	24.81	22.54
Operating charges	(4.17)	(3.97)	(3.93)
Return after operating charges*	(0.93)	20.84	18.61
Distributions	(0.02)	(0.75)	(1.13)
Retained distributions on accumulation shares	0.02	0.75	1.13
Closing net asset value per share	271.93	272.86	252.02
* after direct transaction costs of:	0.16	0.13	0.09
Performance			
Return after charges	(0.34%)	8.27%	7.97%
Other information			
Closing net asset value (£'000)	33,627	34,413	33,694
Closing number of shares	12,366,156	12,611,996	13,369,135
Operating charges	1.57%	1.59%	1.63%
Direct transaction costs	0.06%	0.05%	0.04%
Prices			
Highest share price	286.8	277.7	254.5
Lowest share price	213.1	227.5	228.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	203.12	188.07	174.98
Return before operating charges*	2.41	18.61	16.88
Operating charges	(3.10)	(3.00)	(2.94)
Return after operating charges*	(0.69)	15.61	13.94
Distributions	(0.02)	(0.56)	(0.85)
Closing net asset value per share	202.41	203.12	188.07
* after direct transaction costs of:	0.12	0.10	0.07
Performance			
Return after charges	(0.34%)	8.30%	7.97%
Other information			
Closing net asset value (£'000)	8,633	9,181	16,419
Closing number of shares	4,265,232	4,519,665	8,730,155
Operating charges	1.57%	1.59%	1.63%
Direct transaction costs	0.06%	0.05%	0.04%
Prices			
Highest share price	213.5	207.3	190.7
Lowest share price	158.6	169.8	171.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	314.46	289.08	266.40
Return before operating charges*	3.77	28.60	25.79
Operating charges	(3.43)	(3.22)	(3.11)
Return after operating charges*	0.34	25.38	22.68
Distributions	(1.41)	(2.20)	(2.68)
Retained distributions on accumulation shares	1.41	2.20	2.68
Closing net asset value per share	314.80	314.46	289.08
* after direct transaction costs of:	0.19	0.15	0.11
Performance			
Return after charges	0.11%	8.78%	8.51%
Other information			
Closing net asset value (£'000)	67,359	66,870	61,822
Closing number of shares	21,397,763	21,265,066	21,385,879
Operating charges	1.12%	1.12%	1.13%
Direct transaction costs	0.06%	0.05%	0.04%
Prices			
Highest share price	331.3	320.0	291.9
Lowest share price	246.3	261.4	260.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	220.66	204.29	190.03
Return before operating charges*	2.64	20.20	18.39
Operating charges	(2.40)	(2.27)	(2.22)
Return after operating charges*	0.24	17.93	16.17
Distributions	(0.99)	(1.56)	(1.91)
Closing net asset value per share	219.91	220.66	204.29
* after direct transaction costs of:	0.13	0.11	0.08
Performance			
Return after charges	0.11%	8.78%	8.51%
Other information			
Closing net asset value (£'000)	31,522	34,143	34,979
Closing number of shares	14,333,807	15,473,525	17,122,276
Operating charges	1.12%	1.12%	1.13%
Direct transaction costs	0.06%	0.05%	0.04%
Prices			
Highest share price	232.4	225.8	207.8
Lowest share price	172.4	184.8	185.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	115.92	100.00 ^B
Return before operating charges*	1.56	16.76
Operating charges	(1.30)	(0.84)
Return after operating charges*	0.26	15.92
Distributions	(0.36)	(1.13)
Retained distributions on accumulation shares	0.36	1.13
Closing net asset value per share	116.18	115.92
* after direct transaction costs of:	0.07	0.04
Performance		
Return after charges	0.22%	15.92%
Other information		
Closing net asset value (£'000)	1,208	-
Closing number of shares	1,040,123	100
Operating charges	1.17%	1.17%
Direct transaction costs	0.06%	0.05%
Prices		
Highest share price	122.3	118.0
Lowest share price	90.91	96.05

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	114.82	100.00 ^B
Return before operating charges*	1.57	16.79
Operating charges	(1.27)	(0.84)
Return after operating charges*	0.30	15.95
Distributions	(0.38)	(1.13)
Closing net asset value per share	114.74	114.82
* after direct transaction costs of:	0.07	0.04
Performance		
Return after charges	0.26%	15.95%
Other information		
Closing net asset value (£'000)	18	-
Closing number of shares	15,870	100
Operating charges	1.17%	1.17%
Direct transaction costs	0.06%	0.05%
Prices		
Highest share price	121.2	117.8
Lowest share price	89.98	96.05

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 26 November 2018.

^B The opening net asset value stated is the share class launch price.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (97.04%)		136,209	95.67
Emerging Market Equities (2.31%)		1,602	1.12
Brazil (2.31%)		1,602	1.12
498,109	Banco Bradesco ADR	1,602	1.12
European Equities (13.81%)		25,769	18.10
France (1.80%)		3,700	2.60
41,800	Schneider Electric	3,700	2.60
Germany (2.75%)		5,872	4.12
26,800	Deutsche Boerse	3,740	2.62
37,900	Fielmann	2,132	1.50
Ireland (2.29%)		4,334	3.04
32,500	Aptiv	1,923	1.35
28,300	Trane Technologies	2,411	1.69
Italy (0.88%)		1,085	0.76
48,900	Brunello Cucinelli	1,085	0.76
Netherlands (0.00%)		2,970	2.09
11,000	ASML	2,970	2.09
Spain (0.00%)		2,720	1.91
134,100	Inditex	2,720	1.91
Sweden (1.73%)		2,774	1.95
82,200	Atlas Copco 'A'	2,774	1.95
Switzerland (4.36%)		2,314	1.63
7,200	Tecan	2,314	1.63

Holding	Investment	Market Value £'000	Percentage of total net assets
Japanese Equities (10.20%)		9,624	6.76
46,700	AIN Holdings	2,265	1.59
14,300	Fanuc	1,824	1.28
8,600	Keyence	2,739	1.93
16,900	Shimano	2,796	1.96
North American Equities (35.68%)		61,068	42.90
Canada (3.85%)		3,169	2.23
89,900	Ritchie Bros Auctioneers	3,169	2.23
United States (31.83%)		57,899	40.67
4,180	Alphabet 'A'	4,738	3.33
23,900	Autodesk	4,303	3.02
2,100	Booking	2,659	1.87
30,400	CME	3,849	2.70
10,100	Costco Wholesale	2,505	1.76
17,400	Deere & Co	2,338	1.64
73,879	EOG Resources	2,637	1.85
27,100	Fidelity National Information Services	3,021	2.12
25,900	First Republic Bank	2,219	1.56
48,400	Intercontinental Exchange	3,567	2.51
17,300	Kansas City Southern	2,265	1.59
36,600	Microsoft	5,718	4.02
34,700	PepsiCo	3,640	2.56
8,100	S&P Global	2,161	1.52
20,000	Salesforce.com	2,969	2.08
98,800	TJX	3,914	2.75
37,200	Visa	5,396	3.79
Pacific Basin Equities (30.57%)		34,287	24.08
Australia (0.00%)		3,598	2.53
392,700	Goodman	3,598	2.53
China (2.27%)		-	-

Holding	Investment	Market Value £'000	Percentage of total net assets
Hong Kong (6.06%)		7,444	5.23
688,700	AIA	4,743	3.33
2,167,000	Kerry Logistics Network	2,701	1.90
India (1.98%)		4,295	3.02
236,100	Housing Development Finance	4,295	3.02
Israel (2.53%)		2,752	1.93
17,600	Nice ADR	2,752	1.93
New Zealand (1.70%)		2,988	2.10
952,652	Auckland International Airport	2,988	2.10
Philippines (1.69%)		2,568	1.80
4,988,600	Ayala Land	2,568	1.80
Singapore (4.86%)		3,846	2.70
572,920	Oversea-Chinese Banking	2,725	1.91
813,700	Singapore Telecommunications	1,121	0.79
South Korea (2.92%)		-	-
Taiwan (4.60%)		6,796	4.77
691,000	Taiwan Mobile	1,887	1.32
81,700	Taiwan Semiconductor Manufacturing ADR	4,909	3.45
Thailand (1.96%)		-	-
UK Equities (4.47%)		3,859	2.71
Financials (1.93%)		-	-

Holding	Investment	Market Value £'000	Percentage of total net assets
Technology (2.54%)		3,859	2.71
93,100	AVEVA	3,859	2.71
Collective Investment Schemes (2.64%)		3,992	2.81
3,992	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc ⁺	3,992	2.81
Total investment assets		140,201	98.48
Net other assets		2,166	1.52
Total Net Assets		142,367	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(631)	10,065
Revenue	2	2,403	2,807
Expenses	3	(1,736)	(1,751)
Net revenue before taxation		667	1,056
Taxation	4	(180)	(214)
Net revenue after taxation		487	842
Total return before distributions		(144)	10,907
Distributions	5	(457)	(842)
Change in net assets attributable to shareholders from investment activities		(601)	10,065

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	144,607	146,914
Amounts receivable on the issue of shares	10,577	9,577
Amounts payable on the cancellation of shares	(12,521)	(22,512)
	(1,944)	(12,935)
Change in net assets attributable to shareholders from investment activities (see above)	(601)	10,065
Retained distribution on accumulation shares	305	563
Closing net assets attributable to shareholders	142,367	144,607

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		140,201	144,151
Current assets:			
Debtors	6	1,980	510
Cash and bank balances	7	498	393
		2,478	903
Total assets		142,679	145,054
Liabilities:			
Provisions for liabilities	8	-	(30)
Creditors	9	(238)	(204)
Distribution payable		(74)	(213)
		(312)	(417)
Total liabilities		(312)	(447)
Net assets attributable to shareholders		142,367	144,607

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(573)	10,060
Forward currency contracts	(22)	(16)
Other (losses)/gains	(36)	21
Net capital (losses)/gains	(631)	10,065

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	15	21
Overseas dividends	2,276	2,455
Overseas REIT	33	-
Stocklending revenue	2	6
UK dividends	77	325
Total revenue	2,403	2,807

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,570	1,584
Operating, administrative and servicing fees	166	167
Total expenses	1,736	1,751

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	210	214
Total current tax	210	214
Deferred tax (note 4(c))	(30)	-
Total taxation (note 4b)	180	214

	2020 £'000	2019 £'000
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is the greater than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	667	1,056
Corporation tax at 20% (2019: 20%)	133	211
Effects of:		
Revenue not subject to taxation	(457)	(527)
Overseas taxes	210	214
Overseas tax expensed	(3)	(4)
Excess allowable expenses	327	320
Deferred Tax	(30)	-
Total tax charge for year (note 4a)	180	214
Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.		
(c) Deferred tax		
Deferred tax charge in statement of total return for year (note 4a)	(30)	-
Provision at the end of the year	(30)	-

(d) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £5,473,000 (2019: £5,146,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	219	160
Final distribution	232	672
	451	832
Add: Income deducted on cancellation of shares	24	21
Deduct: Income received on issue of shares	(18)	(11)
Net distribution for the year	457	842
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	487	842
Transaction CGT	(30)	-
	457	842

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	878	261
Amounts receivable from the ACD for the issue of shares	82	108
Overseas withholding tax recoverable	68	95
Sales awaiting settlement	952	46
Total debtors	1,980	510

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	498	393
	498	393
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	3,992	3,818
Net Liquidity	4,490	4,211

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. Provisions for liabilities

	2020 £'000	2019 £'000
The provisions for liabilities comprise:		
CGT liability	-	30
	-	30

9. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	140	155
Amounts payable to the ACD for cancellation of shares	83	49
Other accrued expenses	15	-
Total creditors	238	204

10. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 9.

11. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	55,595	40,350	58,507	55,052
Collective investment schemes	31,444	32,092	31,270	29,782
Corporate actions	-	43	-	-
Trades in the year before transaction costs	87,039	72,485	89,777	84,834
Commissions				
Equities	27	18	(25)	(37)
Total commissions	27	18	(25)	(37)
Taxes				
Equities	24	6	(8)	(13)
Total taxes	24	6	(8)	(13)
Total transaction costs	51	24	(33)	(50)
Total net trades in the year after transaction costs	87,090	72,509	89,744	84,784

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.05	0.05	0.04	0.07
Taxes				
Equities	0.04	0.01	0.01	0.02

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.04
Taxes	0.02	0.01

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.21% (2019: 0.17%), this is representative of the average spread on the assets held during the year.

12. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	12,611,996	1,068,563	(856,770)	(457,633)	12,366,156
A Income shares	4,519,665	58,081	(291,684)	(20,830)	4,265,232
I Accumulation shares	21,265,066	1,971,007	(1,831,774)	(6,536)	21,397,763
I Income shares	15,473,525	770,584	(1,921,660)	11,358	14,333,807
M Accumulation shares	100	812	(51,678)	1,090,889	1,040,123
M Income shares	100	820	(22)	14,972	15,870

13. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	136,209	-	-	140,333	-	-
Collective Investment Schemes	-	3,992	-	-	3,818	-
Total investment assets	136,209	3,992	-	140,333	3,818	-

14. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Australian Dollar	3,626	-
Canadian Dollar	-	2,557
Euro	16,366	7,976
Hong Kong Dollar	7,444	11,037
Indian Rupee	4,341	2,850
Japanese Yen	9,649	14,773
New Zealand Dollar	2,988	2,459
Philippines Peso	2,568	2,442
Singapore Dollar	3,846	7,132
Swedish Krona	2,774	2,495
Swiss Franc	2,314	6,309

Currency	Net foreign currency exposure	Net foreign currency exposure
	2020 £'000	2019 £'000
Taiwan Dollar	1,966	2,079
Thai Baht	-	2,829
US Dollar	76,373	66,075
Total	134,255	131,013

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £6,713,000 (2019: £6,551,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £7,010,000 (2019: £7,208,000).

Counterparty risk

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £312,000 (2019: £447,000).

15. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £Nil (2019: £3,858,000). 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 31 July 2020 is £Nil (2019: £4,255,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Credit Suisse	-	1,321
Citigroup	-	2,537
Total securities on loan	-	3,858

Collateral held	2020 £'000	2019 £'000
Equities	-	4,255
Total collateral held	-	4,255

The gross earnings and fees paid for the year are £2,000 (2019: £7,000) and £Nil (2019: £1,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

16. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 13.0% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
I Accumulation shares				
Group 1	0.6923	-	0.6923	0.4889
Group 2	0.1983	0.4940	0.6923	0.4889
I Income shares				
Group 1	0.4857	-	0.4857	0.3455
Group 2	0.0914	0.3943	0.4857	0.3455
M Accumulation shares				
Group 1	0.1298	-	0.1298	0.1700
Group 2	0.1298	-	0.1298	0.1700
M Income shares				
Group 1	0.1283	-	0.1283	0.1700
Group 2	0.1283	-	0.1283	0.1700

Final dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.0245	-	0.0245	0.7474
Group 2	-	0.0245	0.0245	0.7474
A Income shares				
Group 1	0.0218	-	0.0218	0.5599
Group 2	-	0.0218	0.0218	0.5599
I Accumulation shares				
Group 1	0.7135	-	0.7135	1.7155
Group 2	0.0751	0.6384	0.7135	1.7155
I Income shares				
Group 1	0.5058	-	0.5058	1.2104
Group 2	0.1261	0.3797	0.5058	1.2104
M Accumulation shares				
Group 1	0.2347	-	0.2347	0.9600
Group 2	0.2347	-	0.2347	0.9600
M Income shares				
Group 1	0.2505	-	0.2505	0.9600
Group 2	0.2505	-	0.2505	0.9600

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Global High Yield Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in sub-investment grade (high yield) corporate bonds.

Performance Target: To achieve the return of the Bloomberg Barclays Global High Yield Corporate Index (Hedged to GBP) plus 1.25% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund invests at least 80% in sub-investment grade bonds issued anywhere in the world by corporations.
- At least 50% of the bonds will be issued by corporations based in Europe and/or North America which carry out a substantial part of their operations, derive a significant proportion of their revenues or profits or have a significant proportion of their assets in these regions.
- The fund may also invest in bonds issued anywhere in the world by governments and corporations, such as sub-sovereigns, investment grade, inflation-linked, convertible, asset backed and mortgage-backed bonds.
- The fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to identify bonds and derivatives after analysing company's prospects and creditworthiness alongside global economic and market conditions.
- In seeking to achieve the performance target, the Bloomberg Barclays Global High Yield Corporate Index (Hedged to GBP), is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 4.50%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the Bloomberg Barclays Global High Yield Corporate Index (Hedged to GBP).

Please Note: The fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and techniques

- The fund will routinely use derivatives to reduce risk or reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI Global High Yield Bond Fund – A Accumulation Shares increased by 0.60% compared to an increase of 1.98% in the performance target, the Bloomberg Barclays Global High Yield Corporate Index (Hedged to GBP).

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

During the past 12 months, the global high-yield market appreciated, despite the steep market falls witnessed during the COVID-19 pandemic, particularly during March. High-yield bonds regained much of their losses towards the end of the period, as central banks around the world announced unprecedented monetary stimulus.

In the second half of 2019, global high yield made modest gains, as investors considered the implications of the US-China trade war and declining economic momentum. This led to a new wave of interest-rate cuts by the US Federal Reserve (the Fed) and the European Central Bank (ECB). In the new year, in addition to lower interest rates, high-yield markets were supported by the signing of the phase-one trade agreement between the US and China, and the end of the impasse over Brexit. However, the spread of COVID-19 across the globe in March was the catalyst for an extreme sell-off in credit markets.

Lockdowns of varying severity were announced, as countries struggled to alleviate the pressure on their healthcare systems. The combination of falling oil prices and the global pandemic led to the global high-yield market experiencing its worst-ever March, as spreads widened to a level not seen since the global financial crisis.

The rebound proved just as dramatic, however, as governments and central banks responded quickly with wide-ranging packages to support their economies – the Fed lowered interest rates and started buying investment-grade and high-yield bonds, while the ECB expanded its pandemic emergency purchase programme to €1.35 trillion in June. Economic data also started to bounce back from historic lows as lockdowns were eased and investors reacted positively to a number of promising vaccine trials. Although spreads continued to tighten at the end of the period, rising infection rates and fears of a prolonged economic downturn dampened investor enthusiasm.

Portfolio Activity

The fund underperformed the benchmark over the review period, due to the effects of hedging US dollar and euro exposure to sterling and poor asset allocation. Security selection was a significant positive versus the benchmark.

An underweight position and security selection in those issuers rated CCC and below was the top-performing bucket in the portfolio, partially offset by asset allocation among BB and non-classified issues.

From a sector standpoint, both asset allocation and security selection in the energy sector detracted, given the collapse in the oil price during the second half of the period. Our worst-performing position during the past 12 months was in bonds of US-based Oasis Petroleum. Security selection among services issuers also hurt returns, though this was offset, to an extent, by the fund's underweight position in the sector.

Conversely, security selection in telecommunications contributed positively to performance, particularly our holdings in Telecom Italia. The company generally released quarterly results in-line with expectations during the COVID-19 crisis and has benefited from its customers staying at home. Security selection among capital goods issuers also added value.

A number of other individual issuers performed well, including homebuilder MDC Holdings and Canadian copper miner First Quantum Minerals.

Portfolio Outlook and Strategy

The market continues to tighten, due to a combination of ample central-bank support, encouraging economic data and optimism. While this optimism was shaken at times this month by a resurgence in COVID-19 cases, ultimately the bulls continue to win out. As mentioned before, the fundamentals of the market were on a shaky footing before the pandemic. In general, companies now have even more debt. Although we do not foresee another full-scale lockdown, governments may need to implement more targeted actions to control the spread of the virus, thus restraining the recovery.

This weaker economic backdrop will negatively impact most companies and could be catastrophic for companies in sectors most directly affected (particularly leisure, restaurants and airlines). So, while easy money can provide supportive technicals for the market as a whole, we expect that a meaningful swathe of companies will continue to struggle. In fact, the default rate reached the widest levels in 10 years during the month. Open capital markets have prevented the default rate from going higher, but ultimately many of these companies will eventually fail and recoveries will be low.

As a result, we remain wary of a wholesale yield grab in the lowest-quality names. Nonetheless, we still believe there are pockets of value in the market. And we are not shying away from the bonds of good businesses, even cyclicals, if they are attractively priced. So, credit analysis remains the focus and we continue to look for companies that have the liquidity and business models to perform in this uncertain market.

Euro HY and Global Leverage Loans Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk			Typically higher rewards, higher risk			
←			→			
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 3 because of the extent to which the following risk factors apply:

- The fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	163.26	158.15	157.42
Return before operating charges*	2.84	7.11	2.89
Operating charges	(1.90)	(2.00)	(2.16)
Return after operating charges*	0.94	5.11	0.73
Distributions	(7.20)	(7.93)	(7.49)
Retained distributions on accumulation shares	7.20	7.93	7.49
Closing net asset value per share	164.20	163.26	158.15
* after direct transaction costs of:	-	0.01	-
Performance			
Return after charges	0.58%	3.23%	0.46%
Other information			
Closing net asset value (£'000)	1,764	88	124
Closing number of shares	1,074,630	53,593	78,706
Operating charges	1.21%	1.26%	1.36%
Direct transaction costs	-	0.01%	-
Prices			
Highest share price	171.9	163.8	161.0
Lowest share price	132.2	151.0	156.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	89.27	90.89	94.86
Return before operating charges*	1.50	3.96	1.75
Operating charges	(1.05)	(1.13)	(1.28)
Return after operating charges*	0.45	2.83	0.47
Distributions	(3.88)	(4.45)	(4.44)
Closing net asset value per share	85.84	89.27	90.89
* after direct transaction costs of:	-	0.01	-
Performance			
Return after charges	0.50%	3.11%	0.50%
Other information			
Closing net asset value (£'000)	64,661	107,008	90,429
Closing number of shares	75,331,865	119,865,889	99,489,767
Operating charges	1.21%	1.26%	1.36%
Direct transaction costs	-	0.01%	-
Prices			
Highest share price	92.33	91.63	96.52
Lowest share price	70.79	85.67	91.05

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	174.26	167.94	166.17
Return before operating charges*	3.11	7.60	3.05
Operating charges	(1.30)	(1.28)	(1.28)
Return after operating charges*	1.81	6.32	1.77
Distributions	(8.48)	(9.24)	(8.94)
Retained distributions on accumulation shares	8.48	9.24	8.94
Closing net asset value per share	176.07	174.26	167.94
* after direct transaction costs of:	-	0.01	-
Performance			
Return after charges	1.04%	3.76%	1.07%
Other information			
Closing net asset value (£'000)	3,585	2,452	2,064
Closing number of shares	2,035,891	1,407,064	1,977,530
Operating charges	0.76%	0.76%	0.76%
Direct transaction costs	-	0.01%	-
Prices			
Highest share price	183.9	174.8	170.5
Lowest share price	141.5	160.8	165.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	85.05	86.60	90.39
Return before operating charges*	1.43	3.77	1.66
Operating charges	(0.63)	(0.65)	(0.68)
Return after operating charges*	0.80	3.12	0.98
Distributions	(4.07)	(4.67)	(4.77)
Closing net asset value per share	81.78	85.05	86.60
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.94%	3.60%	1.08%
Other information			
Closing net asset value (£'000)	3,820	4,539	6,708
Closing number of shares	4,670,987	5,337,041	7,745,664
Operating charges	0.76%	0.76%	0.76%
Direct transaction costs	-	0.01%	-
Prices			
Highest share price	88.05	87.40	92.10
Lowest share price	67.49	81.69	86.84

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	106.20	100.00 ^B
Return before operating charges*	2.09	6.76
Operating charges	(0.82)	(0.56)
Return after operating charges*	1.27	6.20
Distributions	(5.16)	(3.85)
Retained distributions on accumulation shares	5.16	3.85
Closing net asset value per share	107.47	106.20
* after direct transaction costs of:	-	-
Performance		
Return after charges	1.20%	6.20%
Other information		
Closing net asset value (£'000)	17	-
Closing number of shares	15,428	100
Operating charges	0.81%	0.81%
Direct transaction costs	-	0.01%
Prices		
Highest share price	112.3	106.5
Lowest share price	86.41	97.87

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 27 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	102.50	100.00 ^B
Return before operating charges*	1.77	6.83
Operating charges	(0.80)	(0.56)
Return after operating charges*	0.97	6.27
Distributions	(4.87)	(3.77)
Closing net asset value per share	98.60	102.50
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.95%	6.27%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	963	100
Operating charges	0.81%	0.81%
Direct transaction costs	-	0.01%
Prices		
Highest share price	106.2	104.2
Lowest share price	81.38	97.87

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 27 November 2018.

^B The opening net asset value stated is the share class launch price.

P Gross Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	82.43	83.93	87.59
Return before operating charges*	1.39	3.66	1.63
Operating charges	(0.46)	(0.47)	(0.50)
Return after operating charges*	0.93	3.19	1.13
Distributions	(4.10)	(4.69)	(4.79)
Closing net asset value per share	79.26	82.43	83.93
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.13%	3.80%	1.29%
Other information			
Closing net asset value (£'000)	605	765	548
Closing number of shares	762,982	927,987	652,717
Operating charges	0.57%	0.57%	0.57%
Direct transaction costs	-	0.01%	-
Prices			
Highest share price	85.38	84.73	89.29
Lowest share price	65.43	79.19	84.19

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

P Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	85.68	87.23	91.04
Return before operating charges*	1.44	3.81	1.68
Operating charges	(0.48)	(0.49)	(0.52)
Return after operating charges*	0.96	3.32	1.16
Distributions	(4.26)	(4.87)	(4.97)
Closing net asset value per share	82.38	85.68	87.23
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.12%	3.81%	1.27%
Other information			
Closing net asset value (£'000)	8,868	10,910	13,370
Closing number of shares	10,765,362	12,733,816	15,326,611
Operating charges	0.57%	0.57%	0.57%
Direct transaction costs	-	0.01%	-
Prices			
Highest share price	88.74	88.07	92.81
Lowest share price	68.01	82.31	87.50

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Q Gross Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	82.47	83.97	87.64
Return before operating charges*	1.38	3.66	1.61
Operating charges	(0.39)	(0.41)	(0.42)
Return after operating charges*	0.99	3.25	1.19
Distributions	(4.16)	(4.75)	(4.86)
Closing net asset value per share	79.30	82.47	83.97
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.20%	3.87%	1.36%
Other information			
Closing net asset value (£'000)	89	93	138
Closing number of shares	112,519	112,519	164,976
Operating charges	0.49%	0.49%	0.48%
Direct transaction costs	-	0.01%	-
Prices			
Highest share price	85.44	84.79	89.35
Lowest share price	65.47	79.24	84.24

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Q Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	85.68	87.24	91.05
Return before operating charges*	1.44	3.80	1.68
Operating charges	(0.41)	(0.42)	(0.43)
Return after operating charges*	1.03	3.38	1.25
Distributions	(4.33)	(4.94)	(5.06)
Closing net asset value per share	82.38	85.68	87.24
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.20%	3.87%	1.37%
Other information			
Closing net asset value (£'000)	9,888	29,711	18,093
Closing number of shares	12,002,520	34,676,554	20,740,463
Operating charges	0.49%	0.49%	0.48%
Direct transaction costs	-	0.01%	-
Prices			
Highest share price	88.76	88.08	92.83
Lowest share price	68.02	82.32	87.52

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	171.75	164.48	161.70
Return before operating charges*	3.09	7.46	2.96
Operating charges	(0.19)	(0.19)	(0.18)
Return after operating charges*	2.90	7.27	2.78
Distributions	(9.50)	(10.16)	(9.79)
Retained distributions on accumulation shares	9.50	10.16	9.79
Closing net asset value per share	174.65	171.75	164.48
* after direct transaction costs of:	-	0.01	-
Performance			
Return after charges	1.69%	4.42%	1.72%
Other information			
Closing net asset value (£'000)	426,603	547,161	468,821
Closing number of shares	244,262,912	318,566,885	285,023,487
Operating charges	0.11%	0.11%	0.11%
Direct transaction costs	-	0.01%	-
Prices			
Highest share price	181.9	172.3	166.4
Lowest share price	140.1	157.9	161.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (97.46%)		474,055	91.18
Euro Denominated Bonds (11.20%)		72,787	14.00
Corporate Bonds (11.20%)		72,787	14.00
less than 5 years to maturity			
440,000	Altice 2.5% 2025	385	0.07
1,600,000	Casino Guichard 3.248% Variable 2024	1,205	0.23
807,000	Galapagos 5.375% 2021	-	-
1,712,000	Kleopatra Holdings 1 8.5% 2023	1,348	0.26
2,970,000	Lincoln Financing 3.625% 2024	2,628	0.51
901,000	Lincoln Financing FRN 2024	797	0.15
1,946,000	Nidda Healthcare 3.5% 2024	1,727	0.33
1,522,000	Nidda Healthcare Holdings 3.5% 2024	1,350	0.26
3,000,000	OCI 5% 2023	2,753	0.53
2,940,000	PPF Arena 2.125% 2025	2,563	0.49
2,862,000	PrestigeBidCo 6.25% 2023	2,628	0.51
1,216,000	Quatrim 5.875% 2024*	1,092	0.21
635,000	Synthomer 3.875% 2025	588	0.11
1,633,000	Tele Columbus 3.875% 2025*	1,386	0.27
555,000	Teva Pharmaceutical 4.5% 2025	502	0.10
991,000	Teva Pharmaceutical 6% 2025*	953	0.18
4,640,000	Unilabs Subholding 5.75% 2025	4,139	0.80
between 5 and 10 years to maturity			
1,183,000	Altice France 8% 2027	1,143	0.22
6,000,000	Banca Monte dei Paschi di Siena 5.375% fixed to floating 2028	4,811	0.93
3,085,000	Banff Merger Sub 8.375% 2026	2,824	0.54
1,452,000	Cirsa Finance International FRN 2025	1,098	0.21
2,471,000	Grifols 2.25% 2027	2,204	0.42
4,779,000	International Game Technology 3.5% 2026	4,098	0.79
2,806,000	Intrum 3% 2027	2,228	0.43
4,813,000	Intrum 3.5% 2026	4,013	0.77
1,980,000	IQVIA 2.25% 2028	1,763	0.34
1,072,000	IQVIA 2.875% 2028	985	0.19
3,415,000	Matterhorn Telecom 3.125% 2026	2,987	0.57
737,000	Nidda BondCo 5% 2025	652	0.13
4,273,000	UPCB Finance VII 3.625% 2029	3,808	0.73
1,745,000	Verisure 3.875% 2026	1,572	0.30
1,065,000	Vertical Holdco 6.625% 2028	964	0.19

			Market Value £'000	Percentage of total net assets
Holding	Investment			
905,000	Vertical Midco 4.375% 2027		819	0.16
900,000	ZF Europe Finance 2% 2026		767	0.15
1,100,000	ZF Europe Finance 2.5% 2027*		929	0.18
Perpetual				
2,600,000	Banco Santander 6.25% fixed to floating Perpetual		2,240	0.43
1,249,000	BP Capital Markets 3.25% fixed to floating Perpetual		1,149	0.22
1,059,000	BP Capital Markets 3.625% fixed to floating Perpetual		975	0.19
2,400,000	Caixa Geral de Depositos 10.75% fixed to floating Perpetual		2,341	0.45
722,000	LeasePlan 7.375% fixed to floating Perpetual		647	0.12
1,930,000	Unicredit 6.625% fixed to floating Perpetual		1,726	0.33
Sterling Denominated Bonds (4.87%)			25,363	4.88
Corporate Bonds (4.87%)			25,363	4.88
less than 5 years to maturity				
2,708,000	Arqiva 6.75% 2023		2,804	0.54
481,000	Newday Bondco 7.375% 2024		438	0.08
3,400,000	RAC Bond 5% 2022*		3,219	0.62
2,330,000	TalkTalk 3.875% 2025		2,281	0.44
between 5 and 10 years to maturity				
1,382,000	Ardagh Packaging 4.75% 2027		1,360	0.26
4,675,000	MPT Operating Partnership 3.692% 2028		4,692	0.90
2,956,000	Phoenix 6.625% 2025		3,475	0.67
Perpetual				
4,085,000	CYBG 8% Perpetual		3,732	0.72
2,998,000	Lloyds Banking Group 7.875% Perpetual		3,362	0.65
US Dollar Denominated Bonds (81.39%)			375,905	72.30
Corporate Bonds (81.39%)			375,905	72.30
less than 5 years to maturity				
4,583,000	Adams Homes 7.5% 2025		3,413	0.66
1,300,000	Adient 9% 2025		1,106	0.21
5,183,000	Alliance Data Systems 4.75% 2024		3,692	0.71
2,015,000	ArcelorMittal 3.6% 2024		1,610	0.31
1,392,000	Boyd Gaming 8.625% 2025		1,170	0.23
3,797,000	Cheniere Christi Corpus 5.875% 2025		3,300	0.64
2,765,000	CIFI 6% 2025		2,117	0.41
335,000	CIFI 6.45% 2024		264	0.05

		Market Value £'000	Percentage of total net assets
Holding	Investment		
1,046,000	Cirsa Finance International 7.875% 2023	743	0.14
4,410,000	Clearwater Seafoods 6.875% 2025	3,385	0.65
3,760,000	Consolidated Communications 6.5% 2022*	2,807	0.54
581,000	Crestwood Midstream Partners 5.75% 2025	417	0.08
1,346,000	Dell International 5.875% 2021	1,026	0.20
3,536,278	Digicel 10% 2024	2,034	0.39
6,240,000	DISH DBS 5.875% 2022	5,011	0.96
3,148,000	DKT Finance 9.375% 2023	2,418	0.47
3,695,000	Encompass Health 5.125% 2023	2,847	0.55
1,050,000	EQM Midstream Partners 6% 2025	844	0.16
1,418,000	EQT 7.875% 2025	1,190	0.23
904,000	First Quantum Minerals 7.25% 2023	690	0.13
3,259,000	Ford Motor 8.5% 2023	2,741	0.53
5,975,000	Ford Motor 9% 2025	5,349	1.03
988,000	Ford Motor Credit 4.687% 2025	784	0.15
1,271,000	Ford Motor Credit 5.125% 2025	1,028	0.20
2,635,000	GCI 6.625% 2024	2,114	0.41
2,340,000	GCI 6.875% 2025	1,847	0.36
2,906,000	GLP Capital 5.375% 2023	2,350	0.45
2,921,000	Goodyear Tire & Rubber 9.5% 2025	2,501	0.48
1,645,000	HCA 5.375% 2025	1,406	0.27
2,420,000	Howmet Aerospace 6.875% 2025	2,082	0.40
3,022,000	Lennar 4.5% 2024	2,484	0.48
2,590,000	Liquid Telecommunications 8.5% 2022	2,008	0.39
2,537,000	Macy's 8.375% 2025	2,025	0.39
21,698,000	Momentive Performance 8.875% 2020	-	-
7,341,000	Navient 5.5% 2023	5,724	1.10
1,665,000	Occidental Petroleum 2.6% 2022	1,220	0.23
2,150,000	Occidental Petroleum 3.125% 2022	1,613	0.31
4,350,000	Occidental Petroleum 3.5% 2025	3,123	0.60
1,977,000	Rattler Midstream 5.625% 2025	1,593	0.31
3,335,000	Shelf Drilling 8.25% 2025	953	0.18
4,380,000	Shimao Property 5.2% 2025*	3,488	0.67
2,595,000	Six Flags Entertainment 4.875% 2024	1,892	0.36
1,246,000	Six Flags Theme Parks 7% 2025	1,022	0.20
3,120,000	Sixsigma Networks Mexico 7.5% 2025	2,235	0.43
6,525,000	Sprint 7.875% 2023	5,762	1.11
2,952,000	Sunac China 6.5% 2025	2,204	0.42
453,000	Sunac China 7.95% 2023	357	0.07
4,655,000	SunCoke Energy Partners 7.5% 2025	3,267	0.63
5,490,000	Tecnoglass 8.2% 2022	4,230	0.81
3,265,000	Tempo Acquisition 6.75% 2025	2,576	0.50

		Market Value £'000	Percentage of total net assets
Holding	Investment		
3,156,000	Tenet Healthcare 4.625% 2024	2,459	0.47
1,305,000	Teva Pharmaceutical 3.65% 2021	1,002	0.19
1,220,000	Transportadora de Gas del Sur 6.75% 2025	811	0.16
2,380,000	Turk Telekomunikasyon 4.875% 2024	1,770	0.34
1,225,000	Türkiye Garanti Bankasi 5.875% 2023	917	0.18
176,000	Vail Resorts 6.25% 2025	144	0.03
4,400,000	Valeant Pharmaceuticals 7% 2024	3,495	0.67
682,000	Western Midstream Operating 3.1% 2025	518	0.10
2,118,000	Wolverine World Wide 6.375% 2025	1,702	0.33
between 5 and 10 years to maturity			
4,059,000	ACI Worldwide 5.75% 2026	3,228	0.62
3,332,000	AES Andres Dominican Power 7.95% 2026	2,605	0.50
3,024,000	Akbank FRN 2027	2,113	0.41
1,478,000	Altice 7.375% 2026	1,201	0.23
3,615,000	Altice 7.5% 2026	2,962	0.57
2,233,000	Altice France 10.5% 2027	1,940	0.37
2,672,000	Apergy 6.375% 2026	1,893	0.36
722,000	Ardagh Packaging 5.25% 2027	572	0.11
3,272,000	ASGN 4.625% 2028	2,549	0.49
1,151,000	Ashtead Capital 4% 2028	906	0.17
1,698,000	Ashtead Capital 4.25% 2029	1,363	0.26
2,310,000	Ashtead Capital 5.25% 2026	1,866	0.36
1,875,000	AutoNation 4.75% 2030	1,663	0.32
770,000	Bausch Health 6.25% 2029	624	0.12
3,118,000	Bausch Health 8.5% 2027	2,660	0.51
6,333,000	Berry Global Escrow 4.875% 2026	5,097	0.98
2,516,000	Brighthouse Financial 5.625% 2030	2,192	0.42
3,349,000	C&W Senior Financing DAC 6.875% 2027	2,714	0.52
2,777,000	Calpine 4.625% 2029	2,134	0.41
1,933,000	Carrier Global 2.493% 2027*	1,552	0.30
3,480,000	CB Escrow 8% 2025	2,811	0.54
2,205,000	CCO 5.375% 2029	1,842	0.35
6,035,000	CCO 5.75% 2026	4,822	0.93
2,167,000	Cedar Fair 5.25% 2029	1,560	0.30
742,000	Centene 4.25% 2027	601	0.12
1,235,000	Centene 4.625% 2029	1,053	0.20
3,008,000	Cheniere Energy Partners 5.25% 2025	2,349	0.45
4,000,000	Cimpress 7% 2026	3,087	0.59
3,550,000	Clean Harbors 4.875% 2027	2,867	0.55
495,000	Clean Harbors 5.125% 2029	406	0.08
553,000	Cleveland Cliffs 6.75% 2026	423	0.08

Holding	Investment	Market Value £'000	Percentage of total net assets
4,584,000	Crestwood Midstream Partners 5.625% 2027	3,266	0.63
831,000	CSC Holdings 5.75% 2030	703	0.14
1,145,000	CSC Holdings 6.5% 2029	999	0.19
2,443,000	CSC Holdings 6.625% 2025	1,947	0.37
2,745,000	CSC Holdings 10.875% 2025	2,244	0.43
2,915,000	Dell International 5.3% 2029	2,562	0.49
1,690,000	Dell International 6.02% 2026	1,508	0.29
1,144,000	Encompass Health 4.75% 2030	922	0.18
2,812,000	Enviva Partners 6.5% 2026	2,319	0.45
1,372,000	EQM Midstream Partners 6.5% 2027	1,153	0.22
3,576,000	ESH Hospitality 4.625% 2027	2,618	0.50
5,241,000	First Quantum Minerals 6.875% 2026	4,003	0.77
207,000	Ford Motor 9.625% 2030	209	0.04
917,000	Ford Motor Credit 4.389% 2026	717	0.14
2,544,000	Gartner 4.5% 2028	2,045	0.39
3,705,000	Gray Escrow 7% 2027	3,083	0.59
3,790,000	HCA 5.875% 2026	3,372	0.65
2,637,000	HTA 7% 2025	2,078	0.40
3,000,000	IHS Netherlands 8% 2027	2,331	0.45
820,000	Iron Mountain 4.875% 2029	649	0.12
602,000	Iron Mountain 5% 2028	475	0.09
4,610,000	Iron Mountain 5.25% 2028	3,675	0.71
1,685,000	Iron Mountain 5.25% 2030	1,346	0.26
3,165,000	JBS Investments II 5.75% 2028	2,565	0.49
4,409,000	JBS USA Finance 5.5% 2030	3,712	0.71
2,606,000	Meredith 6.875% 2026	1,725	0.33
4,615,000	Metinvest 8.5% 2026	3,435	0.66
1,392,000	MGM Resorts International 4.625% 2026*	1,031	0.20
2,583,000	MHP 6.95% 2026	2,002	0.39
2,488,000	Midcontinent Communications 5.375% 2027	1,967	0.38
3,600,000	Mineral Resources 8.125% 2027	3,024	0.58
1,838,000	Minerals Technologies 5% 2028	1,451	0.28
3,255,000	Netflix 5.875% 2028	3,080	0.59
1,762,000	Novelis 4.75% 2030	1,405	0.27
5,390,000	Novelis 5.875% 2026	4,373	0.84
1,805,000	NRG Energy 5.25% 2029	1,515	0.29
2,060,000	NRG Energy 7.25% 2026	1,689	0.32
2,159,000	Occidental Petroleum 3% 2027	1,448	0.28
6,920,000	Parsley Energy 5.625% 2027*	5,523	1.06
4,897,000	Petrobras 5.093% 2030*	3,841	0.74
5,707,000	Photo Holdings Merger 8.5% 2026	4,037	0.78

		Market Value £'000	Percentage of total net assets
Holding	Investment		
4,010,000	Qwest Capital Funding 6.875% 2028	3,013	0.58
433,000	Sealed Air 4% 2027	340	0.07
2,688,000	Select Medical 6.25% 2026	2,207	0.42
1,910,000	Sirius XM Radio 5.5% 2029	1,621	0.31
1,538,000	Teck Resources 3.9% 2030	1,212	0.23
3,560,000	Tegna 4.625% 2028	2,681	0.52
2,048,000	Tenet Healthcare 4.625% 2028	1,635	0.31
6,770,000	Teva Pharmaceutical 3.15% 2026	4,720	0.91
4,450,000	Trivium Packaging Finance 5.5% 2026	3,616	0.70
2,479,000	Univision Communications 6.625% 2027	1,882	0.36
3,650,000	USA Compression Partners 6.875% 2027	2,814	0.54
452,000	Vertical Holdco 7.625% 2028	365	0.07
623,000	Vertical US Newco 5.25% 2027	499	0.10
651,000	VICI Properties 3.75% 2027	498	0.10
2,188,000	VTR Finance 6.375% 2028	1,771	0.34
4,991,000	Western Gas Partners 4.75% 2028	3,830	0.74
1,081,000	Western Midstream Operating 4.05% 2030	835	0.16
729,000	Western Midstream Operating 4.5% 2028	556	0.11
1,261,000	WPX Energy 4.5% 2030	894	0.17
4,040,000	WPX Energy 5.75% 2026	3,137	0.60
2,950,000	Wyndham Worldwide 5.1% 2025	2,349	0.45
9,540,000	Ziggo 5.5% 2027	7,696	1.48
between 10 and 15 years to maturity			
2,220,000	CCO 4.25% 2031	1,767	0.34
1,042,000	CCO 4.5% 2030	838	0.16
1,263,000	GLP Capital 4% 2031	990	0.19
4,040,000	Qwest Capital Funding 7.75% 2031	3,146	0.61
5,865,000	Telecom Italia Capital 6% 2034	5,368	1.03
2,834,000	VICI Properties 4.125% 2030	2,180	0.42
between 15 and 25 years to maturity			
7,159,000	MDC 6% 2043	6,286	1.21
2,745,000	Teck Resources 6.25% 2041	2,341	0.45
Perpetual			
2,800,000	Banco Bilbao Vizcaya Argentaria 6.5% fixed to floating Perpetual	2,023	0.39
2,481,000	Citizens Financial 5.65% fixed to floating Perpetual	2,008	0.39
4,355,000	Credit Suisse 6.25% Perpetual	3,532	0.68
3,543,000	Energy Transfer Operating 6.75% Perpetual	2,188	0.42
5,935,000	General Motors Financial FRN Perpetual	4,268	0.82

Holding	Investment	Market Value £'000	Percentage of total net assets
3,756,000	ING FRN Perpetual	2,977	0.57
5,000,000	NatWest 8.625% Perpetual	3,981	0.77
3,481,000	SoftBank 6% fixed to floating Perpetual	2,543	0.49
3,201,000	UBS FRN Perpetual	2,716	0.52
Equities (0.00%)		-	-
North America Equities (0.00%)		-	-
United States (0.00%)		-	-
20	New Cotal Participation	-	-
1	Quad Graphics	-	-
Exchange Traded Funds (2.12%)		8,131	1.56
125,000	iShares iBoxx High Yield Corporate Bond ETF	8,131	1.56
Derivatives (-2.46%)		13,429	2.59
Forward Currency Contracts (-2.46%)		13,429	2.59
	Buy GBP 1,822,063 Sell EUR 2,000,000 27/08/2020	19	-
	Buy GBP 72,904,790 Sell EUR 80,042,000 27/08/2020	759	0.15
	Buy GBP 2,330,524 Sell USD 3,000,000 27/08/2020	45	0.01
	Buy GBP 405,535,812 Sell USD 515,801,000 27/08/2020	12,606	2.43
Total investment assets		495,615	95.33
Net other assets		24,286	4.67
Total Net Assets		519,901	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

* A portion of this security is on loan at the period end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital losses	1	(22,961)	(9,114)
Revenue	2	34,426	39,182
Expenses	3	(1,887)	(1,965)
Interest payable and similar charges		(2)	(17)
Net revenue before taxation		32,537	37,200
Taxation	4	(64)	(109)
Net revenue after taxation		32,473	37,091
Total return before distributions		9,512	27,977
Distributions	5	(32,474)	(37,090)
Change in net assets attributable to shareholders from investment activities		(22,962)	(9,113)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	702,727	600,295
Amounts receivable on the issue of shares	32,954	138,019
Amounts payable on the cancellation of shares	(219,194)	(56,940)
	(186,240)	81,079
Dilution adjustment	584	226
Change in net assets attributable to shareholders from investment activities (see above)	(22,962)	(9,113)
Retained distribution on accumulation shares	25,791	30,237
Unclaimed distributions	1	3
Closing net assets attributable to shareholders	519,901	702,727

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		495,615	699,862
Current assets:			
Debtors	6	6,879	11,380
Cash and bank balances		36,115	35,652
		42,994	47,032
Total assets		538,609	746,894
Liabilities:			
Investment liabilities		-	(17,384)
Creditors	7	(17,771)	(24,803)
Distribution payable		(937)	(1,980)
		(18,708)	(26,783)
Total liabilities		(18,708)	(44,167)
Net assets attributable to shareholders		519,901	702,727

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Losses

	2020 £'000	2019 £'000
Non-derivative securities	(47,316)	33,058
Derivative contracts	-	(2)
Forward currency contracts	25,075	(46,475)
Other (losses)/gains	(720)	4,305
Net capital losses	(22,961)	(9,114)

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	1	83
Derivative revenue	-	1
Income from Overseas Collective Investment Schemes		
Unfranked income	130	197
Interest on debt securities	33,666	38,670
Stocklending revenue	629	231
Total revenue	34,426	39,182

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,271	1,326
Operating, administrative and servicing fees	616	639
Total expenses	1,887	1,965

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Corporation tax	19	-
Double taxation relief	(19)	-
Overseas taxes	64	109
Total taxation	64	109

(b)

Factors affecting current tax charge for the year

The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:

	2020 £'000	2019 £'000
Net revenue before taxation	32,538	37,200
Corporation tax at 20% (2019: 20%)	6,507	7,440
Effects of:		
Overseas taxes	64	109
Overseas tax expensed	-	(22)
Double taxation relief	(19)	-
Distributions treated as tax deductible	(6,488)	(7,418)
Total tax charge for year (note 4a)	64	109

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Factors that may affect future tax charge

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

5.

Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	8,701	9,133
Second interim distribution	8,417	8,668
Third interim distribution	8,047	9,396
Final distribution	6,438	10,367
	31,603	37,564
Add: Income deducted on cancellation of shares	1,195	440
Deduct: Income received on issue of shares	(324)	(914)
Net distribution for the year	32,474	37,090
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	32,473	37,091
Undistributed revenue brought forward	1	-
Undistributed revenue carried forward	-	(1)
Total distributions	32,474	37,090

6.

Debtors

	2020 £'000	2019 £'000
Accrued revenue	6,128	9,962
Amounts receivable from the ACD for the issue of shares	641	57
Sales awaiting settlement	110	1,361
Total debtors	6,879	11,380

7. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	83	243
Amounts payable to the ACD for cancellation of shares	12,546	1,941
Other accrued expenses	48	-
Purchases awaiting settlement	5,094	22,619
Total creditors	17,771	24,803

8. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 7.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 7.

9. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	331,197	451,087	489,111	373,174
Equities	-	-	215	-
Collective investment schemes	8,017	42,142	14,884	28,620
Corporate actions	-	1,438	3,923	16,004
Trades in the year before transaction costs	339,214	494,667	508,133	417,798
Commissions				
Equities	-	-	(2)	-
Collective investment schemes	2	21	(6)	(14)
Total commissions	2	21	(8)	(14)
Taxes				
Collective investment schemes	-	-	-	(1)
Total taxes	-	-	-	(1)
Total transaction costs	2	21	(8)	(15)
Total net trades in the year after transaction costs	339,216	494,688	508,125	417,783

	Purchases		Sales	
Total transaction costs expressed as a percentage of asset type cost	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	-	-	1.03	-
Collective investment schemes	0.03	0.05	0.04	0.05
Total transaction costs expressed as a percentage of net asset value				
Commissions	-	-	-	0.01

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.88% (2019: 0.41%), this is representative of the average spread on the assets held during the year.

10. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	53,593	516,651	(13,436)	517,822	1,074,630
A Income shares	119,865,889	3,343,216	(47,877,240)	-	75,331,865
I Accumulation shares	1,407,064	1,817,319	(1,188,492)	-	2,035,891
I Income shares	5,337,042	1,731,729	(2,397,784)	-	4,670,987
M Accumulation shares	100	831	(20)	14,517	15,428
M Income shares	100	863	-	-	963
P Income shares	12,733,816	228,422	(2,196,876)	-	10,765,362
P Gross Income shares	927,987	14,984	(179,989)	-	762,982
Q Income shares	34,676,554	2,668,556	(25,342,590)	-	12,002,520
Q Gross Income shares	112,519	-	-	-	112,519
Z Accumulation shares	318,566,885	14,267,370	(88,073,771)	(497,572)	244,262,912

11. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	-	474,055	-	-	684,887	-
Collective Investment Schemes	8,131	-	-	14,911	-	-
Derivatives	-	13,429	-	-	63	-
Total investment assets	8,131	487,484	-	14,911	684,950	-
Fair value of investment liabilities						
Derivatives	-	-	-	-	(17,383)	-
Total investment liabilities	-	-	-	-	(17,383)	-

12. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Euro	(337)	1,093
US Dollar	1,261	(480)
Total	924	613

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the year end consists of:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	23,606	25,364	470,007	518,977
Euro	1,932	70,895	(73,164)	(337)
US Dollar	24,546	363,826	(387,111)	1,261
Total	50,084	460,085	9,732	519,901

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2019				
Currency				
UK Sterling	20,338	22,813	658,963	702,114
Euro	6,444	73,003	(78,354)	1,093
US Dollar	73,425	539,427	(613,333)	(481)
Total	100,207	635,243	(32,724)	702,726

Other price risk

Sensitivity analysis

The sensitivity analysis of the fund's financial asset and liability positions is monitored by the Investment Manager using VaR analysis. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	0.48%	1.42%
Maximum VaR	1.88%	1.82%
Average VaR	1.20%	1.65%

VaR Table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	(0.01%)	1.56%	-	0.33%	1.88%
31 July 2019	-	0.82%	-	0.62%	1.44%

The ACD must calculate the global exposure of any fund it manages either as: 1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property. This is known as the Commitment Approach and is a measure of leverage or; 2) the market risk of the scheme property by way of the value at risk (VaR) approach. Although, the sensitivity analysis of the fund's financial asset and liability positions described above uses VaR analysis, the global exposure calculations for funds may be calculated on the Commitment Basis. The Prospectus provides further details on which method is used to calculate Global Exposure for each fund.

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	25,951	4.99%
Below investment grade securities	437,499	84.14%
Unrated securities	10,655	2.05%
Total Value of Securities	474,105	91.18%

	Market value £'000	Percentage of total net assets %
2019		
Investment grade securities	47,461	6.75%
Below investment grade securities	619,677	88.18%
Unrated securities	17,749	2.53%
Total Value of Securities	684,887	97.46%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

2020	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
Barclays	-	-	-	45	45	-	-	45
Citigroup	-	-	-	759	759	-	-	759
Goldman Sachs	-	-	-	19	19	-	-	19
Morgan Stanley	-	-	-	12,605	12,605	-	-	12,605
Total	-	-	-	13,428	13,428	-	-	13,428

2019	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
BNP Paribas	-	-	-	(81)	(81)	-	-	(81)
Citigroup	-	-	-	(4,021)	(4,021)	-	-	(4,021)
Goldman Sachs	-	-	-	(1,005)	(1,005)	-	-	(1,005)
HSBC	-	-	-	(8,016)	(8,016)	-	-	(8,016)
Morgan Stanley	-	-	-	(4,000)	(4,000)	-	-	(4,000)
Royal Bank of Canada	-	-	-	(210)	(210)	-	-	(210)
StateStreet	-	-	-	13	13	-	-	13
Total	-	-	-	(17,320)	(17,320)	-	-	(17,320)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

	On demand	Up to	Over one year		
		one year	but not more	Over five years	Total
2020	£'000	£'000	than five years	£'000	£'000
			£'000		
Non-derivatives					
Other creditors	-	(17,771)	-	-	(17,771)
Distribution payable	-	(937)	-	-	(937)
Total financial liabilities	-	(18,708)	-	-	(18,708)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(17,384)	-	-	(17,384)
Non-derivatives					
Other creditors	-	(24,803)	-	-	(24,803)
Distribution payable	-	(1,980)	-	-	(1,980)
Total financial liabilities	-	(44,167)	-	-	(44,167)

13. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £15,299,000 (2019: £30,915,000). 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 31 July 2020 is £16,065,000 (2019: £33,285,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Credit Suisse	15,299	30,915
Total securities on loan	15,299	30,915

Collateral held	2020 £'000	2019 £'000
Government Bond	16,065	33,285
Total collateral held	16,065	33,285

The gross earnings and fees paid for the year are £740,000 (2019: £272,000) and £111,000 (2019: £41,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

14. Subsequent Events

The fund closed on 26 October 2020, following the redemption of all the shares in issue.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

First interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 October 2019

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
A Accumulation shares				
Group 1	1.7421	-	1.7421	2.0604
Group 2	1.0518	0.6903	1.7421	2.0604
A Income shares				
Group 1	0.9526	-	0.9526	1.1842
Group 2	0.4831	0.4695	0.9526	1.1842
I Accumulation shares				
Group 1	2.0593	-	2.0593	2.4436
Group 2	0.8174	1.2419	2.0593	2.4436
I Income shares				
Group 1	1.0049	-	1.0049	1.2601
Group 2	0.6316	0.3733	1.0049	1.2601
M Accumulation shares				
Group 1	1.2488	-	1.2488	-
Group 2	0.0588	1.1900	1.2488	-
M Income shares				
Group 1	1.1770	-	1.1770	-
Group 2	0.0570	1.1200	1.1770	-
P Gross Income shares				
Group 1	1.0140	-	1.0140	1.2617
Group 2	1.0140	-	1.0140	1.2617
P Income shares				
Group 1	1.0539	-	1.0539	1.3114
Group 2	0.6840	0.3699	1.0539	1.3114

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
Q Gross Income shares				
Group 1	1.0313	-	1.0313	1.2801
Group 2	1.0313	-	1.0313	1.2801
Q Income shares				
Group 1	1.0714	-	1.0714	1.3298
Group 2	0.5788	0.4926	1.0714	1.3298
Z Accumulation shares				
Group 1	2.3144	-	2.3144	2.6655
Group 2	1.0901	1.2243	2.3144	2.6655

Second interim interest distribution

Group 1 - shares purchased prior to 1 November 2019

Group 2 - shares purchased between 1 November 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	1.7529	-	1.7529	2.0604
Group 2	0.8358	0.9171	1.7529	2.0604
A Income shares				
Group 1	0.9485	-	0.9485	1.1842
Group 2	0.2445	0.7040	0.9485	1.1842
I Accumulation shares				
Group 1	2.0774	-	2.0774	2.4436
Group 2	0.7129	1.3645	2.0774	2.4436
I Income shares				
Group 1	1.0022	-	1.0022	1.2601
Group 2	0.5130	0.4892	1.0022	1.2601
M Accumulation shares				
Group 1	1.2757	-	1.2757	-
Group 2	1.2757	-	1.2757	-
M Income shares				
Group 1	1.2206	-	1.2206	-
Group 2	1.2206	-	1.2206	-
P Gross Income shares				
Group 1	1.0116	-	1.0116	1.2617
Group 2	1.0116	-	1.0116	1.2617
P Income shares				
Group 1	1.0513	-	1.0513	1.3114
Group 2	0.8957	0.1556	1.0513	1.3114

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
Q Gross Income shares				
Group 1	1.0292	-	1.0292	1.2801
Group 2	1.0292	-	1.0292	1.2801
Q Income shares				
Group 1	1.0691	-	1.0691	1.3298
Group 2	0.4397	0.6294	1.0691	1.3298
Z Accumulation shares				
Group 1	2.3420	-	2.3420	2.6655
Group 2	1.3445	0.9975	2.3420	2.6655

Third interim interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 30 April 2020

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
A Accumulation shares				
Group 1	2.0415	-	2.0415	1.8522
Group 2	0.0430	1.9985	2.0415	1.8522
A Income shares				
Group 1	1.0971	-	1.0971	1.0375
Group 2	0.5166	0.5805	1.0971	1.0375
I Accumulation shares				
Group 1	2.3765	-	2.3765	2.1593
Group 2	0.9324	1.4441	2.3765	2.1593
I Income shares				
Group 1	1.1339	-	1.1339	1.0829
Group 2	0.4790	0.6549	1.1339	1.0829
M Accumulation shares				
Group 1	1.4419	-	1.4419	1.3900
Group 2	1.4419	-	1.4419	1.3900
M Income shares				
Group 1	1.3701	-	1.3701	1.3500
Group 2	1.3701	-	1.3701	1.3500
P Gross Income shares				
Group 1	1.1353	-	1.1353	1.0875
Group 2	-	-	0.0000	1.0875
P Income shares				
Group 1	1.1800	-	1.1800	1.1305
Group 2	0.6143	0.5657	1.1800	1.1305

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
Q Gross Income shares				
Group 1	1.1510	-	1.1510	1.1039
Group 2	1.1510	-	1.1510	1.1039
Q Income shares				
Group 1	1.2026	-	1.2026	1.1457
Group 2	0.4847	0.7179	1.2026	1.1457
Z Accumulation shares				
Group 1	2.6177	-	2.6177	2.3869
Group 2	0.6423	1.9754	2.6177	2.3869

Final interest distribution

Group 1 - shares purchased prior to 1 May 2020

Group 2 - shares purchased between 1 May 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	1.6622	-	1.6622	2.0380
Group 2	0.5318	1.1304	1.6622	2.0380
A Income shares				
Group 1	0.8795	-	0.8795	1.1284
Group 2	0.6831	0.1964	0.8795	1.1284
I Accumulation shares				
Group 1	1.9706	-	1.9706	2.3695
Group 2	0.7036	1.2670	1.9706	2.3695
I Income shares				
Group 1	0.9258	-	0.9258	1.1726
Group 2	0.6723	0.2535	0.9258	1.1726
M Accumulation shares				
Group 1	1.1904	-	1.1904	1.4900
Group 2	1.1904	-	1.1904	1.4900
M Income shares				
Group 1	1.1064	-	1.1064	1.4500
Group 2	1.1064	-	1.1064	1.4500
P Gross Income shares				
Group 1	0.9358	-	0.9358	1.1763
Group 2	0.4376	0.4982	0.9358	1.1763
P Income shares				
Group 1	0.9718	-	0.9718	1.2226
Group 2	0.5598	0.4120	0.9718	1.2226

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
Q Gross Income shares				
Group 1	0.9509	-	0.9509	1.1937
Group 2	0.9509	-	0.9509	1.1937
Q Income shares				
Group 1	0.9877	-	0.9877	1.2400
Group 2	0.8364	0.1513	0.9877	1.2400
Z Accumulation shares				
Group 1	2.2284	-	2.2284	2.6115
Group 2	0.7188	1.5096	2.2284	2.6115

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Global Opportunistic Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in corporate and government bonds issued anywhere in the world.

Performance target: To achieve the return of the Bloomberg Barclays Global Aggregate Credit Index (Hedged to GBP) plus 2% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in bonds issued anywhere in the world by corporations, governments and sub-sovereigns.
- The fund may also invest in investment grade, high yield, inflation-linked, convertible, asset backed and mortgage-backed bonds.
- The fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to identify bonds and derivatives after analysing companies prospects and creditworthiness alongside global economic and market conditions.
- In seeking to achieve the Performance Target, the Bloomberg Barclays Global Aggregate Credit Index (Hedged to GBP) is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 7.00%. Due to the active nature of the management process, the fund's performance may deviate significantly from that of the index over the long term.

Please Note: The fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and techniques

- The fund will routinely use of derivatives to reduce risk, reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI Global Opportunistic Bond Fund – A Accumulation Shares increased by 5.37% compared to an increase of 7.06% in the benchmark, the Bloomberg Barclays Global Aggregate Credit Index (Hedged to GBP).

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

The global Investment Grade (IG) credit market as measured by the Bloomberg Barclays Global Aggregate Credit Index produced a total (hedged to sterling) return of +5.18% over the period. The dominant event of the review period was the coronavirus pandemic, which in March 2020 resulted in a sell-off of historic proportions for global risk assets, including the global investment grade corporate bond market. However, with the pandemic largely being brought under control and economies expected to bounce back strongly, there was a progressive recovery from April onwards. Indeed positive returns in the each of the last four months still enabled a good positive return for the review period as a whole.

Portfolio Activity

The fund underperformed over the 12-month review period to end-July 2020.

In terms of individual securities, with the oil price declining over the period (albeit recovering substantially in more recent months from the lows of April), this was negative for the fund's energy sector holdings. Examples of this included the oilfield services company Halliburton, the French energy company Total and the sovereign bonds of Mexico, which is a major oil producer. Other detractors included the corporate hybrids of the UK utility SSE and the Mexican telecoms company America Movil. On the positive side, contributors included the US technology company Broadcom and the US retail pharmacy company CVS Health.

Portfolio Outlook and Strategy

We continue to have a constructive view on the outlook for global credit as we see a sequentially improving economy, supported by fiscal stimulus, central bank easing and likely progress in the race for a coronavirus vaccine. We think this balances the risks of a second wave of virus infections and increased tensions between China and the US. Crucially, the timelines for a potential vaccine seem to have moved forward as a number of candidates have entered final clinical trial stages and production capacity is simultaneously being ramped up in several countries. However given that valuations have already normalised further, increasing geopolitical tensions, the risk of wider virus outbreaks requiring the reversion to stricter social distancing measures and a tailing off of the economic rebound may cause some volatility in the months ahead. However, we think this should provide further stock picking opportunities as dispersion among individual credits remains high.

Global Aggregate Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 3 because of the extent to which the following risk factors apply:

- The fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	119.03	111.13	112.86
Return before operating charges*	7.32	9.12	(0.47)
Operating charges	(1.27)	(1.22)	(1.26)
Return after operating charges*	6.05	7.90	(1.73)
Distributions	(3.27)	(3.50)	(3.42)
Retained distributions on accumulation shares	3.27	3.50	3.42
Closing net asset value per share	125.08	119.03	111.13
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	5.08%	7.11%	(1.53%)
Other information			
Closing net asset value (£'000)	148	133	138
Closing number of shares	117,992	111,704	123,868
Operating charges	1.06%	1.08%	1.12%
Direct transaction costs	-	-	-
Prices			
Highest share price	126.8	119.2	114.6
Lowest share price	107.2	109.2	110.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	97.26	93.53	97.95
Return before operating charges*	6.15	7.84	(0.40)
Operating charges	(1.04)	(1.07)	(1.08)
Return after operating charges*	5.11	6.77	(1.48)
Distributions	(2.73)	(3.04)	(2.94)
Closing net asset value per share	99.64	97.26	93.53
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	5.25%	7.24%	(1.51%)
Other information			
Closing net asset value (£'000)	1	-	6
Closing number of shares	914	499	6,469
Operating charges	1.06%	1.08%	1.12%
Direct transaction costs	-	-	-
Prices			
Highest share price	102.3	98.94	99.42
Lowest share price	86.54	91.95	94.42

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	122.54	113.88	115.07
Return before operating charges*	7.56	9.37	(0.48)
Operating charges	(0.76)	(0.71)	(0.71)
Return after operating charges*	6.80	8.66	(1.19)
Distributions	(3.36)	(3.59)	(3.49)
Retained distributions on accumulation shares	3.36	3.59	3.49
Closing net asset value per share	129.34	122.54	113.88
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	5.55%	7.60%	(1.03%)
Other information			
Closing net asset value (£'000)	350	309	328
Closing number of shares	270,473	251,716	287,659
Operating charges	0.61%	0.61%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price	130.8	122.7	117.0
Lowest share price	110.7	112.1	113.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	100.19	96.00	100.03
Return before operating charges*	6.16	7.80	(0.40)
Operating charges	(0.62)	(0.60)	(0.62)
Return after operating charges*	5.54	7.20	(1.02)
Distributions	(2.73)	(3.01)	(3.01)
Closing net asset value per share	103.00	100.19	96.00
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	5.53%	7.50%	(1.02%)
Other information			
Closing net asset value (£'000)	96	56	72
Closing number of shares	93,412	56,294	75,082
Operating charges	0.61%	0.61%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price	105.6	101.8	101.7
Lowest share price	89.34	94.50	96.80

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	109.86	100.00 ^B
Return before operating charges*	7.05	10.32
Operating charges	(0.74)	(0.46)
Return after operating charges*	6.31	9.86
Distributions	(3.15)	(2.26)
Retained distributions on accumulation shares	3.15	2.26
Closing net asset value per share	116.17	109.86
* after direct transaction costs of:	-	-
Performance		
Return after charges	5.74%	9.86%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	908	100
Operating charges	0.66%	0.66%
Direct transaction costs	-	-
Prices		
Highest share price	117.5	110.0
Lowest share price	99.36	99.94

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	107.50	100.00 ^B
Return before operating charges*	6.95	10.21
Operating charges	(0.72)	(0.46)
Return after operating charges*	6.23	9.75
Distributions	(3.07)	(2.25)
Closing net asset value per share	110.66	107.50
* after direct transaction costs of:	-	-
Performance		
Return after charges	5.80%	9.75%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	925	100
Operating charges	0.66%	0.66%
Direct transaction costs	-	-
Prices		
Highest share price	113.5	109.3
Lowest share price	95.97	99.94

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	117.55	108.70	109.29
Return before operating charges*	7.28	8.97	(0.46)
Operating charges	(0.13)	(0.12)	(0.13)
Return after operating charges*	7.15	8.85	(0.59)
Distributions	(3.25)	(3.44)	(3.33)
Retained distributions on accumulation shares	3.25	3.44	3.33
Closing net asset value per share	124.70	117.55	108.70
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	6.08%	8.14%	(0.54%)
Other information			
Closing net asset value (£'000)	36	4,834	4,467
Closing number of shares	28,938	4,111,909	4,109,848
Operating charges	0.11%	0.11%	0.12%
Direct transaction costs	-	-	-
Prices			
Highest share price	125.9	117.7	111.4
Lowest share price	106.5	107.2	107.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Z Gross Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	109.94	101.66	102.21
Return before operating charges*	6.80	8.39	(0.43)
Operating charges	(0.12)	(0.11)	(0.12)
Return after operating charges*	6.68	8.28	(0.55)
Distributions	(3.03)	(3.21)	(3.11)
Retained distributions on accumulation shares	3.03	3.21	3.11
Closing net asset value per share	116.62	109.94	101.66
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	6.08%	8.14%	(0.54%)
Other information			
Closing net asset value (£'000)	122,003	116,899	107,662
Closing number of shares	104,614,118	106,330,066	105,903,100
Operating charges	0.11%	0.11%	0.12%
Direct transaction costs	-	-	-
Prices			
Highest share price	117.8	110.1	104.2
Lowest share price	99.6	100.2	100.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (97.76%)		116,156	94.71
Australian Dollar Denominated Bonds (0.86%)		827	0.67
Corporate Bonds (0.86%)		827	0.67
less than 5 years to maturity			
130,000	Anheuser-Busch InBev Worldwide 3.75% 2024	77	0.06
250,000	Barclays 3.25% 2024	142	0.12
200,000	McDonald's 3% 2024	116	0.10
between 5 and 10 years to maturity			
410,000	Lloyds Banking 4.25% 2027	249	0.20
160,000	Verizon Communications 4.5% 2027	103	0.08
between 15 and 25 years to maturity			
250,000	Verizon Communications 3.5% 2039	140	0.11
Canadian Dollar Denominated Bonds (0.72%)		1,022	0.83
Corporate Bonds (0.72%)		1,022	0.83
less than 5 years to maturity			
590,000	Molson Coors International 2.84% 2023	343	0.28
between 5 and 10 years to maturity			
300,000	Molson Coors International 3.44% 2026	179	0.14
between 15 and 25 years to maturity			
130,000	Rogers Communications 6.11% 2040	108	0.09
greater than 25 years to maturity			
618,000	Anheuser-Busch InBev Finance 4.32% 2047	392	0.32
Euro Denominated Bonds (31.84%)		29,347	23.93
Corporate Bonds (25.83%)		27,259	22.23
less than 5 years to maturity			
100,000	Abertis Infraestructuras 1.5% 2024	92	0.07
427,000	Altria 1.7% 2025	403	0.33
270,000	Annington Funding 1.65% 2024	251	0.21
540,000	Arion Banki 1% 2023	484	0.40
357,000	BAT Netherlands Finance 2.375% 2024	345	0.28
400,000	BBVA 1.125% 2024	365	0.30

		Market Value £'000	Percentage of total net assets
Holding	Investment		
200,000	Bharti Airtel 3.375% 2021	181	0.15
700,000	CaixaBank 2.375% 2024	664	0.54
100,000	Cemex 2.75% 2024	84	0.07
330,000	China National Chemical 1.75% 2022	299	0.24
250,000	CK Hutchison 1.25% 2023	229	0.19
227,000	CRH Finland Services 0.875% 2023	209	0.17
260,000	Danske Bank 0.875% 2023	236	0.19
258,000	Danske Bank 1.375% 2022	236	0.19
189,000	Dell Bank International 0.625% 2022	169	0.14
475,000	Digital Dutch 0.625% 2025	428	0.35
393,000	FCA Bank 0.25% 2023	348	0.28
275,000	FCA Bank 1.25% 2022	250	0.20
387,000	Fiat Chrysler Automobiles 3.375% 2023	361	0.29
284,000	Fidelity National Information Services 0.625% 2025	260	0.21
118,000	Fidelity National Information Services 0.75% 2023	108	0.09
218,000	Ford Motor Credit 1.744% 2024	185	0.15
130,000	International Game Technology 3.5% 2024	114	0.09
399,000	Lloyds Banking Group 0.625% 2024	360	0.29
189,000	Mitsubishi UFJ Financial 0.98% 2023	175	0.14
160,000	NatWest Group 2% 2023	148	0.12
193,000	NE Property 2.625% 2023	176	0.14
100,000	OCI 3.125% 2024	89	0.07
113,000	RCI Banque 0.75% 2022	101	0.08
337,000	Volkswagen Leasing 0.5% 2022	304	0.25
223,000	Volkswagen Leasing 1% 2023	204	0.17
between 5 and 10 years to maturity			
400,000	Abertis Infraestructuras 1.125% 2028	346	0.28
200,000	Abertis Infraestructuras 2.375% 2027	189	0.15
600,000	Alstria Office REIT 0.5% 2025	525	0.43
394,000	America Movil 0.75% 2027	360	0.29
200,000	APT Pipelines 2% 2027	193	0.16
300,000	Banco Bilbao Vizcaya Argentaria 1% fixed to floating 2030	255	0.21
400,000	Banque Federative du Credit Mutuel 1.7875% 2029	378	0.31
445,000	Barclays 2% 2028	401	0.33
500,000	Bayer 1.125% 2030	454	0.37
269,000	BP Capital Markets 0.831% 2027	246	0.20
600,000	CaixaBank 2.75% 2028	554	0.45
179,000	Cemex 3.125% 2026	151	0.12
470,000	CEZ 0.875% 2026	427	0.35
289,000	Citigroup 1.5% fixed to floating 2026	272	0.22
310,000	CK Hutchison 0.75% 2026	280	0.23

		Market Value £'000	Percentage of total net assets
Holding	Investment		
400,000	Credit Agricole 1% fixed to floating 2026	369	0.30
200,000	Credit Agricole 2% 2029	191	0.16
225,000	CRH SMW Finance 1.25% 2026	212	0.17
325,000	Digital Dutch Finco 1.5% 2030	304	0.25
288,000	E.ON 0.35% 2030	257	0.21
264,000	Fidelity National Information Services 1% 2028	244	0.20
308,000	Firmenich Productions 1.375% 2026	290	0.24
222,000	Firmenich Productions 1.75% 2030	214	0.17
542,000	GELF 1.125% 2029	474	0.39
133,000	HeidelbergCement Finance Luxembourg 1.125% 2027	121	0.10
697,000	Informa 1.25% 2028	579	0.47
420,000	International Game Technology 2.375% 2028	334	0.27
132,000	Medtronic Global 1.125% 2027	126	0.10
250,000	NE Property 1.875% 2026	210	0.17
385,000	NE Property 3.375% 2027	345	0.28
750,000	SELP Finance 1.5% 2025	684	0.56
201,000	SELP Finance 1.5% 2026	183	0.15
162,000	Sika Capital 0.875% 2027	151	0.12
230,000	Smiths 2% 2027	217	0.18
747,000	Svenska Handelsbanken 0.5% 2030	671	0.55
298,000	Symrise 1.375% 2027	273	0.22
200,000	Terega 0.625% 2028	171	0.14
600,000	UniCredit 2% fixed to floating 2029	509	0.41
between 10 and 15 years to maturity			
224,000	BP Capital Markets 1.231% 2031	208	0.17
349,000	Danske Bank 1.375% fixed to floating 2030	310	0.25
115,000	Givaudan Finance Europe 1.625% 2032	113	0.09
500,000	ING 2.125% fixed to floating 2031	467	0.38
125,000	Prologis International Funding II 1.625% 2032	120	0.10
214,000	Prologis International Funding II 2.375% 2030	222	0.18
400,000	Public Storage 0.875% 2032	357	0.29
408,000	Shell International Finance 0.5% 2031	362	0.30
145,000	Sika Capital 1.5% 2031	142	0.12
between 15 and 25 years to maturity			
157,000	Dow Chemical 1.875% 2040	138	0.11
100,000	Engie 1.375% 2039	96	0.08
346,000	Medtronic Global 1.5% 2039	331	0.27
120,000	NN Group 4.625% fixed to floating 2044	120	0.10
587,000	Shell International Finance 0.875% 2039	511	0.42
388,000	Siemens 1.75% 2039	405	0.33

	Holding	Investment	Market Value £'000	Percentage of total net assets
greater than 25 years to maturity				
	300,000	Electricite de France 2% 2049	280	0.23
	176,000	Orsted 1.75% fixed to floating 3019	157	0.13
Perpetual				
	281,000	BP Capital Markets 3.25% fixed to floating Perpetual	258	0.21
	200,000	Credit Agricole 6.5% Perpetual	183	0.15
	700,000	Engie 1.625% fixed to floating Perpetual	625	0.51
	100,000	Iberdrola 3.25% fixed to floating Perpetual	97	0.08
	120,000	NN Group FRN Perpetual	117	0.10
	100,000	Orange 2.375% fixed to floating Perpetual	93	0.08
	500,000	Telefonica FRN Perpetual	445	0.36
	610,000	TOTAL 1.75% fixed to floating Perpetual	550	0.45
	300,000	Volkswagen International 3.5% fixed to floating Perpetual	267	0.22
	300,000	Volkswagen International 3.875% fixed to floating Perpetual	267	0.22
Government Bonds (6.01%)			2,088	1.70
less than 5 years to maturity				
	920,000	Indonesia (Republic of) 2.15% 2024	867	0.71
between 5 and 10 years to maturity				
	1,366,000	Mexico (United Mexican States) 1.625% 2026	1,221	0.99
Sterling Denominated Bonds (8.71%)			10,145	8.27
Corporate Bonds (8.64%)			10,043	8.19
less than 5 years to maturity				
	586,000	Barclays 2.375% 2023	598	0.49
	311,000	CPUK 4.25% 2022	303	0.25
	600,000	Deutsche Bank 1.75% 2021	600	0.49
	400,000	Deutsche Bank 2.625% 2024	406	0.33
	200,000	FCA Capital Ireland 1.625% 2021	198	0.16
	336,000	FirstGroup 5.25% 2022	340	0.28
	500,000	Lend Lease Europe 6.125% 2021	520	0.42
	235,000	Lloyds Banking Group 2.25% 2024	244	0.20
	600,000	Petróleos Mexicanos 8.25% 2022	615	0.50
	414,000	Royal Bank of Canada 1.375% 2024	426	0.35
	151,000	Tesco 6.125% 2022	163	0.13
	560,000	Western Power 3.625% 2023	595	0.49

			Market Value £'000	Percentage of total net assets
	Holding	Investment		
between 5 and 10 years to maturity				
	407,000	Credit Suisse 2.125% fixed to floating 2025	418	0.34
	282,000	CYBG 5% 2026	273	0.22
	150,000	HSBC 3% fixed to floating 2030	161	0.13
	171,000	Land Securities 2.375% 2027	182	0.15
	225,000	NatWest 2.875% 2026	238	0.19
	107,000	Orsted 2.125% 2027	116	0.09
	320,000	Stagecoach Group 4% 2025	321	0.26
	100,000	Welltower 4.8% 2028	116	0.09
	335,000	Westfield Stratford City Finance 1.642% 2026	339	0.28
between 15 and 25 years to maturity				
	225,000	Connect Plus 2.607% 2039	247	0.20
	250,000	E.ON Finance 5.875% 2037	398	0.32
	407,000	Southern Water Services Finance 3% 2037	429	0.35
	242,000	Tesco 5.744% 2040	316	0.26
	215,000	Thames Water 2.375% 2040	227	0.19
greater than 25 years to maturity				
	150,000	America Movil 6.375% fixed to floating 2073	150	0.12
	120,000	Aviva 4% fixed to floating 2055	125	0.10
	394,000	Gatwick 2.875% 2049	376	0.31
Perpetual				
	100,000	HBOS 7.881% fixed to floating Perpetual	153	0.13
	450,000	SSE 3.875% fixed to floating Perpetual	450	0.37
Government Bonds (0.07%)			102	0.08
between 15 and 25 years to maturity				
	64,827	UK (Govt of) 3.25% 2044	102	0.08
US Dollar Denominated Bonds (55.63%)			74,815	61.01
Corporate Bonds (54.40%)			70,315	57.34
less than 5 years to maturity				
	400,000	Alfa 5.25% 2024	331	0.27
	192,000	American Tower 4% 2025	167	0.14
	341,000	Anglo American Capital 5.375% 2025	299	0.24
	720,000	APT Pipelines 4.2% 2025	608	0.50
	179,000	Ball 4% 2023	145	0.12
	400,000	Bank Rakyat Indonesia 3.95% 2024	321	0.26

Holding	Investment	Market Value £'000	Percentage of total net assets
540,000	Bank Rakyat Indonesia 4.625% 2023	440	0.36
337,000	Banque Federative du Credit Mutuel 2.375% 2024	272	0.22
380,000	Barclays 3.932% fixed to floating 2025	316	0.26
400,000	BBVA Bancomer 6.5% 2021	311	0.25
692,000	BBVA Bancomer 6.75% 2022	571	0.47
719,000	BPCE 2.375% 2025	574	0.47
260,000	BPCE 4.625% 2024	218	0.18
281,000	Cardinal Health 3.079% 2024	230	0.19
270,000	Centene 4.75% 2025	214	0.17
200,000	China Oil & Gas 5.5% 2023	154	0.13
236,000	Citizens Financial 4.3% 2025	205	0.17
700,000	CNOOC 4.5% 2023	588	0.48
310,000	Continental Resources 4.5% 2023	236	0.19
674,000	Credit Agricole 3.25% 2024	558	0.45
279,000	Credit Suisse 2.997% 2023	222	0.18
200,000	Danske Bank 5.375% 2024	172	0.14
372,000	Dominion Energy 3.071% 2024	307	0.25
297,000	El du Pont de Nemours 1.7% 2025	236	0.19
107,000	EMD 3.25% 2025	90	0.07
193,000	Equifax 2.6% 2024	157	0.13
294,000	Exelon 3.497% 2022	235	0.19
700,000	First Abu Dhabi Bank 3% 2022	550	0.45
445,000	General Motors Financial 5.2% 2023	369	0.30
505,000	HSBC Holdings 2.633% fixed to floating 2025	402	0.33
179,000	JPMorgan Chase 3.797% fixed to floating 2024	149	0.12
136,000	Kilroy Realty 3.45% 2024	108	0.09
710,000	Lennar 4.75% 2021	548	0.45
175,000	Lennar 5.875% 2024	151	0.12
514,000	Lukoil International Finance 4.563% 2023	416	0.34
750,000	Mexichem 4.875% 2022	601	0.49
214,000	Nordea Bank 3.75% 2023	176	0.14
974,000	Penske Truck Leasing 3.375% 2022	766	0.62
407,000	SBA Tower Trust 2.836% 2025	324	0.26
150,000	Schlumberger 3.75% 2024	124	0.10
124,000	Sealed Air 5.25% 2023	101	0.08
200,000	Shimao Property 4.75% 2022	156	0.13
370,000	Shimao Property 6.125% 2024	299	0.24
258,000	Simon Property 3.5% 2025	216	0.18
444,000	Sinopec Group Overseas Development 2018 2.15% 2025	352	0.29
200,000	Societe Generale 4.25% 2025	163	0.13
200,000	Sprint 7.875% 2023	177	0.14
200,000	Syngenta Finance 4.892% 2025	164	0.13

		Market Value £'000	Percentage of total net assets
Holding	Investment		
400,000	Thai Oil 3.625% 2023	318	0.26
299,000	T-Mobile USA 3.5% 2025	251	0.21
430,000	Trans-Allegheny Interstate Line 3.85% 2025	359	0.29
159,000	Upjohn 1.65% 2025	125	0.10
446,000	Volkswagen 2.7% 2022	353	0.29
between 5 and 10 years to maturity			
445,000	AbbVie 2.95% 2026	374	0.30
300,000	AbbVie 3.2% 2026	254	0.21
1,400,000	ABN Amro 4.4% fixed to floating 2028	1,119	0.91
190,000	Altria 4.8% 2029	175	0.14
200,000	America Movil 2.875% 2030	166	0.13
699,000	American Tower 3.95% 2029	626	0.51
485,000	AmerisourceBergen 2.8% 2030	402	0.33
275,000	AT&T 2.3% 2027	222	0.18
514,000	Athene 4.125% 2028	421	0.34
833,000	Bank of America 3.194% fixed to floating 2030	708	0.58
766,000	Bank of America 3.559% fixed to floating 2027	653	0.53
312,000	Barclays 2.852% fixed to floating 2026	252	0.21
300,000	Bausch Health 5.75% 2027	249	0.20
361,000	Black Hills 3.05% 2029	303	0.25
240,000	BNP Paribas 2.219% fixed to floating 2026	190	0.15
769,000	BNP Paribas 2.819% fixed to floating 2025	622	0.51
159,000	Boston Gas 3.001% 2029	136	0.11
325,000	Boston Properties 4.5% 2028	298	0.24
189,000	BP Capital Markets 3.41% 2026	161	0.13
270,000	BPCE 3.5% 2027	228	0.19
410,000	Bristol-Myers Squibb 3.4% 2029	368	0.30
330,000	Broadridge Financial Solutions 2.9% 2029	275	0.22
351,000	Carrier Global 2.493% 2027	282	0.23
637,000	China Overseas Finance Cayman VIII 2.75% 2030	501	0.41
435,000	Citigroup 4.4% 2025	376	0.31
355,000	Citizens Financial 2.5% 2030	288	0.23
1,200,000	CNOOC 4.375% 2028	1,079	0.88
269,000	Colonial Enterprises 3.25% 2030	227	0.17
143,000	Continental Resources 4.375% 2028	102	0.08
436,000	Country Garden Holdings 5.125% 2027	340	0.28
543,000	Credit Agricole 3.25% 2030	454	0.37
380,000	Dell International 6.02% 2026	339	0.28
430,000	Dominion Energy Gas 3% 2029	365	0.30
338,000	Duke Energy Florida 2.5% 2029	287	0.23
200,000	Electronic Arts 4.8% 2026	183	0.15

		Market Value £'000	Percentage of total net assets
Holding	Investment		
200,000	Eni 4.25% 2029	171	0.14
100,000	Equifax 2.6% 2025	82	0.07
198,000	Equifax 3.1% 2030	168	0.14
131,000	Equinix 1.8% 2027	103	0.08
424,000	Essex Portfolio 3% 2030	356	0.29
200,000	Experian Finance 4.25% 2029	181	0.15
158,000	Florida Gas Transmission 2.55% 2030	126	0.10
250,000	General Motors Financial 4% 2026	204	0.17
410,000	HCA 5.25% 2026	367	0.30
300,000	ICICI Bank 4% 2026	240	0.20
418,000	ING 4.7% fixed to floating 2028	339	0.28
162,000	Ingersoll-Rand Luxembourg Finance 3.5% 2026	137	0.11
186,000	Intuit 1.35% 2027	145	0.12
370,000	Iron Mountain 5% 2028	292	0.24
350,000	JBS Investments II 7% 2026	287	0.23
729,000	JPMorgan Chase 3.54% fixed to floating 2028	631	0.51
266,000	Kilroy Realty 3.05% 2030	212	0.17
172,000	Lennar 5.25% 2026	147	0.12
300,000	MDC 3.85% 2030	230	0.19
383,000	Mexichem 4% 2027	308	0.25
348,000	Mississippi Power 3.95% 2028	307	0.25
87,000	Mondelez International 2.75% 2030	74	0.06
400,000	Mylan 3.95% 2026	348	0.28
99,000	National Rural Utilities Cooperative Finance 3.4% 2028	88	0.07
475,000	Nevada Power 2.4% 2030	396	0.32
587,000	New York Life Global Funding 3% 2028	503	0.41
197,000	Oklahoma Gas & Electric 3.3% 2030	171	0.14
91,000	Prologis 2.125% 2027	74	0.06
193,000	RELX 4% 2029	174	0.14
173,000	S&P Global 2.5% 2029	145	0.12
280,000	Sabine Pass Liquefaction 4.2% 2028	235	0.19
200,000	Saudi Arabian Oil 3.5% 2029	170	0.14
202,000	Schlumberger 3.9% 2028	170	0.14
68,000	Sealed Air 5.5% 2025	57	0.05
210,000	Sherwin-Williams 3.45% 2027	183	0.15
200,000	Suzano Austria 5.75% 2026	171	0.14
584,000	Suzano Austria 6% 2029	494	0.40
299,000	Takeda Pharmaceutical 2.05% 2030	234	0.19
448,000	Teck Resources 3.9% 2030	353	0.29
359,000	Tencent 1.81% 2026	279	0.23
296,000	Texas Instruments 1.75% 2030	237	0.19
310,000	T-Mobile USA 3.875% 2030	270	0.22

		Market Value £'000	Percentage of total net assets
Holding	Investment		
740,000	Truist Bank 2.636% fixed to floating 2029	578	0.47
270,000	Verizon Communications 4.125% 2027	246	0.20
290,000	Verizon Communications 4.329% 2028	272	0.22
190,000	Vulcan Materials 3.5% 2030	162	0.13
787,000	Wells Fargo 2.393% fixed to floating 2028	630	0.51
221,000	Welltower 4.25% 2026	191	0.16
124,000	Western Gas Partners 4.75% 2028	95	0.08
48,000	Western Midstream Operating 4.5% 2028	37	0.03
between 10 and 15 years to maturity			
420,000	Adani Electricity Mumbai 3.949% 2030	315	0.26
321,000	Alexandria Real Estate Equities 1.875% 2033	247	0.20
634,000	Broadcom 4.3% 2032	555	0.45
352,000	Cameron LNG 2.902% 2031	297	0.24
628,000	Carrier Global 2.7% 2031	506	0.41
4,280,000	GreenPoint Mortgage Loan Trust 2004-1 FRN 2034	152	0.12
728,000	JPMorgan Chase 2.522% fixed to floating 2031	597	0.49
360,000	JPMorgan Chase 2.956% 2031	299	0.24
210,000	Lincoln National 3.4% 2031	181	0.15
250,000	Morgan Stanley 3.622% 2031	223	0.18
286,000	Plains All American Pipeline 3.8% 2030	218	0.18
115,000	Quest Diagnostics 2.8% 2031	96	0.08
166,000	Welltower 2.75% 2031	129	0.10
between 15 and 25 years to maturity			
430,000	Anheuser-Busch Inbev 4.7% 2036	403	0.33
597,000	Bank of America 2.676% fixed to floating 2041	484	0.39
325,000	Bank of America 5.875% 2042	384	0.31
195,000	Burlington Northern Santa Fe 4.7% 2045	212	0.17
430,000	Charter Communications 6.384% 2035	452	0.37
151,000	Chevron 2.978% 2040	131	0.11
560,000	Citigroup 8.125% 2039	770	0.63
651,000	Comcast 3.25% 2039	579	0.47
521,000	Comcast 4.6% 2038	538	0.44
170,000	EOG Resources 5.1% 2036	157	0.13
227,000	Hartford Financial Services 6.1% 2041	254	0.21
100,000	Ingersoll-Rand Luxembourg Finance 4.65% 2044	95	0.08
82,000	Microsoft 4.1% 2037	84	0.07
394,000	Morgan Stanley 6.375% 2042	497	0.41
155,000	Plains All American Pipeline 4.7% 2044	111	0.09
281,000	Quest Diagnostics 4.7% 2045	275	0.22
260,000	Rogers Communications 5% 2044	272	0.22

		Market Value £'000	Percentage of total net assets
	Holding Investment		
	240,000 San Francisco Public Utilities Commission Water Revenue 3.303% 2039	196	0.16
	315,000 Saudi Arabian Oil 4.25% 2039	289	0.24
	3,230,000 STARM Mortgage Loan Trust 2007-2 FRN 2037	167	0.14
	240,000 Tesco 6.15% 2037	242	0.20
	100,000 Tesco 6.15% 2037	101	0.08
	199,000 Texas Instruments 3.875% 2039	198	0.16
	347,000 Union Pacific 3.55% 2039	316	0.26
	300,000 Verizon Communications 5.25% 2037	322	0.26
	229,000 Walt Disney 6.4% 2035	269	0.22
	2,810,000 WaMu Mortgage Series 2006-AR12 Trust FRN 2036	197	0.16
	3,315,000 WaMu Mortgage Series 2006-AR18 Trust FRN 2037	327	0.27
	2,200,000 WaMu Mortgage Series 2007-HY7 Trust FRN 2037	184	0.15
greater than 25 years to maturity			
	296,000 AbbVie 4.25% 2049	289	0.24
	172,000 AbbVie 4.45% 2046	167	0.14
	267,000 AEP Texas 3.45% 2050	243	0.20
	337,000 Amazon.com 2.5% 2050	280	0.23
	510,000 Apple 3.45% 2045	480	0.39
	293,000 AT&T 4.75% 2046	277	0.23
	218,000 Baker Hughes 4.08% 2047	180	0.15
	3,030,000 Bear Stearns ARM Trust 2007-4 FRN 2047	236	0.19
	160,000 Bristol-Myers Squibb 4.25% 2049	174	0.14
	351,000 Burlington Northern Santa Fe 3.05% 2051	314	0.26
	205,000 Campbell Soup 3.125% 2050	173	0.14
	142,000 Carrier Global 3.577% 2050	120	0.10
	183,000 Charter Communications 4.8% 2050	169	0.14
	206,000 Cigna 4.9% 2048	220	0.18
	650,000 Coca-Cola 2.6% 2050	531	0.43
	176,000 Comcast 3.969% 2047	171	0.14
	148,000 Connecticut Light & Power 4% 2048	150	0.12
	369,000 CVS Health 5.05% 2048	386	0.31
	190,000 Dartmouth-Hitchcock Health 4.178% 2048	164	0.13
	465,000 DTE Electric 4.05% 2048	472	0.39
	288,000 East Ohio Gas 3% 2050	242	0.20
	200,000 Enel 8.75% fixed to floating 2073	176	0.14
	160,000 Energy Transfer Operating 5.3% 2047	119	0.10
	337,000 Enterprise Products Operating 4.8% 2049	317	0.26
	140,000 Equinix 3% 2050	116	0.09
	400,000 FedEx 5.25% 2050	409	0.33
	542,000 Florida Power & Light 4.125% 2048	578	0.47
	261,000 Fox 5.576% 2049	290	0.24

		Market Value £'000	Percentage of total net assets
Holding	Investment		
140,000	General Motors 5.4% 2048	119	0.10
240,000	General Motors 6.75% 2046	221	0.18
368,000	Halliburton 5% 2045	301	0.25
280,000	Hartford Financial Services 3.6% 2049	251	0.20
117,000	Ingersoll-Rand Luxembourg Finance 4.5% 2049	114	0.09
240,000	Intel 4.1% 2047	240	0.20
374,000	International Paper 4.4% 2047	355	0.29
900,000	JP Morgan Mortgage Trust 2018-6 3.5% 2048	186	0.15
152,585	JP Morgan Mortgage Trust 2018-9 4% 2049	50	0.04
130,000	Lockheed Martin 2.8% 2050	112	0.09
48,000	Microsoft 2.525% 2050	40	0.03
463,000	Minera Mexico 4.5% 2050	387	0.32
228,000	Moody's 4.875% 2048	241	0.20
106,000	National Rural Utilities Cooperative Finance 4.3% 2049	111	0.09
250,000	National Rural Utilities Cooperative Finance 4.4% 2048	263	0.21
200,000	Noble Energy 4.95% 2047	207	0.17
127,000	PacifiCorp 3.3% 03/15/2051	118	0.10
430,000	Parker-Hannifin 4% 2049	403	0.33
560,000	Partners Healthcare System 3.192% 2049	479	0.39
316,000	PepsiCo 3.375% 2049	299	0.24
265,000	Port Authority of New York & New Jersey 4.031% 2048	253	0.21
180,000	Progressive 4.2% 2048	191	0.16
470,000	Prudential Financial 3.935% 2049	440	0.36
194,000	Republic Services 3.05% 2050	166	0.14
209,000	S&P Global 3.25% 2049	191	0.16
719,566	Sequoia Mortgage Trust 2018-6 4% 2048	108	0.09
223,000	Shell International Finance 3.125% 2049	190	0.15
708,000	Southern Power 4.95% 2046	633	0.52
222,000	Southwestern Public Service 3.15% 2050	198	0.16
335,000	Takeda Pharmaceutical 3.175% 2050	280	0.23
216,000	UnitedHealth 3.875% 2059	219	0.18
150,000	UnitedHealth 4.25% 2048	156	0.13
280,000	Upjohn 4% 2050	244	0.20
343,000	Verizon Communications 5.012% 2049	387	0.32
248,000	Virginia Electric & Power 4% 2046	250	0.20
480,000	Walt Disney 7.55% 2093	425	0.35
Perpetual			
363,000	BNP Paribas 6.625% fixed to floating Perpetual	287	0.23
300,000	Credit Suisse 6.25% Perpetual	243	0.20
268,000	DNB Bank 4.875% fixed to floating Perpetual	203	0.17

Holding	Investment	Market Value £'000	Percentage of total net assets
Government Bonds (1.23%)		4,500	3.67
less than 5 years to maturity			
693,000	Perusahaan Penerbit SBSN Indonesia III 2.3% 2025	541	0.44
between 5 and 10 years to maturity			
750,000	BNG Bank 1% 2030	579	0.47
600,000	Qatar (Govt of) 3.75% 2030	538	0.44
300,000	Saudi Arabia (Kingdom of) 4.5% 2030	277	0.23
473,000	US Treasury 1.625% 2029	396	0.32
between 15 and 25 years to maturity			
100,000	Chicago Transit Authority 6.899% 2040	107	0.09
230,000	JobsOhio Beverage System 2.833% 2038	191	0.16
700,000	Mexico (United Mexican States) 4.75% 2044	605	0.49
240,000	State of Texas 3.211% 2044	198	0.16
greater than 25 years to maturity			
210,000	Commonwealth of Massachusetts 2.9% 2049	182	0.15
380,000	Grand Parkway Transportation 3.236% 2052	307	0.25
751,000	United States Treasury Note 1.25% 2050	579	0.47
Derivatives (-2.06%)		2,866	2.34
Forward Currency Contracts (-2.06%)		2,996	2.45
	Buy AUD 381,000 Sell GBP 210,575 27/08/2020	(2)	-
	Buy AUD 415,000 Sell GBP 228,368 27/08/2020	(1)	-
	Buy EUR 91,000 Sell GBP 82,887 27/08/2020	(1)	-
	Buy GBP 79,663 Sell AUD 144,000 27/08/2020	1	-
	Buy GBP 1,177,980 Sell AUD 2,106,000 27/08/2020	27	0.02
	Buy GBP 1,029,081 Sell CAD 1,753,000 27/08/2020	32	0.03
	Buy GBP 148,127 Sell EUR 163,000 27/08/2020	1	-
	Buy GBP 201,890 Sell EUR 221,000 27/08/2020	3	-
	Buy GBP 29,546,272 Sell EUR 32,424,000 27/08/2020	321	0.26
	Buy GBP 172,131 Sell USD 219,000 27/08/2020	5	0.01
	Buy GBP 258,195 Sell USD 328,000 27/08/2020	8	0.01
	Buy GBP 269,057 Sell USD 353,000 27/08/2020	-	-
	Buy GBP 77,751,946 Sell USD 98,661,000 27/08/2020	2,594	2.11
	Buy GBP 239,061 Sell USD 297,000 21/09/2020	13	0.01
	Buy USD 77,000 Sell GBP 60,425 27/08/2020	(2)	-
	Buy USD 174,000 Sell GBP 135,231 27/08/2020	(3)	-

Holding	Investment	Market Value £'000	Percentage of total net assets
Futures (0.00%)		(130)	(0.11)
6	Long 10 Year Mini JGB Future 11/09/2020	3	-
3	Long Australia 10 Year Bond Future 15/09/2020	4	-
15	Long Canadian 10 Year Bond Future 21/09/2020	14	0.01
4	Long Euro Bond Future 08/09/2020	7	0.01
15	Long Euro Schatz Future 08/09/2020	1	-
5	Long Euro-Bobl Future 08/09/2020	1	-
9	Long US 10 Year Note Future 21/09/2020	7	0.01
20	Long US 2 Year Note (CBT) Future 30/09/2020	4	-
60	Long US 5 Year Note Future 30/09/2020	35	0.03
(6)	Short Long Gilt Future 28/09/2020	(11)	(0.01)
(25)	Short US 10 Year Ultra Future 21/09/2020	(48)	(0.04)
(16)	Short US Ultra Bond (CBT) Future 21/09/2020	(147)	(0.12)
Total investment assets		119,022	97.05
Net other assets		3,614	2.95
Total Net Assets		122,636	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities or approved derivatives within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	3,839	5,644
Revenue	2	3,360	3,707
Expenses	3	(134)	(130)
Interest payable and similar charges		(3)	(2)
Net revenue before taxation		3,223	3,575
Taxation	4	11	(8)
Net revenue after taxation		3,234	3,567
Total return before distributions		7,073	9,211
Distributions	5	(3,224)	(3,571)
Change in net assets attributable to shareholders from investment activities		3,849	5,640

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	122,231	112,673
Amounts receivable on the issue of shares	356	634
Amounts payable on the cancellation of shares	(7,015)	(290)
	(6,659)	344
Dilution adjustment	14	-
Change in net assets attributable to shareholders from investment activities (see above)	3,849	5,640
Retained distribution on accumulation shares	3,201	3,574
Closing net assets attributable to shareholders	122,636	122,231

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Assets:					
Fixed assets:					
Investment assets			119,237		119,644
Current assets:					
Debtors	6	972		4,708	
Cash and bank balances	7	2,992		1,513	
			3,964		6,221
Total assets			123,201		125,865
Liabilities:					
Investment liabilities			(215)		(2,672)
Creditors	8	(349)		(961)	
Distribution payable		(1)		(1)	
			(350)		(962)
Total liabilities			(565)		(3,634)
Net assets attributable to shareholders			122,636		122,231

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	879	12,881
Derivative contracts	(923)	327
Forward currency contracts	3,955	(5,288)
Other losses	(72)	(2,276)
Net capital gains	3,839	5,644

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	-	6
Derivative revenue	-	1
Interest on debt securities	3,359	3,697
Stocklending revenue	1	3
Total revenue	3,360	3,707

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	3	3
Operating, administrative and servicing fees	131	127
Total expenses	134	130

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	2	8
Total current tax	2	8
Deferred tax (note 4(c))	(13)	-
Total taxation (note 4b)	(11)	8

	2020 £'000	2019 £'000
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	3,223	3,575
Corporation tax at 20% (2019: 20%)	645	715
Effects of:		
Overseas taxes	2	8
Overseas tax expensed	-	(2)
Distributions treated as tax deductible	(645)	(713)
Deferred tax	(13)	-
Total tax charge for year (note 4a)	(11)	8
Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.		
(c) Deferred tax		
Deferred tax charge at the start of the year	13	13
Deferred tax charge in statement of total return for year (note 4a)	(13)	-
Provision at the end of the year	-	13

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	1,536	1,764
Final distribution	1,668	1,812
	3,204	3,576
Add: Income deducted on cancellation of shares	22	2
Deduct: Income received on issue of shares	(2)	(7)
Net distribution for the year	3,224	3,571
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	3,234	3,567
Capitalised fees	3	4
Transaction CGT	(13)	-
Total distributions	3,224	3,571

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	972	1,140
Sales awaiting settlement	-	3,568
Total debtors	972	4,708

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	2,496	1,242
Cash at broker	496	271
Net Liquidity	2,992	1,513

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	-	11
Amounts payable to the ACD for cancellation of shares	3	57
Capital gains tax payable	-	14
Other accrued expenses	11	-
Purchases awaiting settlement	335	879
Total creditors	349	961

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Bonds	98,107	80,753	102,097	80,319
Corporate actions	-	225	-	1,056
Total net trades in the year after transaction costs	98,107	80,978	102,097	81,375

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.63% (2019: 0.35%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Closing shares 2020
A Accumulation shares	111,704	6,288	-	117,992
A Income shares	499	914	(499)	914
I Accumulation shares	251,716	162,095	(143,338)	270,473
I Income shares	56,294	79,898	(42,780)	93,412
M Accumulation shares	100	808	-	908
M Income shares	100	825	-	925
Z Accumulation shares	4,111,909	19,519	(4,102,490)	28,938
Z Gross Accumulation shares	106,330,066	46,969	(1,762,917)	104,614,118

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	2,062	114,094	-	907	118,584	-
Derivatives	76	3,005	-	96	57	-
Total investment assets	2,138	117,099	-	1,003	118,641	-
Fair value of investment liabilities						
Derivatives	(206)	(9)	-	(98)	(2,574)	-
Total investment liabilities	(206)	(9)	-	(98)	(2,574)	-

13. Risk Management Policies and Disclosures

Based on the investment strategy, types of complexities of the derivatives and the proportion of the fund comprising derivatives, the method of estimating the fund's overall risk position (Global Exposure) is to use the value at risk (VaR) techniques which estimate the probability of portfolio losses based on the statistical analysis of historical price trends and volatilities. The VaR is produced on a daily basis and the fund's current VaR limit is detailed below.

Value at Risk (VaR)

Model assumptions:

System:

Advanced Portfolio Technologies (APT)

VaR methodology:

Parametric

Confidence level:

99%

Holding period:

1 week (5 days)

Decay factor for exponential smoothing of the historical market data:

Nil

Historical observation period:

180 weeks

VaR limit (absolute):

20%

VaR limit (relative):

200%

Reference portfolio for relative VaR:

1.63%

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	0.93%	0.97%
Maximum VaR	1.85%	1.74%
Average VaR	1.26%	1.45%

VaR Table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	(0.08%)	1.66%	-	0.25%	1.83%
31 July 2019	(0.02%)	0.87%	-	0.17%	1.02%

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

2020	Market value £'000	Percentage of total net assets %
Investment grade securities	105,367	85.94%
Below investment grade securities	8,766	7.12%
Unrated securities	2,023	1.65%
Total Value of Securities	116,156	94.71%

2019	Market value £'000	Percentage of total net assets %
Investment grade securities	108,042	88.41%
Below investment grade securities	9,678	7.90%
Unrated securities	1,771	1.45%
Total Value of Securities	119,491	97.76%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

The balance sheet data and related information reported for:								
						Mark to Market Exposure		
	Swaps	Options	Futures	Forward		Collateral	Margin at	Total by
	£'000	£'000	£'000	Currency	Total	(held)/	clearing	Counter-
2020	£'000	£'000	£'000	Contracts	£'000	pledged	broker	party
				£'000		£'000	£'000	£'000
Counterparty or clearer								
Bank of America								
Merrill Lynch	-	-	(130)	30	(100)	-	496	396
Barclays	-	-	-	(3)	(3)	-	-	(3)
BNP Paribas	-	-	-	(2)	(2)	-	-	(2)
Deutsche Bank	-	-	-	321	321	-	-	321
HSBC	-	-	-	14	14	-	-	14
Morgan Stanley	-	-	-	(3)	(3)	-	-	(3)
RBC Dominion								
Securities	-	-	-	32	32	-	-	32
StateStreet	-	-	-	14	14	-	-	14
UBS	-	-	-	2,593	2,593	-	-	2,593
Total	-	-	(130)	2,996	2,866	-	496	3,362

2019	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
Bank of America	-	-	(2)	(4)	(6)	-	271	265
Merrill Lynch	-	-	-	(6)	(6)	-	-	(6)
Barclays	-	-	-	(19)	(19)	-	-	(19)
BNP Paribas	-	-	-	(11)	(11)	-	-	(11)
Citigroup	-	-	-	2	2	-	-	2
Goldman Sachs	-	-	-	(248)	(248)	-	-	(248)
HSBC	-	-	-	(676)	(676)	-	-	(676)
Morgan Stanley	-	-	-	(8)	(8)	-	-	(8)
Royal Bank of Canada	-	-	-	(1,559)	(1,559)	-	-	(1,559)
StateStreet	-	-	-	12	12	-	-	12
UBS	-	-	-					
Total	-	-	(2)	(2,517)	(2,519)	-	271	(2,248)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(215)	-	-	(215)
Non-derivatives					
Other creditors	-	(349)	-	-	(349)
Distribution payable	-	(1)	-	-	(1)
Total financial liabilities	-	(565)	-	-	(565)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(2,672)	-	-	(2,672)
Non-derivatives					
Other creditors	-	(961)	-	-	(961)
Distribution payable	-	(1)	-	-	(1)
Total financial liabilities	-	(3,634)	-	-	(3,634)

14. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 1.3% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	1.5546	-	1.5546	1.7280
Group 2	0.7740	0.7806	1.5546	1.7280
A Income shares				
Group 1	1.3182	-	1.3182	1.4719
Group 2	0.7527	0.5655	1.3182	1.4719
I Accumulation shares				
Group 1	1.6024	-	1.6024	1.7726
Group 2	1.2220	0.3804	1.6024	1.7726
I Income shares				
Group 1	1.3104	-	1.3104	1.4943
Group 2	0.5440	0.7664	1.3104	1.4943
M Accumulation shares				
Group 1	1.5295	-	1.5295	0.6000
Group 2	0.8495	0.6800	1.5295	0.6000
M Income shares				
Group 1	1.4997	-	1.4997	0.6000
Group 2	0.8297	0.6700	1.4997	0.6000
Z Accumulation shares				
Group 1	1.5379	-	1.5379	1.6942
Group 2	1.2327	0.3052	1.5379	1.6942
Z Gross Accumulation shares				
Group 1	1.4394	-	1.4394	1.5845
Group 2	1.4394	-	1.4394	1.5845

Final interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	1.7165	-	1.7165	1.7689
Group 2	0.9263	0.7902	1.7165	1.7689
A Income shares				
Group 1	1.4090	-	1.4090	1.5661
Group 2	1.4090	-	1.4090	1.5661
I Accumulation shares				
Group 1	1.7604	-	1.7604	1.8192
Group 2	0.8608	0.8996	1.7604	1.8192
I Income shares				
Group 1	1.4214	-	1.4214	1.5114
Group 2	0.9439	0.4775	1.4214	1.5114
M Accumulation shares				
Group 1	1.6220	-	1.6220	1.6600
Group 2	1.6220	-	1.6220	1.6600
M Income shares				
Group 1	1.5700	-	1.5700	1.6500
Group 2	1.5700	-	1.5700	1.6500
Z Accumulation shares				
Group 1	1.7076	-	1.7076	1.7429
Group 2	0.9167	0.7909	1.7076	1.7429
Z Gross Accumulation shares				
Group 1	1.5857	-	1.5857	1.6301
Group 2	1.0140	0.5717	1.5857	1.6301

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Japanese Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in Japanese equities (company shares).

Performance target: To achieve the return of the MSCI Japan Index, plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in Japan or companies that derive a significant proportion of their revenues or profits from Japanese operations or have a significant proportion of their assets there.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the MSCI Japan Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 10%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index.

Derivatives and techniques

- The fund may use derivatives to reduce risk, to reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI Japanese Equity Fund – A Accumulation Shares increased by 3.74% compared to a decrease of 5.10% in the performance target, the MSCI Japan Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

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Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Japanese equities retreated in the 12 months under review amid high volatility. Broadly, the market was beset by numerous challenges: from decelerating global growth amid punitive tariffs by the US to wrangle better terms from major trading partners, to worries that a domestic consumption tax hike could lead to an economic slump. As the US and China reached a preliminary trade agreement, sparking hopes of improved business conditions and corporate earnings, 2019 closed on a positive note.

These encouraging events however, were soon superseded by the COVID-19 pandemic. Government-imposed lockdowns and social-distancing measures to contain the spread of the virus forced nearly all economic activity to a standstill. In response, major central banks, including the US Federal Reserve and European Central Bank, intervened with unprecedented policy easing to support flagging growth and boost liquidity. Likewise, the Bank of Japan ramped up its purchase of exchange-traded funds as well as government and corporate bonds to stabilise financial markets. Additionally, lawmakers unveiled over US\$1 trillion in stimulus to help households and small businesses that were already hurt by the sales tax hike.

Portfolio Activity

There have been few exceptions in the fallout from COVID-19, and we are heartened to see some of our core holdings within these. Within the healthcare sector, our position in Chugai Pharmaceutical has remained a consistent outperformer. What has helped the company's stock remain resilient during this period were improved expectations of growth this year for its main drug portfolio, and also an announcement that a key in-house product, Actemra, had been trialled for use in treating severe COVID-19 symptoms.

In spite of weak consumer sentiment, our holding in the consumer services sector, drugstore chain operator Welcia Holdings, benefitted from COVID-19-driven demand, where stocking up on hygiene items and daily necessities during the pandemic provided a boost to numbers. Meanwhile, in the basic materials sector, Nippon Paint was aided by lower input costs as oil prices collapsed. Given the company's market leading exposure to structurally positive dynamics in China, the performance was also fuelled by hopes of more government stimulus that would buoy demand.

On the other hand, real estate group Tokyu Fudosan capped gains. Its shares fell over concerns that the pandemic would hurt the company's consumer-facing and agency-related businesses, as well as demand for office space. We continue to like the company's substantial presence in the Shibuya office market. Its substantial line-up of development completions should also improve profitability in the longer term. Machinery maker Amada was weighed down by worries that its clients would suspend capital spending amid the pandemic, hindering a recovery in demand for its products. We believe the company's underlying fundamentals, in particular its orderbook and cost control, are gradually improving. Elsewhere, general insurer Tokio Marine was pressured by concerns over its exposure to claims from small businesses affected by the pandemic. In a recent meeting, the company's officials reassured us that the group's share of the aforementioned business was minimal. In our view, the company's overseas business, which contributes almost half of the group's profits, will help diversify the risks of its businesses.

During the period, we exited IT services firm Net One on concerns that it, along with several other firms, had artificially boosted sales numbers through a series of questionable transactions. These issues come at a time when we have been increasingly concerned about internal controls of Japanese companies: management are under pressure to hit sales targets while struggling with labour shortages, and are increasingly forced to globalise even as internal processes have yet to catch up.

We also divested general machine maker Komatsu on concerns of weakening demand, partly due to higher costs from growing environmental scrutiny on coal mining. We sold TKP on concerns of prolonged weakness in demand for conference rooms and hotels. This could weigh on its leveraged balance sheet following its acquisition of Regus Japan. We exited snack food manufacturer Calbee which appeared to struggle in its expansion overseas, even as it retains a strong share in the domestic market. Finally, we divested cosmetics company Mandom, Aeon Financial Service and Japan Tobacco, for better opportunities elsewhere.

With the proceeds, we introduced positions in quality holdings that we believe would add stable, long-term value to the portfolio. Among these was Hoya, a leading manufacturer of medical and high-tech optical products. Its portfolio ranges from optical lenses to semiconductor components. The company leads the field in terms of technology, research & development and processing, and it is poised to benefit from structural growth opportunities for extreme ultraviolet lithography (EUV) mask blanks used for leading-edge semiconductors.

Sony Corp was another key addition, as we gained more confidence in its management and trajectory of its underlying business fundamentals. We are most upbeat on its

image-sensor business, where the electronics giant has a dominant market share. We believe the market has underestimated the growth potential of this business. Additionally, its gaming division's planned release of the next generation PlayStation 5 console during the year-end holiday season in 2020 should support sentiment.

Next was Daifuku, a materials handling systems integrator that will benefit from the structural growth of 'smart' warehouses for e-commerce, as well as in the expansion of semiconductor manufacturing plants.

Subsequently, we initiated pharmaceutical company Daiichi Sankyo, which has an attractive pipeline of innovative drugs, known as antibody drug conjugates, for cancer treatment. These drugs are intended to target and kill tumour cells, while sparing healthy ones, and were derived from technology that Daiichi Sankyo developed in-house. Recent clinical trials have suggested promising results.

Lastly, we also added Astellas Pharma, Advantest, as well as Nihon M&A to the portfolio. The fund had held a position in Astellas Pharma in the past, but sold the shares on concerns of a decline in revenue when its patents expire. The company has since invested in technology, as well as research and development, especially in leading-edge areas such as biotechnology. In our view, this has given Astellas Pharma a richer product pipeline. Advantest operates in a duopolistic market of semiconductor testing equipment. Demand is expected to rise from increasingly complex components and from a wider range of applications, including 5G networks. Nihon M&A is a leader in the field of mergers and acquisitions advisory services to small and medium enterprises, with a majority share of deals over recent years. We believe the company is a beneficiary of Japan's aging population trend, where, as a consequence, many existing owners of these companies encounter succession issues, and as such, need to find buyers or partners to keep the business going.

Portfolio Outlook and Strategy

The medium-term outlook remains clouded as a fresh wave of COVID-19 infections in the US and other nations threaten to stymie the nascent recovery and lead to a sharp – and possibly prolonged – recession. While we believe that fiscal and monetary stimuli will help to support major economies, we are focused on the more important factors: how long it will take to develop a viable vaccine for the virus and restore economic activity. Meanwhile, geopolitical disputes between the US, China and other nations, along with consequent punitive measures, could inflict further damage on Japan's trade-dependent economy.

On a more positive note, this crisis has instilled in us greater confidence in the longer-term prospects of our investments, particularly those with growth-minded and shareholder-friendly management. Additionally, our holdings retain healthy balance sheets and generate significant free cash flow, while their management have experience navigating prior disruptions. We believe the sound 'quality' characteristics of the fund's holdings, coupled with the nimble responses by management during the onset of the crisis, will enable these companies to weather this storm better than their peers.

Asia Pacific Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 6 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	232.43	238.93	228.44
Return before operating charges*	11.16	(3.31)	14.35
Operating charges	(3.14)	(3.19)	(3.86)
Return after operating charges*	8.02	(6.50)	10.49
Distributions	(0.67)	(0.67)	-
Retained distributions on accumulation shares	0.67	0.67	-
Closing net asset value per share	240.45	232.43	238.93
* after direct transaction costs of:	0.07	0.08	0.01
Performance			
Return after charges	3.45%	(2.72%)	4.59%
Other information			
Closing net asset value (£'000)	9,855	12,848	34,437
Closing number of shares	4,098,326	5,527,850	14,412,523
Operating charges	1.32%	1.44%	1.62%
Direct transaction costs	0.03%	0.04%	0.01%
Prices			
Highest share price	262.5	243.9	254.7
Lowest share price	190.1	202.0	220.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	253.11	258.77	245.56
Return before operating charges*	12.19	(3.59)	15.43
Operating charges	(2.26)	(2.07)	(2.22)
Return after operating charges*	9.93	(5.66)	13.21
Distributions	(1.92)	(2.06)	(1.68)
Retained distributions on accumulation shares	1.92	2.06	1.68
Closing net asset value per share	263.04	253.11	258.77
* after direct transaction costs of:	0.08	0.08	0.02
Performance			
Return after charges	3.92%	(2.19%)	5.38%
Other information			
Closing net asset value (£'000)	44,982	61,105	93,898
Closing number of shares	17,101,036	24,141,348	36,286,413
Operating charges	0.87%	0.87%	0.87%
Direct transaction costs	0.03%	0.04%	0.01%
Prices			
Highest share price	287.0	264.5	274.8
Lowest share price	207.6	219.4	237.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	107.53	100.00 ^B
Return before operating charges*	5.40	8.14
Operating charges	(1.03)	(0.61)
Return after operating charges*	4.37	7.53
Distributions	(0.78)	(0.77)
Retained distributions on accumulation shares	0.78	0.77
Closing net asset value per share	111.90	107.53
* after direct transaction costs of:	0.03	0.02
Performance		
Return after charges	4.06%	7.53%
Other information		
Closing net asset value (£'000)	72	-
Closing number of shares	64,362	100
Operating charges	0.92%	0.92%
Direct transaction costs	0.03%	0.04%
Prices		
Highest share price	122.1	108.9
Lowest share price	88.33	92.96

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 27 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	284.89	268.31
Return before operating charges*	(8.47)	16.92
Operating charges	(0.34)	(0.34)
Return after operating charges*	(8.81)	16.58
Distributions	-	(3.85)
Retained distributions on accumulation shares	-	3.85
Redemption value as at 20 September 2018	(276.08)	-
Closing net asset value per share	-	284.89
* after direct transaction costs of:	0.10	0.02
Performance		
Return after charges	(3.09%)	6.18%
Other information		
Closing net asset value (£'000)	-	1
Closing number of shares	-	368
Operating charges	0.12%	0.12%
Direct transaction costs	0.04%	0.01%
Prices		
Highest share price	287.1	301.3
Lowest share price	273.0	259.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Z Accumulation share class closed on 20 September 2018.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (98.72%)		54,591	99.42
Japanese Equities (98.72%)		54,591	99.42
Communication Services (5.87%)		4,226	7.70
122,100	KDDI	2,867	5.22
339,800	Yahoo Japan	1,359	2.48
Consumer Discretionary (16.23%)		10,793	19.66
13,100	Denso Corporation	365	0.66
9,600	Nitori	1,602	2.92
3,600	Shimano	596	1.08
47,200	Sony	2,743	5.00
71,400	Stanley Electric	1,287	2.34
60,400	Toyota Motor	2,706	4.93
32,300	USS	365	0.67
32,300	Yamaha	1,129	2.06
Consumer Staples (14.76%)		3,276	5.97
20,100	Pigeon	592	1.08
15,460	Seven & I	357	0.65
21,300	Shiseido	897	1.63
20,500	Welcia	1,430	2.61
Financials (7.76%)		4,442	8.09
73,500	Japan Exchange Group	1,323	2.41
81,500	Tokio Marine	2,605	4.74
12,200	Tokyo Century	514	0.94
Health Care (14.13%)		7,921	14.42
12,000	As One	968	1.76
46,800	Asahi Intecc	992	1.81
65,700	Astellas Pharmaceuticals	780	1.42
55,600	Chugai Pharmaceutical	1,897	3.45
8,400	Daiichi Sankyo	560	1.02
23,400	Hoya	1,755	3.19
11,900	Shionogi	536	0.98
7,400	Sysmex	433	0.79

Holding	Investment	Market Value £'000	Percentage of total net assets
Industrials (17.42%)		10,657	19.41
165,800	Amada	846	1.54
14,200	Daifuku	970	1.77
15,620	Daikin Industries	2,074	3.78
16,400	East Japan Railway	716	1.30
3,900	Fanuc	497	0.91
40,200	Makita	1,166	2.12
65,200	MISUMI	1,171	2.13
72,300	Nabtesco	1,646	3.00
13,700	Nihon M&A Center	505	0.92
45,300	Recruit	1,066	1.94
Information Technology (10.33%)		6,371	11.60
15,700	Advantest	645	1.17
8,528	Keyence	2,716	4.95
41,400	Otsuka	1,626	2.96
65,900	Renesas Electronics	274	0.50
28,900	SCSK	1,110	2.02
Materials (12.22%)		5,937	10.81
50,400	Kansai Paint	737	1.34
31,000	Nippon Paint	1,602	2.92
27,600	Shin-Etsu Chemical	2,440	4.44
96,900	Taiyo Nippon Sanso	1,158	2.11
Real Estate (0.00%)		968	1.76
334,000	Tokyu Fudosan	968	1.76
Collective Investment Schemes (0.00%)		1	-
1	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc*	1	-
Total investment assets		54,592	99.42
Net other assets		317	0.58
Total Net Assets		54,909	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

* Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	1	2,046	(5,715)
Revenue	2	1,175	1,693
Expenses	3	(617)	(903)
Interest payable and similar charges		-	(1)
Net revenue before taxation		558	789
Taxation	4	(101)	(164)
Net revenue after taxation		457	625
Total return before distributions		2,503	(5,090)
Distributions	5	(457)	(625)
Change in net assets attributable to shareholders from investment activities		2,046	(5,715)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	73,953	128,336
Amounts receivable on the issue of shares	10,889	20,420
Amounts payable on the cancellation of shares	(32,336)	(69,653)
	(21,447)	(49,233)
Dilution adjustment	-	30
Change in net assets attributable to shareholders from investment activities (see above)	2,046	(5,715)
Retained distribution on accumulation shares	357	535
Closing net assets attributable to shareholders	54,909	73,953

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		54,592	73,005
Current assets:			
Debtors	6	140	498
Cash and bank balances	7	298	729
		438	1,227
Total assets		55,030	74,232
Liabilities:			
Creditors	8	(121)	(279)
		(121)	(279)
Total liabilities		(121)	(279)
Net assets attributable to shareholders		54,909	73,953

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	2,068	(5,676)
Forward currency contracts	8	(9)
Other losses	(30)	(30)
Net capital gains/(losses)	2,046	(5,715)

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	-	1
Income from Overseas Collective Investment Schemes		
Unfranked income	-	19
Overseas dividends	1,164	1,667
Stocklending revenue	11	6
Total revenue	1,175	1,693

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	539	796
Operating, administrative and servicing fees	78	107
Total expenses	617	903

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	101	164
Total taxation	101	164
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	558	789
Corporation tax at 20% (2019: 20%)	112	158
Effects of:		
Revenue not subject to taxation	(233)	(333)
Overseas taxes	101	164
Excess allowable expenses	121	175
Total tax charge for year (note 4a)	101	164

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) **Factors that may affect future tax charge**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £9,555,000 (2019: £9,434,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. **Distributions**

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	357	535
Add: Income deducted on cancellation of shares	127	135
Deduct: Income received on issue of shares	(27)	(45)
Net distribution for the year	457	625

Details of the distribution per share are set out in this fund's distribution tables.

6. **Debtors**

	2020 £'000	2019 £'000
Accrued revenue	19	87
Amounts receivable from the ACD for the issue of shares	14	-
Sales awaiting settlement	107	411
Total debtors	140	498

7. **Liquidity**

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	298	729
	298	729
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	1	1
Net Liquidity	299	730

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. **Creditors**

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	41	58
Amounts payable to the ACD for cancellation of shares	74	221
Other accrued expenses	6	-
Total creditors	121	279

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	25,315	23,686	45,817	73,100
Trades in the year before transaction costs	25,315	23,686	45,817	73,100
Commissions				
Equities	7	9	(13)	(23)
Total commissions	7	9	(13)	(23)
Total transaction costs	7	9	(13)	(23)
Total net trades in the year after transaction costs	25,322	23,695	45,804	73,077

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.03	0.04	0.03	0.03

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.03	0.04

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.33% (2019: 0.24%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	5,527,850	4,245,486	(5,582,931)	(92,079)	4,098,326
I Accumulation shares	24,141,348	323,860	(7,421,572)	57,400	17,101,036
M Accumulation shares	100	810	(101)	63,553	64,362

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	54,591	-	-	73,004	-	-
Collective Investment Schemes	-	1	-	-	1	-
Total investment assets	54,591	1	-	73,004	1	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Japanese Yen	54,717	73,526
Total	54,717	73,526

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £2,736,000 (2019: £3,676,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £2,730,000 (2019: £3,650,000).

Counterparty risk**Financial derivatives instrument risk**

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £121,000 (2019: £279,000).

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £Nil (2019: £2,177,000). 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 31 July 2020 is £Nil (2019: £2,353,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Citigroup	-	2,177
Total securities on loan	-	2,177

Collateral held	2020 £'000	2019 £'000
Equities	-	2,353
Total collateral held	-	2,353

The gross earnings and fees paid for the year are £13,000 (2019: £7,000) and £2,000 (2019: £1,000).

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 17.9% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution table

For the year ended 31 July 2020 (in pence per share)

Final dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.6743	-	0.6743	0.6655
Group 2	0.1113	0.5630	0.6743	0.6655
I Accumulation shares				
Group 1	1.9215	-	1.9215	2.0626
Group 2	0.8855	1.0360	1.9215	2.0626
M Accumulation shares				
Group 1	0.7782	-	0.7782	0.7700
Group 2	0.4082	0.3700	0.7782	0.7700

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Latin American Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in Latin American equities (company shares).

Performance target: To achieve the return of the MSCI EM Latin America 10/40 Net Total Return Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in Latin American countries or companies that derive a significant proportion of their revenues or profits from Latin American operations or have a significant proportion of their assets there.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the MSCI EM Latin America 10/40 Net Total Return Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 12.5%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index.

Derivatives and techniques

- The fund may use derivatives to reduce risk, to reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI Latin American Equity Fund – A Accumulation Shares decreased by 30.81% compared to a decrease of 30.18% in the performance target, the MSCI EM Latin America 10/40 Net Total Return Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

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Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Latin American shares sank over the period, and were among the worst performers across the broader emerging markets. Upbeat sentiment at the start of 2020, due to the US-China partial trade deal, was quickly eclipsed by the worsening COVID-19 pandemic. Regional equities sold off sharply in March as the virus spread across the world. Like their peers worldwide, most Latin American countries imposed border closures and lockdowns, which depressed consumption and business activity, raising recession fears. But most continued to struggle to contain infection numbers. Adding to the gloom was a plunge in oil prices amid a price war between Saudi Arabia and Russia, though they later stabilised. With risks mounting, governments and central banks globally unleashed large-scale stimulus to support growth and liquidity. Across the continent, Argentina, Brazil, Chile and Mexico all made multiple interest rate cuts and unveiled fiscal relief packages. These, coupled with easing restrictions and news of progress on vaccines, helped stocks recoup some of their losses.

All markets recorded double digit declines. Argentina fell the most as the surprise election win of Peronist Alberto Fernandez, over business friendly incumbent President Mauricio Macri, triggered capital flight. Worries about prospects of a deal to restructure the country's debt also pressured the market, though the government and creditors eventually reached an agreement. In Brazil, optimism over landmark pension reform gave way to concerns about the worsening COVID-19 outbreak and the resignations of several high-profile ministers. Meanwhile, a muted fiscal policy response hampered shares in Mexico. Almost all sectors ended lower too, with only technology bucking the downtrend.

Portfolio Activity

The fund performed in line with the benchmark. Solid returns from several of our Brazil and Argentina names offset the negative impact of our stock picks in Mexico.

Our technology holdings in Brazil and Argentina contributed the most to performance. Notably, e-commerce giant MercadoLibre, though classified under consumer discretionary, was a standout. Its shares rallied as the lockdowns fuelled a surge in online shopping and cashless sales. We initiated the company earlier in the period. It is a leader in terms of brand recognition and price, and also operates a growing fintech business. We believe that prospects for e-commerce remain bright, given penetration levels in Latin America are still low. Its scale also creates powerful network effects, as more merchants on its platform will, in turn, increase user numbers.

Apart from MercadoLibre, the fund's other tech-related names performed well too. Argentina's Globant and Brazil's Totvs both rose as businesses turned more to digital solutions amid the pandemic. That said, not holding several others that also benefited from these trends, such as Brazilian online retailers, Magazine Luisa and B2W, proved costly.

Our exposure to the financial sector boosted the fund as well. Bourse operator B3 gained on robust trading volumes amid booming interest from local investors searching for yield in a low-rate environment. Digital brokerage XP also outperformed Brazil's deepening capital markets underpinned solid business growth. XP was another holding that we introduced during the year. We believe the company is well-positioned to grow, given the limited trading options for retail investors. It has disrupted the segment in an effective and profitable manner for several years.

Elsewhere, shares of Vale rose on resilient iron-ore prices, along with news that it will resume dividends earlier than expected. Payouts had been suspended since the Brumadinho dam disaster. Thus, our overall exposure to the miner, both directly and via its parent, Bradespar, lifted returns.

Conversely, the fund's exposure to Mexico detracted. Several of our travel-linked holdings, including hotel chain owner Hoteles City Express, pulled back as COVID-19 severely hampered their businesses. Not holding index-heavyweight telco America Movil, which fell by less than the broader market, also weighed on relative performance.

Apart from the purchases of MercadoLibre and XP, mentioned above, we added fast-food chain operator Burger King Brasil to the portfolio. It is an attractive business with good growth prospects, and was trading at a decent valuation.

During the year, we had also introduced Brazilian re-insurer IRB. However, we subsequently exited the stock as concerns over corporate governance and accounting practices came to light. In Brazil, we also sold fuel distributor Ultrapar due to worries over its growth prospects and strategic business direction. Meanwhile, we exited positions in lenders, Banco BBVA Argentina and Banco Santander Mexico, given a tougher outlook for the sector. We also sold Brazilian food producer BRF, Mexican dairy company Lala and steel-pipe maker Tenaris in view of our waning conviction and to fund other opportunities.

Portfolio Outlook and Strategy

The toll from the COVID-19 pandemic may continue to weigh on Latin America stock markets in the near to medium term. Infection numbers are still rising even as most countries relax social distancing curbs. Higher unemployment will hinder consumer spending, while muted external demand would dampen exports. Brazil and Mexico's less-than-adequate pandemic responses have come under scrutiny, with both countries among the world's worst affected. Investors are also monitoring rising fiscal risk in Brazil, but record-low interest rates, decent valuations and progress on reforms could support stocks there. As for Mexico, renewed trade agreements with the US and Canada, as well as the European Union, should bolster its long-term prospects. Argentina's outlook remains challenging given its fiscal imbalances, but its debt deal with creditors is a positive step. Chile and Peru's relatively firmer fundamentals should position them better to shore up growth.

Meanwhile, the re-flaring of US-China tensions, alongside other geopolitical flashpoints, is another worry for investors. Under these conditions, it is no surprise that clarity on earnings prospects is low, with many companies downgrading their forecasts. That said, we remain upbeat about our holdings' long-term prospects. Their quality, in terms of robust balance sheets and steady cash positions, should buffer them through the crisis. Many have robust growth potential with exposure to structural shifts, including digital adoption, financial access and demand for infrastructure. Hence, we will maintain a disciplined, bottom-up approach while taking advantage of volatility to strengthen the portfolio. This will ensure that is well-positioned to deliver sustainable returns in the days ahead.

Global Emerging Markets Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 6 because of the extent to which the following risk factors apply:

- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	123.54	102.64	106.80
Return before operating charges*	(36.60)	22.78	(2.01)
Operating charges	(1.65)	(1.88)	(2.15)
Return after operating charges*	(38.25)	20.90	(4.16)
Distributions	(0.71)	(1.31)	(0.80)
Retained distributions on accumulation shares	0.71	1.31	0.80
Closing net asset value per share	85.29	123.54	102.64
* after direct transaction costs of:	0.06	0.09	0.01
Performance			
Return after charges	(30.96%)	20.36%	(3.90%)
Other information			
Closing net asset value (£'000)	20,433	33,294	102,211
Closing number of shares	23,957,959	26,949,426	99,581,435
Operating charges	1.64%	1.74%	1.99%
Direct transaction costs	0.05%	0.08%	0.01%
Prices			
Highest share price	124.1	125.9	117.9
Lowest share price	64.47	90.88	90.98

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	132.30	109.31	112.88
Return before operating charges*	(39.28)	24.36	(2.16)
Operating charges	(1.28)	(1.37)	(1.41)
Return after operating charges*	(40.56)	22.99	(3.57)
Distributions	(1.25)	(1.93)	(1.71)
Retained distributions on accumulation shares	1.25	1.93	1.71
Closing net asset value per share	91.74	132.30	109.31
* after direct transaction costs of:	0.06	0.09	0.01
Performance			
Return after charges	(30.66%)	21.03%	(3.16%)
Other information			
Closing net asset value (£'000)	71,720	103,053	86,087
Closing number of shares	78,179,826	77,895,363	78,754,626
Operating charges	1.19%	1.19%	1.24%
Direct transaction costs	0.05%	0.08%	0.01%
Prices			
Highest share price	132.9	134.9	124.7
Lowest share price	69.24	96.87	96.82

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	127.21	100.00 ^B
Return before operating charges*	(37.79)	27.90
Operating charges	(1.09)	(0.69)
Return after operating charges*	(38.88)	27.21
Distributions	(0.90)	(2.00)
Retained distributions on accumulation shares	0.90	2.00
Closing net asset value per share	88.33	127.21
* after direct transaction costs of:	0.06	0.05
Performance		
Return after charges	(30.56%)	27.21%
Other information		
Closing net asset value (£'000)	5	-
Closing number of shares	5,005	100
Operating charges	1.24%	1.24%
Direct transaction costs	0.05%	0.08%
Prices		
Highest share price	127.7	129.7
Lowest share price	66.66	101.50

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 27 November 2018.

^B The opening net asset value stated is the share class launch price.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (99.37%)		91,034	98.78
Emerging Market Equities (75.59%)		71,039	77.08
Argentina (2.59%)		5,628	6.11
21,995	Globant	2,897	3.15
3,190	MercadoLibre	2,731	2.96
Brazil (64.20%)		56,390	61.19
441,225	AmBev	897	0.97
178,640	Arezzo Industria e Comercio	1,379	1.50
667,844	B3 SA - Brasil Bolsa Balcao	6,199	6.73
2,151,690	Banco Bradesco	6,522	7.08
589,990	BK Brasil Operacao	910	0.99
704,924	Bradespar (Preference)	4,439	4.82
1,074,793	Itau Unibanco	3,917	4.25
1,641,605	Itaúsa (Preference)	2,564	2.78
300,568	Linx	1,161	1.26
274,462	Localiza	2,045	2.22
407,837	Lojas Renner	2,454	2.66
470,006	Multiplan	1,453	1.58
200,979	Notre Dame Intermedica	1,963	2.13
456,470	Odontoprev	923	1.00
1,637,715	Petrobras (Preference)	5,321	5.77
108,867	Raia Drogasil	1,976	2.14
939,070	Rumo	3,051	3.31
457,811	TOTVS	1,729	1.88
505,053	Vale ADR	4,475	4.86
191,968	WEG	1,892	2.04
31,683	XP	1,120	1.22
Chile (7.16%)		7,155	7.76
140,874	Banco Santander (Chile) ADR	1,836	1.99
817,412	Embotelladora Andina (Preference)	1,317	1.43
151,079	Geopark	1,127	1.22
1,295,816	Parque Arauco	1,688	1.83
438,599	SACI Falabella	1,187	1.29

Holding	Investment	Market Value £'000	Percentage of total net assets
Peru (1.64%)		1,866	2.02
943,755	Cementos Pacasmayo	1,152	1.25
413,937	Fossal	8	0.01
403,113	Grana y Montero ADR	706	0.76
European Equities (1.05%)		-	-
Luxembourg (1.05%)		-	-
North America Equities (22.73%)		19,995	21.70
Bermuda (0.97%)		1,065	1.16
173,786	Wilson Sons (BDR)	1,065	1.16
Mexico (21.76%)		18,930	20.54
755,887	Arca Continental	2,888	3.13
79,038	Fomento Economico Mexicano ADR	3,702	4.02
71,179	Grupo Aeroportuario del Centro Norte ADR	1,804	1.96
118,009	Grupo Aeroportuario del Sureste	898	0.98
1,426,196	Grupo Financiero Banorte	3,899	4.23
1,331,385	Hoteles City Express	249	0.27
660,647	Infraestructura Energetica Nova	1,497	1.62
737,369	Kimberly-Clark de Mexico	920	1.00
1,714,296	Wal-Mart de Mexico	3,073	3.33
Total investment assets		91,034	98.78
Net other assets		1,124	1.22
Total Net Assets		92,158	100.00

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules.
The percentage figures in brackets show the comparative holding as at 31 July 2019.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(40,428)	22,934
Revenue	2	2,707	4,370
Expenses	3	(1,380)	(2,090)
Interest payable and similar charges		-	(2)
Net revenue before taxation		1,327	2,278
Taxation	4	(195)	(372)
Net revenue after taxation		1,132	1,906
Total return before distributions		(39,296)	24,840
Distributions	5	(1,132)	(1,906)
Change in net assets attributable to shareholders from investment activities		(40,428)	22,934

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	136,347	188,298
Amounts receivable on the issue of shares	28,302	36,902
Amounts payable on the cancellation of shares	(33,207)	(113,727)
	(4,905)	(76,825)
Dilution adjustment	-	81
Change in net assets attributable to shareholders from investment activities (see above)	(40,428)	22,934
Retained distribution on accumulation shares	1,144	1,859
Closing net assets attributable to shareholders	92,158	136,347

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		91,034	135,485
Current assets:			
Debtors	6	479	266
Cash and bank balances		833	1,159
		1,312	1,425
Total assets		92,346	136,910
Liabilities:			
Creditors	7	(188)	(556)
Bank overdrafts		-	(7)
		(188)	(563)
Total liabilities		(188)	(563)
Net assets attributable to shareholders		92,158	136,347

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(40,271)	22,997
Forward currency contracts	(1)	(3)
Other losses	(156)	(60)
Net capital (losses)/gains	(40,428)	22,934

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	-	4
Overseas dividends	2,707	4,349
Stocklending revenue	-	17
Total revenue	2,707	4,370

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,177	1,814
Operating, administrative and servicing fees	203	276
Total expenses	1,380	2,090

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	195	372
Total taxation	195	372
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	1,327	2,278
Corporation tax at 20% (2019: 20%)	266	456
Effects of:		
Revenue not subject to taxation	(296)	(497)
Overseas taxes	195	372
Overseas tax expensed	(37)	(56)
Excess allowable expenses	67	97
Total tax charge for year (note 4a)	195	372

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £1,532,000 (2019: £1,465,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	1,144	1,859
Add: Income deducted on cancellation of shares	262	325
Deduct: Income received on issue of shares	(274)	(278)
Net distribution for the year	1,132	1,906

Details of the distribution per share are set out in this fund's distribution tables.

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	225	80
Amounts receivable from the ACD for the issue of shares	254	26
Sales awaiting settlement	-	160
Total debtors	479	266

7. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	86	148
Amounts payable to the ACD for cancellation of shares	87	408
Other accrued expenses	15	-
Total creditors	188	556

8. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 7.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 7.

9. Portfolio Transaction Costs

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	34,066	43,583	38,301	116,854
Corporate actions	-	-	-	2
Trades in the year before transaction costs	34,066	43,583	38,301	116,856
Commissions				
Equities	20	33	(22)	(63)
Total commissions	20	33	(22)	(63)
Taxes				
Equities	6	5	(7)	(16)
Total taxes	6	5	(7)	(16)
Total transaction costs	26	38	(29)	(79)
Total net trades in the year after transaction costs	34,092	43,621	38,272	116,777

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.06	0.08	0.06	0.05
Taxes				
Equities	0.02	0.01	0.02	0.01

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.07
Taxes	0.01	0.01

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.26% (2019: 0.20%), this is representative of the average spread on the assets held during the year.

10. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	26,949,426	17,946,249	(20,361,571)	(576,145)	23,957,959
I Accumulation shares	77,895,363	12,100,703	(12,349,238)	532,998	78,179,826
M Accumulation shares	100	772	(9)	4,142	5,005

11. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	91,034	-	-	135,485	-	-
Total investment assets	91,034	-	-	135,485	-	-

12. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Brazilian Real	52,138	83,189
Chilean Peso	4,193	6,177
Mexican Peso	13,424	22,098
Peruvian New Sol	1,160	1,403
US Dollar	20,481	22,992
Total	91,396	135,859

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £4,570,000 (2019: £6,793,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £4,552,000 (2019: £6,774,000).

Counterparty risk**Financial derivatives instrument risk**

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £188,000 (2019: £563,000).

13. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 6.1% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution table

For the year ended 31 July 2020 (in pence per share)

Final dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.7100	-	0.7100	1.3133
Group 2	0.0226	0.6874	0.7100	1.3133
I Accumulation shares				
Group 1	1.2453	-	1.2453	1.9325
Group 2	0.1214	1.1239	1.2453	1.9325
M Accumulation shares				
Group 1	0.9005	-	0.9005	2.0000
Group 2	0.9005	-	0.9005	2.0000

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Multi-Asset Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in a globally diversified portfolio of assets.

Performance target: To exceed the return of the following composite index: 40% FTSE All-Share Index, 25% MSCI World ex UK Index, 15% FTSE Actuaries UK Conventional Gilts All Stocks Index, 5% FTSE Small Cap UK Index, 7.5% 7 DAY GBP LIBOR, 5% HFRI FOF Conservative Index, 2.5% FTSE All-Share Index-Equity Investment Instruments. The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of each index.

Investment Policy

Portfolio securities

- The fund will invest in equities (company shares) and bonds (loans to companies and governments) issued anywhere and in any currency.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to identify the investments they believe are most appropriate for the fund's objective.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on identifying companies where the management team have a different view of a company's prospects to that of the market, and which align with their views regarding future economic and business conditions.
- The composite index is used as a reference point for portfolio construction and as a basis for setting risk constraints. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the composite Index.

Derivatives and techniques

- The fund may use derivatives to reduce risk, to reduce cost and/or generate additional income or consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI Multi-Asset Fund - A Accumulation Shares decreased by 1.76% compared to a decrease of 4.87% in the performance target 40% FTSE All-Share Index, 25% MSCI World ex UK Index, 15% FTSE Actuaries UK Conventional Gilts All Stocks Index, 5% FTSE Small Cap UK Index, 7.5% 7 DAY GBP LIBOR, 5% HFRI FOF Conservative Index, 2.5% FTSE All-Share Index-Equity Investment Instruments.

Source: Lipper, BPSS, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

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Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

It was a turbulent 12 months for global stock markets. They generally trended upwards from the beginning of the period, driven by an apparent easing of US-China trade tensions and lower interest-rate expectations. Indeed, the US Federal Reserve (Fed) cut interest rates three times in the latter half of 2019, by a total of 75 basis points (bps) while the European Central Bank (ECB) also reduced rates by 50bps.

The coronavirus outbreak at the end of 2019 put an end to this positive trend. The effects on global equities were first confined to Asia, with the Chinese and Hong Kong stock markets seeing significant dips in late January. But as it became apparent that the pandemic would no longer be restrained in the Asian continent, market sentiment swiftly reversed. In February, UK stocks tumbled in line with their global peers, as the economic fallout from the coronavirus pandemic became clear. Global stock markets saw some of the steepest price declines in history, beginning in late February and hitting bottom in mid-March.

As movement and travel restrictions were imposed on a near-global scale to contain the pandemic's spread, central banks and governments pushed through massive fiscal stimulus and quantitative easing programmes. The Fed slashed rates twice in March by a cumulative 150bps and flung open the monetary floodgates, releasing trillions of dollars of liquidity into the system. By the end of July, its balance sheet had swelled to US\$6.95 trillion, from just over US\$4 trillion at the beginning of the year. In the UK, the government and Bank of England also took action to minimise corporate defaults and job losses, cutting interest rates and announcing a record spending package.

As the effects of these measures took hold and economies began to slowly re-emerge from lockdowns, markets began to gradually recover. While the recovery was muted in most economies, it was surprisingly quick in the US, where the stock market has almost retouched previous highs – even as the country continues to be one of the worst-hit by the pandemic. The same was seen in the UK, with stocks rallying from April to June. However, stocks dipped slightly in July amid wider investor uncertainty, which dented investor risk appetite.

On the bonds front, the ‘risk-off’ environment boosted government bond prices as investors fled to their perceived safety. The 10-year US Treasury yield, which had already been steadily declining, hit 0.55% at the end of the period, compared to 2.02% at the beginning. Additionally, 10-year UK gilts saw the same trend, falling from 0.55% to 0.10% over the period.

Portfolio Activity

The fund outperformed its comparator benchmark and the wider peer group over the review period, with positive returns from equities and fixed income. However, alternatives dragged on overall performance. Although infrastructure delivered some outperformance versus the comparator benchmark, negative returns from private equity and other alternatives more than offset this.

Focusing on equities, stock selection within UK equities drove much of the fund’s relative outperformance versus the comparator benchmark. Although overseas equities provided a negative overall return, this was only due to the heavy weighting towards North American equities. The fund’s positioning in Asia Pacific, Japanese and European equities all delivered outperformance against the benchmark, with Asia Pacific and Japan being particular standouts.

Turning to fixed income, good security selection contributed slightly to performance, even though our bond allocation was slightly below the comparator benchmark. Investors continued to seek out perceived lower-risk assets – leading to yields on UK gilts falling across the board.

Finally, asset allocation within alternatives dragged on performance. A positive return from our allocation in infrastructure could only partly offset a negative relative return from our allocation towards private equity. Security selection within alternatives was negative overall, however. In particular, selection within private equity was detrimental, although selection within infrastructure offset this to an extent.

Portfolio Outlook and Strategy

Looking ahead, with economies reopening as lockdowns ease, risk assets have on the whole enjoyed a positive second quarter. They have made up a significant amount of the ground lost in February and March. However, it is difficult to determine how markets will fare when we view the challenges that lie ahead; corporate profits will likely come under further pressure, while debt levels will continue to rise. Political risks remain, with Brexit in the UK and the upcoming US presidential election. But while we remain cognisant of these headwinds, we still see opportunities to add value in the months ahead.

Strategic Clients Solution Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 4 because of the extent to which the following risk factors apply:

- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	297.21	279.84	261.34
Return before operating charges*	(2.20)	21.46	22.92
Operating charges	(4.11)	(4.09)	(4.42)
Return after operating charges*	(6.31)	17.37	18.50
Distributions	(2.27)	(1.83)	(2.86)
Retained distributions on accumulation shares	2.27	1.83	2.86
Closing net asset value per share	290.90	297.21	279.84
* after direct transaction costs of:	0.34	0.24	-
Performance			
Return after charges	(2.12%)	6.21%	7.08%
Other information			
Closing net asset value (£'000)	77,896	83,659	82,398
Closing number of shares	26,777,736	28,148,434	29,444,655
Operating charges	1.41%	1.49%	1.67%
Direct transaction costs	0.12%	0.09%	-
Prices			
Highest share price	312.9	299.5	280.9
Lowest share price	235.6	253.2	255.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	247.02	234.08	221.06
Return before operating charges*	(1.82)	17.88	19.38
Operating charges	(3.42)	(3.41)	(3.75)
Return after operating charges*	(5.24)	14.47	15.63
Distributions	(1.88)	(1.53)	(2.61)
Closing net asset value per share	239.90	247.02	234.08
* after direct transaction costs of:	0.28	0.20	-
Performance			
Return after charges	(2.12%)	6.18%	7.07%
Other information			
Closing net asset value (£'000)	3,547	3,813	3,705
Closing number of shares	1,478,378	1,543,687	1,582,575
Operating charges	1.41%	1.49%	1.67%
Direct transaction costs	0.12%	0.09%	-
Prices			
Highest share price	259.8	249.9	237.1
Lowest share price	195.6	211.8	216.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	324.65	304.01	281.75
Return before operating charges*	(2.39)	23.45	24.90
Operating charges	(3.06)	(2.81)	(2.64)
Return after operating charges*	(5.45)	20.64	22.26
Distributions	(3.93)	(3.64)	(5.29)
Retained distributions on accumulation shares	3.93	3.64	5.29
Closing net asset value per share	319.20	324.65	304.01
* after direct transaction costs of:	0.37	0.26	-
Performance			
Return after charges	(1.68%)	6.79%	7.90%
Other information			
Closing net asset value (£'000)	49,789	49,298	46,678
Closing number of shares	15,598,089	15,184,487	15,353,987
Operating charges	0.96%	0.93%	0.92%
Direct transaction costs	0.12%	0.09%	-
Prices			
Highest share price	342.7	327.1	305.1
Lowest share price	258.1	275.9	277.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	145.92	138.27	130.56
Return before operating charges*	(1.05)	10.56	11.48
Operating charges	(1.38)	(1.26)	(1.22)
Return after operating charges*	(2.43)	9.30	10.26
Distributions	(1.76)	(1.65)	(2.56)
Closing net asset value per share	141.73	145.92	138.27
* after direct transaction costs of:	0.17	0.12	-
Performance			
Return after charges	(1.67%)	6.73%	7.87%
Other information			
Closing net asset value (£'000)	9,997	11,189	11,288
Closing number of shares	7,053,478	7,667,952	8,163,759
Operating charges	0.96%	0.93%	0.92%
Direct transaction costs	0.12%	0.09%	-
Prices			
Highest share price	153.5	148.0	140.5
Lowest share price	115.6	125.5	127.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	113.75	100.00 ^B
Return before operating charges*	(0.72)	14.44
Operating charges	(1.11)	(0.69)
Return after operating charges*	(1.83)	13.75
Distributions	(1.31)	(1.12)
Retained distributions on accumulation shares	1.31	1.12
Closing net asset value per share	111.92	113.75
* after direct transaction costs of:	0.13	0.06
Performance		
Return after charges	(1.61%)	13.75%
Other information		
Closing net asset value (£'000)	276	-
Closing number of shares	246,316	100
Operating charges	1.01%	0.98%
Direct transaction costs	0.12%	0.09%
Prices		
Highest share price	120.2	114.6
Lowest share price	90.52	96.37

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 28 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	112.55	100.00 ^B
Return before operating charges*	(0.64)	14.35
Operating charges	(1.12)	(0.69)
Return after operating charges*	(1.76)	13.66
Distributions	(1.25)	(1.11)
Closing net asset value per share	109.54	112.55
* after direct transaction costs of:	0.13	0.06
Performance		
Return after charges	(1.56%)	13.66%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	915	100
Operating charges	1.01%	0.98%
Direct transaction costs	0.12%	0.09%
Prices		
Highest share price	118.6	114.3
Lowest share price	89.37	96.37

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 28 November 2018.

^B The opening net asset value stated is the share class launch price.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (57.30%)		73,262	51.78
Emerging Market Equities (0.11%)		-	-
Brazil (0.11%)		-	-
European Equities (2.08%)		4,272	3.02
France (0.20%)		-	-
Germany (0.07%)		-	-
Ireland (1.20%)		1,269	0.90
47,420	Experian	1,269	0.90
Netherlands (0.00%)		1,717	1.21
20,822	Just Eat Takeaway.Com	1,717	1.21
Sweden (0.10%)		-	-
Switzerland (0.51%)		1,286	0.91
64,230	Coca-Cola HBC	1,286	0.91
Japanese Equities (0.56%)		-	-
Middle East Equities (0.07%)		-	-
Israel (0.07%)		-	-
North America Equities (2.68%)		-	-
Canada (0.13%)		-	-
Mexico (0.12%)		-	-
United States (2.43%)		-	-
Pacific Basin Equities (1.64%)		-	-
Australia (0.30%)		-	-
China (0.13%)		-	-

Holding	Investment	Market Value £'000	Percentage of total net assets
Hong Kong (0.24%)		-	-
India (0.30%)		-	-
Singapore (0.16%)		-	-
South Korea (0.22%)		-	-
Taiwan (0.17%)		-	-
Thailand (0.12%)		-	-
UK Equities (50.16%)		68,990	48.76
Basic Materials (2.34%)		2,054	1.45
35,851	Croda	2,054	1.45
Consumer Goods (8.04%)		8,167	5.77
61,540	British American Tobacco	1,553	1.10
495,536	Countryside Properties	1,403	0.99
88,040	Diageo	2,466	1.74
65,020	Fever Tree Drinks**	1,423	1.01
28,920	Unilever	1,322	0.93
Consumer Services (6.15%)		8,611	6.09
245,600	Auto Trader	1,317	0.93
151,237	Euromoney Institutional Investor	1,199	0.85
584,940	Pets At Home	1,820	1.29
123,050	RELX	1,987	1.40
218,600	Rightmove	1,209	0.86
114,837	WH Smith	1,079	0.76
Financials (19.50%)		30,135	21.30
377,176	3i Infrastructure	1,092	0.77
636,178	Aberdeen Diversified Income and Growth Trust*	550	0.39
139,339	Aberdeen Private Equity Fund*	1	-
451,120	Ashmore	1,760	1.24
150,700	Close Brothers	1,650	1.17
1,165,360	Greencoat UK Wind	1,704	1.20

			Market Value £'000	Percentage of total net assets
Holding	Investment			
1,350,839	Hicl Infrastructure		2,264	1.60
769	HIE Ventures		-	-
68,779	Intermediate Capital		926	0.65
381,600	John Laing		1,126	0.80
21,880	London Stock Exchange		1,856	1.31
327,883	Pantheon International		6,656	4.70
213,240	Prudential		2,356	1.68
1,240,886	Renewables Infrastructure Group		1,648	1.17
1,082,451	Sequoia Economic Infrastructure Income		1,134	0.80
389,400	Standard Chartered		1,502	1.06
469,695	Standard Life		1,418	1.00
63,000	Standard Life UK Smaller Companies Trust*		314	0.22
804,089	Tritax Big Box REIT		1,217	0.86
102,380	Unite		961	0.68
Health Care (4.63%)			10,529	7.44
132,780	Abcam**		1,705	1.20
48,300	AstraZeneca		4,120	2.91
46,000	Dechra Pharmaceuticals		1,313	0.93
51,510	Genus		1,750	1.24
108,180	Smith & Nephew		1,641	1.16
Industrials (6.97%)			5,931	4.19
200,970	Bodycote		1,130	0.80
171,350	Marshalls		1,018	0.72
235,250	Rentokil		1,256	0.89
11,980	Spirax-Sarco Engineering		1,235	0.87
108,000	Weir		1,292	0.91
Oil & Gas (0.91%)			-	-
Technology (1.62%)			2,427	1.72
58,550	AVEVA		2,427	1.72
Telecommunications (0.00%)			1,136	0.80
84,920	Telecom Plus		1,136	0.80

Holding	Investment	Market Value £'000	Percentage of total net assets
Collective Investment Schemes (42.51%)		65,281	46.13
628,612	Aberdeen Alternative Strategies Fund Z Acc ⁺	-	-
949	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc ⁺	949	0.67
43,934	Aberdeen Standard Liquidity Fund (Lux) - Ultra Short Duration Sterling Fund Z2 Acc ⁺	5,933	4.19
852,057	Aberdeen Standard SICAV I - Japanese Equity Fund A Acc ⁺	2,979	2.10
18,204	Aberdeen Standard SICAV I - Select Euro High Yield Bond Fund A Acc ⁺	704	0.50
16,273,048	ASI (AAM) Sterling Government Bond Fund Z Acc ⁺	20,515	14.50
9,670,166	ASI American Equity Enhanced Index Fund X Acc ⁺	19,013	13.44
4,525,288	ASI American Equity Tracker Fund X Acc ⁺	5,330	3.77
511,791	ASI Asia Pacific Equity Fund Z Acc ⁺	1,917	1.35
516,718	ASI Europe ex UK Equity Fund Z Acc ⁺	1,566	1.11
4,220,996	ASI European Equity Enhanced Index X Acc ⁺	5,688	4.02
646,987	ASI Sterling Corporate Bond Tracker Fund B Acc ⁺	687	0.48
Total investment assets		138,543	97.91
Net other assets		2,963	2.09
Total Net Assets		141,506	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes approved within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺ Managed by subsidiaries of Standard Life Aberdeen plc.

⁺⁺ AIM listed.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(4,416)	7,328
Revenue	2	2,480	2,870
Expenses	3	(1,593)	(1,637)
Net revenue before taxation		887	1,233
Taxation	4	502	(4)
Net revenue after taxation		1,389	1,229
Total return before distributions		(3,027)	8,557
Distributions	5	(1,388)	(1,230)
Change in net assets attributable to shareholders from investment activities		(4,415)	7,327

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	147,959	144,069
Amounts receivable on the issue of shares	10,809	11,196
Amounts payable on the cancellation of shares	(14,077)	(15,703)
	(3,268)	(4,507)
Change in net assets attributable to shareholders from investment activities (see above)	(4,415)	7,327
Retained distribution on accumulation shares	1,230	1,070
Closing net assets attributable to shareholders	141,506	147,959

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		138,543	147,677
Current assets:			
Debtors	6	3,602	382
Cash and bank balances	7	24	1,830
		3,626	2,212
Total assets		142,169	149,889
Liabilities:			
Creditors	8	(378)	(1,843)
Bank overdrafts	7	(184)	-
Distribution payable		(101)	(87)
		(663)	(1,930)
Total liabilities		(663)	(1,930)
Net assets attributable to shareholders		141,506	147,959

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(4,399)	7,342
Forward currency contracts	-	(1)
Other losses	(17)	(13)
Net capital (losses)/gains	(4,416)	7,328

2. Revenue

	2020 £'000	2019 £'000
ACD fee rebate on collective investment scheme holdings	46	39
Bank and margin interest	32	4
Income from Overseas Collective Investment Schemes		
Franked income	54	-
Unfranked income	-	3
Income from UK Collective Investment Schemes		
Franked income	481	491
Interest income	189	216
Overseas dividends	140	316
Stocklending revenue	1	2
UK dividends	1,517	1,799
UK REIT	20	-
Total revenue	2,480	2,870

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,450	1,498
Operating, administrative and servicing fees	143	139
Total expenses	1,593	1,637

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Adjustments in respect of prior periods	(505)	-
Overseas taxes	3	4
Total taxation	(502)	4

(b)

Factors affecting current tax charge for the year

The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:

	2020 £'000	2019 £'000
Net revenue before taxation	887	1,233
Corporation tax at 20% (2019: 20%)	177	247
Effects of:		
Revenue not subject to taxation	(438)	(515)
Overseas taxes	3	4
Excess allowable expenses	261	268
Adjustments in respect of prior periods	(505)	-
Total tax charge for year (note 4a)	(502)	4

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £8,210,000 (2019: £7,949,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5.

Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	426	470
Final distribution	957	751
	1,383	1,221
Add: Income deducted on cancellation of shares	28	40
Deduct: Income received on issue of shares	(23)	(31)
Net distribution for the year	1,388	1,230
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	1,389	1,229
Undistributed revenue brought forward	(1)	-
Undistributed revenue carried forward	-	1
Total distributions	1,388	1,230

6. Debtors

	2020 £'000	2019 £'000
Accrued management fee rebate	9	-
Accrued revenue	81	105
Amounts receivable from the ACD for the issue of shares	191	247
Overseas withholding tax recoverable	10	20
Sales awaiting settlement	3,311	10
Total debtors	3,602	382

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	24	1,830
	24	1,830
Bank overdrafts		
Overdraft at bank	(184)	-
	(184)	-
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	949	2,330
Aberdeen Standard Liquidity Fund (Lux) - Ultra Short Duration Sterling Fund*	5,933	3,422
	6,882	5,752
Net Liquidity	6,722	7,582

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	124	138
Amounts payable to the ACD for cancellation of shares	36	594
Other accrued expenses	12	-
Purchases awaiting settlement	206	1,111
Total creditors	378	1,843

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	31,417	28,447	35,918	32,106
Collective investment schemes	44,303	12,187	39,359	12,387
Corporate actions	79	562	75	-
Trades in the year before transaction costs	75,799	41,196	75,352	44,493
Commissions				
Equities	19	46	(18)	(16)
Collective investment schemes	-	-	(1)	(1)
Total commissions	19	46	(19)	(17)
Taxes				
Equities	127	55	(2)	(1)
Total taxes	127	55	(2)	(1)
Total transaction costs	146	101	(21)	(18)
Total net trades in the year after transaction costs	75,945	41,297	75,331	44,475

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.06	0.04	0.05	0.04
Collective investment schemes	-	-	-	0.01
Taxes				
Equities	0.41	0.29	-	-

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.03	0.01
Taxes	0.09	0.04

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.16% (2019: 0.13%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	28,148,434	1,208,757	(2,461,981)	(117,474)	26,777,736
A Income shares	1,543,687	12,103	(61,310)	(16,102)	1,478,378
I Accumulation shares	15,184,487	2,118,623	(1,726,125)	21,104	15,598,089
I Income shares	7,667,952	257,636	(899,313)	27,203	7,053,478
M Accumulation shares	100	807	(401)	245,810	246,316
M Income shares	100	815	-	-	915

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	73,262	-	-	83,839	932	-
Collective Investment Schemes	-	65,281	-	-	62,906	-
Total investment assets	73,262	65,281	-	83,839	63,838	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Australian Dollar	-	445
Canadian Dollar	-	195
Euro	28	540
Hong Kong Dollar	-	591
Indian Rupee	-	435
Japanese Yen	2	830
Singapore Dollar	-	237
Swedish Krona	-	142
Swiss Franc	-	749
Thai Baht	-	173
US Dollar	3	4,909
Total	33	9,246

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £6,927,000 (2019: £7,384,000).

Sensitivity analysis

The sensitivity analysis of the fund's financial asset and liability positions is monitored by the Investment Manager using VaR analysis. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	2.00%	2.32%
Maximum VaR	4.09%	2.63%
Average VaR	2.77%	2.49%

VaR Table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	-	3.15%	-	0.84%	3.99%
31 July 2019	0.03%	1.37%	-	0.93%	2.33%

The ACD must calculate the global exposure of any fund it manages either as: 1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property. This is known as the Commitment Approach and is a measure of leverage or; 2) the market risk of the scheme property by way of the value at risk (VaR) approach. Although, the sensitivity analysis of the fund's financial asset and liability positions described above uses VaR analysis, the global exposure calculations for funds may be calculated on the Commitment Basis. The Prospectus provides further details on which method is used to calculate Global Exposure for each fund.

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £663,000 (2019: £1,930,000).

14. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 7.6% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.5762	-	0.5762	0.5799
Group 2	0.4181	0.1581	0.5762	0.5799
A Income shares				
Group 1	0.4790	-	0.4790	0.4851
Group 2	0.3781	0.1009	0.4790	0.4851
I Accumulation shares				
Group 1	1.3660	-	1.3660	1.5910
Group 2	0.8038	0.5622	1.3660	1.5910
I Income shares				
Group 1	0.6136	-	0.6136	0.7236
Group 2	0.4337	0.1799	0.6136	0.7236
M Accumulation shares				
Group 1	0.3750	-	0.3750	0.2200
Group 2	0.3350	0.0400	0.3750	0.2200
M Income shares				
Group 1	0.3551	-	0.3551	0.2200
Group 2	0.3351	0.0200	0.3551	0.2200

Final dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	1.6941	-	1.6941	1.2517
Group 2	1.1418	0.5523	1.6941	1.2517
A Income shares				
Group 1	1.4049	-	1.4049	1.0447
Group 2	0.7840	0.6209	1.4049	1.0447
I Accumulation shares				
Group 1	2.5607	-	2.5607	2.0534
Group 2	1.3194	1.2413	2.5607	2.0534
I Income shares				
Group 1	1.1458	-	1.1458	0.9288
Group 2	0.8345	0.3113	1.1458	0.9288
M Accumulation shares				
Group 1	0.9389	-	0.9389	0.9000
Group 2	0.9389	-	0.9389	0.9000
M Income shares				
Group 1	0.8971	-	0.8971	0.8900
Group 2	0.8971	-	0.8971	0.8900

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Sterling Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in Sterling-denominated bonds.

Performance target: To achieve the return of the iBoxx Sterling Overall Index plus 1% per annum (before charges).

The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 80% in Sterling denominated government, sub-sovereign and investment grade corporate bonds.
- The fund may also invest in bonds issued anywhere in the world by governments and corporations, such as sub-sovereigns, sub-investment grade, inflation-linked, convertible, asset backed and mortgage-backed bonds. The fund has some flexibility to seek returns from currencies.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.

Management process

- The management team use their discretion (active management) to identify bonds and derivatives after analysing companies prospects and creditworthiness alongside global economic and market conditions. They make flexible allocations using bonds and derivatives.
- In seeking to achieve the performance target, the iBoxx Sterling Overall Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 3.50%. Due to the fund's risk constraints the intention is that the fund's performance will not deviate significantly from that of the index over the long term.

Please Note: The fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and techniques

- The fund will make routine use of derivatives to reduce risk, to reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives can be used to generate growth, consistent with the fund's risk profile, if market prices are expected to rise ("long positions") or fall ("short positions"). These positions can be used in overseas markets.

- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI Sterling Bond Fund – A Accumulation Shares increased by 8.89% compared to an increase of 8.62% in the performance target, the iBoxx Sterling Overall Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

In the 12 months to the end of July, bond markets were driven by geopolitical uncertainty, local political turmoil and, subsequently, the effects of the coronavirus outbreak. Gilt and investment-grade bond prices were positive, as investors moved towards assets viewed as lower risk.

In the early part of the review period, collapsing government bond yields and fairly stable credit spreads in most higher-quality bond markets led to fixed-income markets overall generating some strong returns while showing little volatility. Although yields were already lower than many investors thought possible, deteriorating economic data and the threat of policy action caused a further collapse towards lows. However, while investment-grade credit, where the fund is focused, held in, riskier asset classes like high yield and emerging markets wobbled slightly as political and economic data provided some volatility-causing headlines. Bond yields rose in many government markets in the latter part of 2019, but corporate bonds continued to perform well as risk appetite remained healthy.

Gilt markets showed little reaction to December's UK general election, entering 2020 constructively with investment-grade spreads materially tighter. High yield and emerging markets were also strong. This more positive environment for risk assets came about as global economic data appeared to be picking up modestly and a 'phase-one' trade deal between the US and China was agreed.

However, Brexit soon left the spotlight as the coronavirus evolved into a global pandemic. The virus' spread and the sharp increase in cases and fatalities then led to a succession of lockdowns across the globe, which more or less halted domestic economic activity. Those sectors most affected by lockdowns and trade flows performed badly, with hotels, retail, airlines and leisure being among the worst hit. The UK quickly announced a record level of stimulus – totalling approximately £65.5 billion – with the latest £30 billion 'jobs package' being announced in July. The Bank of England (BoE) also made two rate cuts in March, bringing interest rates down to 0.1%, and ratcheted up its bond-buying programme.

The general macro environment was thus supportive of gilt prices. Yields plummeted, with the 10-year gilt seeing its yield almost touching 0.10% at the end of the period compared to about 0.55%

at the beginning. Front-dated yields also turned negative as the BoE suggested negative rates could be part of the monetary policy toolkit (it was previously thought that the effective lower bound in the UK was 0.10%). Net gilt supply remained negative as the BoE continued its aggressive quantitative-easing programme, despite record levels of issuance. Although the central bank began to taper down its speed of bond purchases beginning in June, the era of central bank largesse endures. Still, there are certainly outstanding risks in significant areas of the economy, and credit rating agencies have been taking action. Nonetheless, buyers are continuing to demand fixed-income assets, forcing yields lower and spreads tighter.

Portfolio Activity

In the government bond portfolio, the fund continued to hold an overweight duration bias over the 12-month period. Up until February, the global economic backdrop was characterised by subdued growth and low inflation amid geopolitical uncertainty. Since February, the COVID-19 pandemic dominated markets. Markets became dysfunctional in March, then central banks rode to the rescue with rate cuts and a return to quantitative easing.

As a result, the duration positioning added to the outperformance of the fund. We added a long-dated UK position to the fund when the gilt market became dysfunctional in the belief that the BoE would have to step in. Gilt yields plummeted when the BoE announced a large quantitative-easing package and our position paid off. The fund ended the period duration neutral.

Up until the COVID-19 pandemic, the fund held numerous UK short positions – we periodically added to these when we felt Brexit fears had been exaggerated or political tensions had become elevated. We held these positions throughout the UK general election period. Following the Conservative Party win, we switched from short to long on a cross-market basis. We felt the market had priced in an unrealistic hope that Boris Johnson would use his parliamentary majority to soften his stance on Brexit, and we opposed this view. This position was successful throughout January as the interest rate-cuts were priced in. In June, the fund re-established short UK positions, as we disagree with market expectations that the BoE will pursue negative interest rates. Additionally, gilts should underperform as the BoE slows gilt purchases.

The fund held a bias for a steeper UK yield curve, as we foresee greater gilt issuance on the back of an expansionary fiscal policy from the Conservative government, and latterly the fiscal response to the COVID-19 pandemic. In periods of limited gilt issuance, we reduced and closed the positions – such as throughout December and January. We re-established a position in April and May on the weight of supply in the long end of the UK curve, closing the position in June.

Outside of the UK, the fund held positions in Australia, Canada, the US, Germany and France. We held relative-value positions in Germany versus Sweden and France, and the US versus Canada and Australia. The fund also held curve positions in the US, Germany and Australia.

In inflation, we took positions in US 10-year and 30-year breakevens. Throughout the period, the fund held numerous relative-value strategies, which have worked well with the increase in gilt issuance and the offsetting quantitative-easing programme.

The fund's exposure to credit was focused on the lower-quality areas of the market and the financial sectors relative to non-financials. Both factors have been material drivers of performance over the period, with positioning in financials being especially beneficial. Overweight positions in sectors such as banks and utilities, which performed well, were particularly helpful. Meanwhile, underweight positions in sectors such as transportation and autos also boosted performance, especially during the height of the COVID-19 crisis.

The strong market performance was driven by falling government bond yields and a material recovery in the level of credit spreads after the COVID-19-driven volatility seen in March 2020. Although corporate bond risk premiums (spreads) are still wider than they were in July 2019 – reflecting the poorer economic backdrop – the recovery in the last three months has been remarkable. The fund performed well due to successful asset allocation and strong stock selection.

Portfolio Outlook and Strategy

Over the next 6 to 12 months, focus will be on how the global, and specifically the UK, economies recover from the COVID-19 pandemic. As the economy continues to reopen and the UK furlough scheme ends, the full picture will be revealed. Bubbling away in the background is Brexit. The market expectation is that the UK will come to a deal at some point before year-end, though the details and its impact are another story. In a global context, the US presidential election in November will keep markets busy.

Credit markets have performed well of late and are approaching fair value and levels seen at the end of 2019. Some of the higher-risk areas of the markets still offer value, but the economic environment means that stock selection will be crucial over the coming period. Although there appears to be ongoing support for bonds across most markets, we are happy to pare back risk, especially in the most fully valued areas.

Euro IG and Aggregate Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 4 because of the extent to which the following risk factors apply:

- The fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	167.29	155.92	155.63
Return before operating charges*	15.63	13.10	2.05
Operating charges	(1.84)	(1.73)	(1.76)
Return after operating charges*	13.79	11.37	0.29
Distributions	(0.82)	(1.15)	(1.09)
Retained distributions on accumulation shares	0.82	1.15	1.09
Closing net asset value per share	181.08	167.29	155.92
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	8.24%	7.29%	0.19%
Other information			
Closing net asset value (£'000)	5,639	5,407	6,386
Closing number of shares	3,113,815	3,232,325	4,095,511
Operating charges	1.06%	1.09%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	185.0	167.4	159.0
Lowest share price	161.8	151.8	152.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	126.93	119.15	119.77
Return before operating charges*	11.84	9.97	1.57
Operating charges	(1.39)	(1.31)	(1.35)
Return after operating charges*	10.45	8.66	0.22
Distributions	(0.62)	(0.88)	(0.84)
Closing net asset value per share	136.76	126.93	119.15
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	8.23%	7.27%	0.18%
Other information			
Closing net asset value (£'000)	1,946	2,403	3,000
Closing number of shares	1,422,523	1,893,300	2,517,484
Operating charges	1.06%	1.09%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	140.1	127.5	122.4
Lowest share price	122.4	116.0	116.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	132.36	122.79	121.95
Return before operating charges*	12.42	10.34	1.61
Operating charges	(0.86)	(0.77)	(0.77)
Return after operating charges*	11.56	9.57	0.84
Distributions	(1.27)	(1.49)	(1.47)
Retained distributions on accumulation shares	1.27	1.49	1.47
Closing net asset value per share	143.92	132.36	122.79
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	8.73%	7.79%	0.69%
Other information			
Closing net asset value (£'000)	21,308	989	955
Closing number of shares	14,805,852	747,175	777,831
Operating charges	0.61%	0.61%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price	146.8	132.4	124.7
Lowest share price	128.4	119.7	119.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	121.61	114.14	114.74
Return before operating charges*	11.36	9.56	1.51
Operating charges	(0.77)	(0.71)	(0.73)
Return after operating charges*	10.59	8.85	0.78
Distributions	(1.16)	(1.38)	(1.38)
Closing net asset value per share	131.04	121.61	114.14
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	8.71%	7.75%	0.68%
Other information			
Closing net asset value (£'000)	90	62	57
Closing number of shares	68,674	50,657	50,422
Operating charges	0.61%	0.61%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price	134.2	122.4	117.3
Lowest share price	117.4	111.2	111.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Accumulation shares ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	106.88	105.99
Return before operating charges*	2.73	1.40
Operating charges	(0.31)	(0.51)
Return after operating charges*	2.42	0.89
Distributions	(0.70)	(1.44)
Retained distributions on accumulation shares	0.70	1.44
Redemption value as at 11 March 2019	(109.30)	-
Closing net asset value per share	-	106.88
* after direct transaction costs of:	-	-
Performance		
Return after charges	2.26%	0.84%
Other information		
Closing net asset value (£'000)	-	4,173
Closing number of shares	-	3,904,515
Operating charges	0.48%	0.48%
Direct transaction costs	-	-
Prices		
Highest share price	109.3	108.4
Lowest share price	104.9	103.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A K Accumulation share class closed on 11 March 2019.

L Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	105.57	97.84	97.07
Return before operating charges*	9.89	8.24	1.29
Operating charges	(0.56)	(0.51)	(0.52)
Return after operating charges*	9.33	7.73	0.77
Distributions	(1.12)	(1.29)	(1.26)
Retained distributions on accumulation shares	1.12	1.29	1.26
Closing net asset value per share	114.90	105.57	97.84
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	8.84%	7.90%	0.79%
Other information			
Closing net asset value (£'000)	776	974	950
Closing number of shares	675,057	922,392	970,800
Operating charges	0.51%	0.51%	0.53%
Direct transaction costs	-	-	-
Prices			
Highest share price	117.2	105.6	99.24
Lowest share price	102.4	95.35	95.16

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

L Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	101.24	95.02	95.51
Return before operating charges*	9.46	7.96	1.26
Operating charges	(0.54)	(0.49)	(0.51)
Return after operating charges*	8.92	7.47	0.75
Distributions	(1.07)	(1.25)	(1.24)
Closing net asset value per share	109.09	101.24	95.02
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	8.81%	7.86%	0.79%
Other information			
Closing net asset value (£'000)	20	19	18
Closing number of shares	18,495	18,495	19,600
Operating charges	0.51%	0.51%	0.53%
Direct transaction costs	-	-	-
Prices			
Highest share price	111.8	101.9	97.64
Lowest share price	97.73	92.60	92.97

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	110.27	100.00 ^B
Return before operating charges*	10.90	10.73
Operating charges	(0.77)	(0.46)
Return after operating charges*	10.13	10.27
Distributions	(1.11)	(1.81)
Retained distributions on accumulation shares	1.11	1.81
Closing net asset value per share	120.40	110.27
* after direct transaction costs of:	-	-
Performance		
Return after charges	9.19%	10.27%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	902	100
Operating charges	0.66%	0.66%
Direct transaction costs	-	-
Prices		
Highest share price	122.7	110.3
Lowest share price	107.3	99.74

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 28 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	108.42	100.00 ^B
Return before operating charges*	10.67	10.68
Operating charges	(0.75)	(0.46)
Return after operating charges*	9.92	10.22
Distributions	(1.10)	(1.80)
Closing net asset value per share	117.24	108.42
* after direct transaction costs of:	-	-
Performance		
Return after charges	9.15%	10.22%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	915	100
Operating charges	0.66%	0.66%
Direct transaction costs	-	-
Prices		
Highest share price	120.1	109.7
Lowest share price	105.0	99.74

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 28 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	190.19	175.56	173.49
Return before operating charges*	17.86	14.83	2.30
Operating charges	(0.22)	(0.20)	(0.23)
Return after operating charges*	17.64	14.63	2.07
Distributions	(2.82)	(3.03)	(2.97)
Retained distributions on accumulation shares	2.82	3.03	2.97
Closing net asset value per share	207.83	190.19	175.56
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	9.27%	8.33%	1.19%
Other information			
Closing net asset value (£'000)	137,109	138,273	134,620
Closing number of shares	65,972,451	72,703,533	76,682,248
Operating charges	0.11%	0.11%	0.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	211.6	190.2	177.5
Lowest share price	185.0	171.2	170.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (96.90%)		158,346	94.88
Euro Denominated Bonds (2.58%)		1,253	0.75
Corporate Bonds (0.47%)		1,253	0.75
between 5 and 10 years to maturity			
100,000	American Tower 1.95% 2026	97	0.06
500,000	International Consolidated Airlines 1.5% 2027*	319	0.19
between 15 and 25 years to maturity			
130,000	Anheuser-Busch InBev 2.75% 2036	137	0.08
greater than 25 years to maturity			
270,000	Channel Link Enterprises Finance FRN 2050	250	0.15
Perpetual			
200,000	Telefonica 3.875% Perpetual	183	0.11
300,000	Volkswagen International 3.5% fixed to floating Perpetual	267	0.16
Government Bonds (2.11%)		-	-
Sterling Denominated Bonds (92.49%)		47,359	28.38
Corporate Bonds (26.88%)		47,359	28.38
less than 5 years to maturity			
200,000	ABN Amro 1.375% 2025	204	0.12
100,000	AIG 5% 2023	110	0.07
100,000	Banco Santander 1.375% 2024	101	0.06
300,000	Bank of America 2.3% 2025	319	0.19
350,000	Barclays 2.375% 2023	357	0.21
350,000	Barclays 10% 2021	374	0.22
500,000	BP 2.03% 2025	527	0.32
200,000	British American Tobacco 7.25% 2024	243	0.15
100,000	BUPA 2% 2024	103	0.06
305,000	Commonwealth Bank of Australia 1.125% 2021	308	0.18
300,000	Deutsche Bank 2.625% 2024	305	0.18
700,000	Dwr Cymru Financing 6.907% 2021	727	0.44
350,000	Enel 5.625% 2024	418	0.25
100,000	FirstGroup 8.75% 2021	102	0.06
200,000	General Motors Financial 2.25% 2024	195	0.12
400,000	Heathrow Finance 5.75% 2025	415	0.25
100,000	Heathrow Funding 7.125% 2024	113	0.07

			Market Value £'000	Percentage of total net assets
Holding	Investment			
400,000	HSBC 2.175% 2023		405	0.24
100,000	Intu (SGS) Finance 4.125% 2023		52	0.03
1,553,000	KFW 1.25% 2023		1,612	0.97
341,000	Lloyds Bank 7.625% 2025		429	0.26
100,000	MPT Operating Partnership 2.55% 2023		100	0.06
200,000	NatWest 6.5% 2021		210	0.13
300,000	New York Life Global Funding 1.75% 2022		308	0.18
300,000	Scentre 2.375% 2022		302	0.18
100,000	Scottish Widows 5.5% 2023		109	0.07
243,000	Severn Trent 1.625% 2022		249	0.15
210,000	SGSP Australia Assets 5.125% 2021		215	0.13
200,000	Southern Gas Networks 2.5% 2025		214	0.13
400,000	Southern Water 5% 2021		410	0.25
170,000	Total Capital International 1.25% 2024		176	0.11
100,000	Volkswagen Financial Services 1.875% 2021		101	0.06
100,000	Volkswagen Financial Services 2.125% 2024		102	0.06
123,000	Volkswagen Financial Services 2.25% 2025		127	0.08
200,000	Westpac Banking 1% 2022		202	0.12
between 5 and 10 years to maturity				
100,000	Abertis Infraestructuras 3.375% 2026		106	0.06
60,000	America Movil 5.75% 2030		81	0.05
100,000	Assura Financing 3% 2028		111	0.07
276,000	Barclays 3% 2026		294	0.18
200,000	Barclays 3.25% 2027		217	0.13
173,000	BAT International Finance 2.25% 2028		175	0.10
1,019,000	BNG Bank 1.625% 2025		1,088	0.65
100,000	BP 2.274% 2026		108	0.06
100,000	BP Capital Markets 1.827% 2025		105	0.06
218,000	British American Tobacco 4% 2026		246	0.15
123,000	British Land 2.375% 2029		126	0.08
100,000	BUPA Finance 5% 2026		113	0.07
915,000	Canary Wharf Finance 6.455% 2033		214	0.13
152,000	Citigroup 1.75% 2026		156	0.09
287,000	Citigroup 5.15% 2026		349	0.21
71,000	Comcast 5.5% 2029		99	0.06
170,000	CPUK 3.69% 2028		173	0.10
135,000	Credit Suisse 2.25% fixed to floating 2028		138	0.08
200,000	Credit Suisse FRN 2025		206	0.12
100,000	CRH 4.125% 2029		121	0.07
120,000	CYBG 5% 2026		116	0.07

Holding	Investment	Market Value £'000	Percentage of total net assets
268,000	Danske Bank 2.25% fixed to floating 2028	272	0.16
200,000	Fidelity National Information Services 2.25% 2029	213	0.13
215,000	Gatwick 6.125% 2026	255	0.15
150,000	Grainger 3% 2030	155	0.09
69,000	Hammerson 6% fixed to floating 2026	68	0.04
304,000	Hammerson 7.25% 2028	313	0.19
335,000	HSBC 2.256% 2026	343	0.21
420,000	Kraft Heinz Foods 4.125% 2027	451	0.27
173,000	Lloyds Banking 1.875% fixed to floating 2026	175	0.11
285,000	London & Quadrant Housing Trust 2.625% 2028	308	0.18
300,000	Motability Operations 4.375% 2027	366	0.22
103,000	MPT Operating Partnership 3.692% 2028	103	0.06
118,000	National Express 2.375% 2028	115	0.07
200,000	National Grid 1.375% 2026	208	0.12
500,000	National Grid 4% 2027	599	0.36
224,000	National Grid Electricity Transmission 1.125% 2028	228	0.14
180,000	NatWest 2.875% 2026	190	0.11
214,000	NewRiver REIT 3.5% 2028	190	0.11
200,000	NIE Finance 6.375% 2026	261	0.16
450,000	Northumbrian Water 1.625% 2026	468	0.28
241,000	Paragon FRN 2026	241	0.14
100,000	Phoenix 6.625% 2025	118	0.07
251,000	Quadgas Finance 3.375% 2029	267	0.16
240,000	Rabobank 4.625% 2029	293	0.18
100,000	Saint-Gobain 4.625% 2029	125	0.08
100,000	Scentre Management 3.875% 2026	108	0.06
320,000	Smith (DS) 2.875% 2029	326	0.20
160,000	Stagecoach Group 4% 2025	160	0.10
200,000	Total Capital 1.66% 2026	211	0.13
140,000	Trafford Centre 7.03% 2029	79	0.05
167,000	Unite Group 3.5% 2028	174	0.10
120,000	Vicinity Centres 3.375% 2026	126	0.08
200,000	Virgin Media 5% 2027	208	0.12
200,000	Virgin Money 3.375 Fixed to Floating 2026	198	0.12
200,000	Virgin Money 4% fixed to floating 2027	203	0.12
362,000	Welltower 4.8% 2028	421	0.25
200,000	Wessex Water Services Finance 1.5% 2029	205	0.12
100,000	Western Power 5.875% 2027	130	0.08
157,000	Westfield Stratford City Finance 1.642% 2026	159	0.10
100,000	Wm Morrison Supermarkets 4.75% 2029	126	0.08
180,000	Yorkshire Building Society 3.5% 2026	202	0.12

			Market Value £'000	Percentage of total net assets
	Holding	Investment		
between 10 and 15 years to maturity				
	134,000	APT Pipelines 3.125% 2031	149	0.09
	368,000	Barclays 3.75% 3.75% fixed to floating 2030	381	0.23
	200,000	Broadgate Financing 5.098% 2035	222	0.13
	518,000	Digital Stout 3.75% 2030	617	0.37
	400,000	EDF 5.875% fixed to floating 2031	567	0.34
	100,000	Experian 3.25% 2032	119	0.07
	224,000	Fiserv 3% 2031	254	0.15
	300,000	Great Rolling Stock 6.5% 2031	316	0.19
	54,000	Greene King FRN 2033	36	0.02
	129,000	National Grid Electricity Transmission 2.75% 2035	153	0.09
	125,000	NatWest 3.622% fixed to floating 2030	131	0.08
	100,000	Northern Electric Finance 5.125% 2035	146	0.09
	250,000	Northern Powergrid Yorkshire 4.375% 2032	329	0.20
	100,000	Orange 3.25% 2032	119	0.07
	160,000	Premiertel 6.175% 2032	173	0.10
	120,000	Scotland Gas Networks 4.875% 2034	172	0.10
	150,000	Segro 5.75% 2035	229	0.14
	100,000	SP Transimission 2% 2031	108	0.06
	120,000	Standard Chartered 5.125% 2034	139	0.08
	100,000	Thames Water Utilities Cayman 2.625% 2032	110	0.07
	50,000	Time Warner Cable 5.75% 2031	64	0.04
	100,000	Total Capital International 1.405% 2031	105	0.06
	291,000	Tritax Big Box REIT 3.125% 2031	326	0.20
	100,000	Verizon Communications 2.5% 2031	113	0.07
	220,000	Wal-Mart 5.625% 2034	348	0.21
	240,000	Wm Morrison Supermarkets 2.5% 2031	258	0.15
between 15 and 25 years to maturity				
	200,000	America Movil 4.375% 2041	271	0.16
	305,000	Anheuser-Busch InBev 2.85% 2037	335	0.20
	200,000	Aspire Defence 4.674% 2040 'A'	244	0.15
	200,000	Aspire Defence 4.674% 2040 'B'	244	0.15
	100,000	Aster Treasury 4.5% 2043	153	0.09
	150,000	AT&T 7% 2040	252	0.15
	100,000	Berkshire Hathaway Finance 2.375% 2039	116	0.07
	100,000	BG Energy Capital 5% 2036	151	0.09
	100,000	BHP Billiton 4.3% 2042	150	0.09
	250,000	Cadent Finance 2.625% 2038	283	0.17
	150,000	Circle Anglia 7.25% 2038	281	0.17
	70,000	Citigroup 7.375% 2039	130	0.08
	100,000	Comcast 1.875% 2036	105	0.06

		Market Value £'000	Percentage of total net assets
Holding	Investment		
135,000	Connect Plus 2.607% 2039	148	0.09
250,000	E.ON Finance 6.75% 2039	438	0.26
100,000	Eastern Power Networks 6.25% 2036	167	0.10
100,000	EDF 5.5% 2041	152	0.09
150,000	Enel 5.75% 2037	228	0.14
100,000	Eversholt 3.529% 2042	112	0.07
210,000	Eversholt Funding 2.742% 2040	219	0.13
120,000	General Electric 5.375% 2040	141	0.08
150,000	GlaxoSmithKline 5.25% 2042	251	0.15
150,000	HSBC 6% 2040	194	0.12
250,000	innogy Finance 6.125% 2039	416	0.25
100,000	LiveWest Treasury 2.25% 2043	111	0.07
190,000	Morhomes 3.4% 2038	221	0.13
200,000	Orbit Capital 3.5% 2045	253	0.15
100,000	Orsted 5.75% 2040	172	0.10
112,000	QBE Insurance 6.115% 2042	118	0.07
100,000	Severn Trent 4.875% 2042	160	0.10
200,000	Southern Electric 4.625% 2037	285	0.17
100,000	Southern Gas Networks 3.1% 2036	122	0.07
243,000	Southern Water Services Finance 3% 2037	256	0.15
100,000	TC Dudgeon Ofco 3.158% 2038	114	0.07
100,000	Tesco 5.6611% 2041	134	0.08
300,000	Tesco 5.8006% 2040	400	0.24
160,000	Tesco 7.6227% 2039	206	0.12
200,000	Thames Water 5.125% 2037	291	0.17
220,000	Transport for London 3.875% 2042	317	0.19
176,000	United Utilities Water Finance 1.875% 2042	187	0.11
200,000	UPP Bond 1 Issuer 4.9023% 2040	222	0.13
100,000	Wells Fargo 4.875% 2035	129	0.08
100,000	Western Power 5.75% 2040 'A'	166	0.10
100,000	Western Power 5.75% 2040 'B'	166	0.10
greater than 25 years to maturity			
100,000	American International FRN 2067	85	0.05
240,000	Annington Funding 3.935% 2047	307	0.18
100,000	Aviva 4% fixed to floating 2055	105	0.06
200,000	Aviva 5.125% 2050	231	0.14
200,000	Berkshire Hathaway Finance 2.625% 2059	253	0.15
100,000	Blend Funding 3.459% 2047	131	0.08
100,000	Cadent Finance 2.75% 2046	117	0.07
100,000	Channel Link 3.043% 2050	103	0.06
100,000	EDF 5.125% 2050	157	0.09

			Market Value £'000	Percentage of total net assets
Holding	Investment			
100,000	EDF 6% 2114		178	0.11
100,000	Engie 5% 2060		195	0.12
200,000	Gatwick 2.625% 2046		183	0.11
190,000	Income Contingent Student Loans 2 2007-2009 2.5% 2058		167	0.10
70,000	LCR Finance 5.1% 2051		147	0.09
100,000	Notting Hill Housing Trust 3.25% 2048		120	0.07
200,000	Notting Hill Housing Trust 4.375% 2054		297	0.18
100,000	Orange 5.375% 2050		176	0.11
100,000	Paragon 3.625% 2047		127	0.08
100,000	Paragon FRN 2050		87	0.05
100,000	Peabody Capital 3.25% 2048		128	0.08
250,000	Precise Mortgage Funding 2018-2B FRN 2055		144	0.09
100,000	Prudential 5% 2055		111	0.07
139,000	Prudential 5.625% 2051		159	0.10
290,000	Reseau Ferre de France 4.83% 2060		576	0.34
102,000	RSA Insurance FRN 2045		114	0.07
400,000	SSE 3.625% 2077		406	0.24
100,000	University of Oxford 2.544% 2117		155	0.09
100,000	Vodafone 3% 2056		114	0.07
100,000	Wellcome Trust 2.517% 2118		159	0.10
100,000	WM Treasury 2 3.25% 2048		132	0.08
100,000	Wrekin Housing 2.5% 2048		119	0.07
Perpetual				
690,000	Aviva 6.125% fixed to floating Perpetual		749	0.45
200,000	AXA 5.453% fixed to floating Perpetual		225	0.13
200,000	AXA 6.6862% fixed to floating Perpetual		239	0.14
401,000	Barclays 6.375% fixed to floating Perpetual		388	0.23
244,000	BP Capital Markets 4.25% fixed to floating Perpetual		252	0.15
50,000	Dignity 4.6956% Perpetual		39	0.02
200,000	EDF 6% Perpetual		216	0.13
200,000	HBOS 7.881% fixed to floating Perpetual		307	0.18
200,000	HSBC 5.875% fixed to floating Perpetual		196	0.12
198,000	SSE 3.74% fixed to floating Perpetual		204	0.12
200,000	Zurich FRN Perpetual		219	0.13
Government Bonds (65.61%)			99,689	59.73
less than 5 years to maturity				
236,000	International Bank for Reconstruction & Development 0.5% 2023		239	0.14
932,076	UK (Govt of) 0.5% 2022		943	0.57
2,124,000	UK (Govt of) 0.75% 2023		2,180	1.31

			Market Value £'000	Percentage of total net assets
Holding	Investment			
1,765,000	UK (Govt of) 1% 2024		1,841	1.10
2,265,000	UK (Govt of) 1.75% 2022		2,353	1.41
3,060,033	UK (Govt of) 2.25% 2023		3,285	1.97
2,570,622	UK (Govt of) 2.75% 2024		2,876	1.72
1,524,847	UK (Govt of) 3.75% 2021		1,588	0.95
2,688,000	UK (Govt of) 5% 2025		3,325	1.99
between 5 and 10 years to maturity				
365,000	PRS Finance 2% 2029		403	0.24
282,606	UK (Govt of) 0.875% 2029		304	0.18
5,995,000	UK (Govt of) 1.25% 2027		6,543	3.92
2,918,441	UK (Govt of) 1.625% 2028		3,313	1.99
2,259,000	UK (Govt of) 4.25% 2027		2,974	1.78
between 10 and 15 years to maturity				
795,000	UK (Govt of) 0.375% 2030		814	0.49
1,814,000	UK (Govt of) 4.25% 2032		2,671	1.60
2,537,000	UK (Govt of) 4.5% 2034		3,996	2.39
4,145,066	UK (Govt of) 4.75% 2030		6,133	3.68
between 15 and 25 years to maturity				
348,000	UK (Govt of) 1.25% 2041		394	0.24
1,875,000	UK (Govt of) 1.75% 2037		2,261	1.35
1,940,000	UK (Govt of) 3.25% 2044		3,060	1.83
2,204,000	UK (Govt of) 3.5% 2045		3,651	2.19
2,080,922	UK (Govt of) 4.25% 2036		3,288	1.97
1,530,000	UK (Govt of) 4.25% 2039		2,571	1.54
1,670,000	UK (Govt of) 4.25% 2040		2,861	1.71
1,966,593	UK (Govt of) 4.5% 2042		3,584	2.15
2,114,000	UK (Govt of) 4.75% 2038		3,701	2.22
greater than 25 years to maturity				
150,000	European Investment Bank 4.625% fixed to floating 2054		313	0.19
782,000	UK (Govt of) 0.5% 2061		768	0.46
238,000	UK (Govt of) 0.625% 2050		238	0.14
2,629,531	UK (Govt of) 1.5% 2047		3,208	1.92
4,218,957	UK (Govt of) 1.625% 2054		5,550	3.33
947,000	UK (Govt of) 1.625% 2071		1,445	0.87
542,000	UK (Govt of) 1.75% 2049		703	0.42
733,000	UK (Govt of) 1.75% 2057		1,020	0.61
1,305,732	UK (Govt of) 2.5% 2065		2,321	1.39
1,406,412	UK (Govt of) 3.5% 2068		3,167	1.90

Holding	Investment	Market Value £'000	Percentage of total net assets
1,738,000	UK (Govt of) 4% 2060	3,860	2.31
213,000	UK (Govt of) 4.25% 2046	401	0.24
905,000	UK (Govt of) 4.25% 2049	1,791	1.07
1,728,000	UK (Govt of) 4.25% 2055	3,752	2.25
Swedish Krona Denominated Bonds (0.00%)		5,779	3.47
Government Bonds (0.00%)		5,779	3.47
between 5 and 10 years to maturity			
61,535,000	Sweden (Kingdom of) 0.75% 2029	5,779	3.47
US Dollar Denominated Bonds (1.83%)		4,266	2.55
Corporate Bonds (0.32%)		1,095	0.65
less than 5 years to maturity			
200,000	UBS 2.45% 2020	153	0.09
between 10 and 15 years to maturity			
452,000	AT&T 2.75% 2031	369	0.22
162,000	Charter Communications Operating 2.8% 2031	130	0.08
238,000	Dresdner Funding Trust I 8.151% 2031	253	0.15
greater than 25 years to maturity			
211,000	BHP Billiton Finance FRN 2075	190	0.11
Government Bonds (1.51%)		3,171	1.90
between 5 and 10 years to maturity			
2,703,000	US Treasury 0.125% Index-Linked 2030	2,275	1.36
greater than 25 years to maturity			
401,000	US Treasury 1% Index-Linked 2048	450	0.27
404,000	US Treasury 1% Index-Linked 2049	446	0.27
Collective Investment Schemes (2.23%)		-	-
Derivatives (-0.28%)		22	0.01
Forward Currency Contracts (-0.25%)		142	0.08
Buy AUD 136,000 Sell GBP 75,182 10/09/2020		(1)	-
Buy AUD 209,000 Sell GBP 113,900 10/09/2020		-	-
Buy AUD 379,000 Sell GBP 210,373 10/09/2020		(3)	-

Holding	Investment	Market Value £'000	Percentage of total net assets
	Buy EUR 56,000 Sell GBP 50,668 10/09/2020	-	-
	Buy EUR 61,000 Sell GBP 55,736 10/09/2020	(1)	-
	Buy EUR 64,000 Sell GBP 58,296 10/09/2020	(1)	-
	Buy EUR 84,000 Sell GBP 75,080 10/09/2020	1	-
	Buy EUR 185,000 Sell GBP 165,228 10/09/2020	2	-
	Buy EUR 195,000 Sell GBP 177,143 10/09/2020	(1)	-
	Buy EUR 372,000 Sell GBP 332,250 10/09/2020	3	-
	Buy GBP 70,390 Sell AUD 127,000 10/09/2020	1	-
	Buy GBP 70,871 Sell AUD 129,000 10/09/2020	-	-
	Buy GBP 83,605 Sell AUD 152,000 10/09/2020	1	-
	Buy GBP 87,367 Sell AUD 157,000 10/09/2020	2	-
	Buy GBP 208,359 Sell AUD 378,000 10/09/2020	2	-
	Buy GBP 244,705 Sell AUD 447,000 10/09/2020	-	-
	Buy GBP 57,611 Sell CAD 98,000 10/09/2020	2	-
	Buy GBP 269,857 Sell CAD 458,000 10/09/2020	9	-
	Buy GBP 72,949 Sell EUR 81,000 10/09/2020	-	-
	Buy GBP 254,943 Sell EUR 286,000 10/09/2020	(3)	-
	Buy GBP 269,350 Sell EUR 300,000 10/09/2020	(1)	-
	Buy GBP 336,668 Sell EUR 375,000 10/09/2020	(2)	-
	Buy GBP 1,236,245 Sell EUR 1,377,000 10/09/2020	(5)	-
	Buy GBP 5,640,011 Sell SEK 65,487,000 10/09/2020	(68)	(0.04)
	Buy GBP 98,370 Sell USD 125,000 10/09/2020	3	-
	Buy GBP 115,474 Sell USD 145,000 10/09/2020	5	-
	Buy GBP 119,305 Sell USD 157,000 10/09/2020	-	-
	Buy GBP 147,668 Sell USD 185,000 10/09/2020	7	-
	Buy GBP 151,449 Sell USD 191,000 10/09/2020	6	-
	Buy GBP 170,316 Sell USD 221,000 10/09/2020	2	-
	Buy GBP 216,175 Sell USD 269,000 10/09/2020	11	0.01
	Buy GBP 903,024 Sell USD 1,174,000 10/09/2020	9	0.01
	Buy GBP 1,340,195 Sell USD 1,683,000 10/09/2020	58	0.03
	Buy GBP 4,597,913 Sell USD 5,774,000 10/09/2020	200	0.12
	Buy USD 77,000 Sell GBP 60,585 10/09/2020	(2)	-
	Buy USD 156,000 Sell GBP 126,062 10/09/2020	(7)	-
	Buy USD 184,000 Sell GBP 142,355 10/09/2020	(2)	-
	Buy USD 551,000 Sell GBP 439,799 10/09/2020	(20)	(0.01)
	Buy USD 2,826,000 Sell GBP 2,217,959 10/09/2020	(65)	(0.04)
Futures (-0.03%)		(120)	(0.07)
165	Long Australia 10 Year Bond Future 15/09/2020	101	0.06
74	Long Canadian 10 Year Bond Future 21/09/2020	59	0.03
269	Long US 5 Year Note Future 30/09/2020	135	0.08

Holding	Investment	Market Value £'000	Percentage of total net assets
(41)	Short Euro-Oat Future 08/09/2020	(23)	(0.01)
(102)	Short Long Gilt Future 28/09/2020	(133)	(0.08)
(156)	Short US 10 Year Ultra Future 21/09/2020	(253)	(0.15)
(7)	Short US Ultra Bond (CBT) Future 21/09/2020	(6)	-
Total investment assets and liabilities		158,368	94.89
Net other assets		8,522	5.11
Total Net Assets		166,890	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

* A portion of this security is on loan at year end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	11,460	9,128
Revenue	2	2,326	2,638
Expenses	3	(270)	(260)
Interest payable and similar charges		(3)	(2)
Net revenue before taxation		2,053	2,376
Taxation	4	-	-
Net revenue after taxation		2,053	2,376
Total return before distributions		13,513	11,504
Distributions	5	(2,053)	(2,376)
Change in net assets attributable to shareholders from investment activities		11,460	9,128

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	148,127	150,159
Amounts receivable on the issue of shares	34,889	6,274
Amounts payable on the cancellation of shares	(29,759)	(19,730)
	5,130	(13,456)
Dilution adjustment	93	-
Change in net assets attributable to shareholders from investment activities (see above)	11,460	9,128
Retained distribution on accumulation shares	2,080	2,296
Closing net assets attributable to shareholders	166,890	148,127

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		158,965	147,092
Current assets:			
Debtors	6	1,564	14,209
Cash and bank balances	7	8,113	764
		9,677	14,973
Total assets		168,642	162,065
Liabilities:			
Investment liabilities		(597)	(672)
Creditors	8	(1,150)	(13,256)
Distribution payable		(5)	(10)
		(1,155)	(13,266)
Total liabilities		(1,752)	(13,938)
Net assets attributable to shareholders		166,890	148,127

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	9,485	9,530
Derivative contracts	1,260	(111)
Forward currency contracts	467	(189)
Other gains/(losses)	248	(102)
Net capital gains	11,460	9,128

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	2	4
Income from Overseas Collective Investment Schemes		
Unfranked income	70	65
Interest on debt securities	2,253	2,566
Stocklending revenue	1	3
Total revenue	2,326	2,638

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	103	99
Operating, administrative and servicing fees	167	161
Total expenses	270	260

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total taxation (note 4b)	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	2,053	2,376
Corporation tax at 20% (2019: 20%)	411	475
Effects of:		
Distributions treated as tax deductible	(411)	(475)
Total tax charge for year (note 4a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	1,048	1,125
Final distribution	1,043	1,189
	2,091	2,314
Add: Income deducted on cancellation of shares	56	89
Deduct: Income received on issue of shares	(94)	(27)
Net distribution for the year	2,053	2,376

Details of the distribution per share are set out in this fund's distribution tables.

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	1,106	1,109
Amounts receivable from the ACD for the issue of shares	385	-
Sales awaiting settlement	73	13,100
Total debtors	1,564	14,209

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	6,636	699
Cash at broker	1,477	65
Net Liquidity	8,113	764

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	14	21
Amounts payable to the ACD for cancellation of shares	17	76
Other accrued expenses	15	-
Purchases awaiting settlement	1,104	13,159
Total creditors	1,150	13,256

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	275,128	325,271	268,746	276,921
Collective investment schemes	-	-	3,054	1,430
Corporate actions	-	-	-	92
Trades in the year before transaction costs	275,128	325,271	271,800	278,443
Total net trades in the year after transaction costs	275,128	325,271	271,800	278,443

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.37% (2019: 0.26%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Closing shares 2020
A Accumulation shares	3,232,325	117,182	(235,692)	3,113,815
A Income shares	1,893,300	1,201	(471,978)	1,422,523
I Accumulation shares	747,175	14,224,462	(165,785)	14,805,852
I Income shares	50,657	52,639	(34,622)	68,674
L Accumulation shares	922,392	27,623	(274,958)	675,057
L Income shares	18,495	-	-	18,495
M Accumulation shares	100	802	-	902
M Income shares	100	815	-	915
Z Accumulation shares	72,703,533	7,433,608	(14,164,690)	65,972,451

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	102,308	56,038	-	101,161	42,377	-
Collective Investment Schemes	-	-	-	-	3,297	-
Derivatives	295	324	-	-	257	-
Total investment assets	102,603	56,362	-	101,161	45,931	-
Fair value of investment liabilities						
Derivatives	(415)	(182)	-	(43)	(629)	-
Total investment liabilities	(415)	(182)	-	(43)	(629)	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Australian Dollar	134	-
Canadian Dollar	(126)	-
Euro	134	548
Swedish Krona	100	-
US Dollar	(116)	1,142
Total	126	1,690

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the year end consists of:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	8,357	145,718	12,689	166,764
Australian Dollar	397	-	(263)	134
Canadian Dollar	131	-	(257)	(126)
Euro	409	1,002	(1,277)	134
Swedish Krona	-	5,778	(5,678)	100
US Dollar	3,761	905	(4,782)	(116)
Total	13,055	153,403	432	166,890

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2019				
Currency				
UK Sterling	4,912	132,841	8,684	146,437
Euro	3,357	474	(3,283)	548
US Dollar	2,438	280	(1,576)	1,142
Total	10,707	133,595	3,825	148,127

Other price risk

Sensitivity analysis

The sensitivity analysis of the fund's financial asset and liability positions is monitored by the Investment Manager using VaR analysis. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	1.78%	1.05%
Maximum VaR	2.62%	2.58%
Average VaR	2.26%	1.52%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	0.03%	2.08%	-	0.21%	2.32%
31 July 2019	-0.08%	0.66%	-	0.69%	1.27%

The ACD must calculate the global exposure of any fund it manages either as: 1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property. This is known as the Commitment Approach and is a measure of leverage or; 2) the market risk of the scheme property by way of the value at risk (VaR) approach. Although, the sensitivity analysis of the fund's financial asset and liability positions described above uses VaR analysis, the global exposure calculations for funds may be calculated on the Commitment Basis. The Prospectus provides further details on which method is used to calculate Global Exposure for each fund.

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	141,361	84.71%
Below investment grade securities	2,427	1.44%
Unrated securities	14,558	8.73%
Total Value of Securities	158,346	94.88%

2019	Market value £'000	Percentage of total net assets %
Investment grade securities	138,074	93.21%
Below investment grade securities	2,102	1.42%
Unrated securities	3,362	2.27%
Total Value of Securities	143,538	96.90%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

2020	Swaps £'000	Options £'000	Futures £'000	Forward currency contracts £'000	Total £'000	Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by counterparty £'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	(120)	(133)	(253)	-	1,477	1,224
BNP Paribas	-	-	-	(1)	(1)	-	-	(1)
Citigroup	-	-	-	(7)	(7)	-	-	(7)
Credit Agricole	-	-	-	1	1	-	-	1
Deutsche Bank	-	-	-	17	17	-	-	17
Goldman Sachs	-	-	-	258	258	-	-	258
JP Morgan	-	-	-	7	7	-	-	7
Morgan Stanley	-	-	-	9	9	-	-	9
RBC Dominion Securities	-	-	-	2	2	-	-	2
Royal Bank of Canada	-	-	-	6	6	-	-	6
Standard Chartered	-	-	-	(18)	(18)	-	-	(18)
StateStreet	-	-	-	5	5	-	-	5
UBS	-	-	-	(4)	(4)	-	-	(4)
Total	-	-	(120)	142	22	-	1,477	1,499

2019	Swaps £'000	Options £'000	Futures £'000	Forward currency contracts £'000	Total £'000	Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by counterparty £'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	(43)	-	(43)	-	65	22
Barclays	-	-	-	4	4	-	-	4
BNP Paribas	-	-	-	(2)	(2)	-	-	(2)
Citigroup	-	-	-	89	89	-	-	89
Goldman Sachs	-	-	-	(2)	(2)	-	-	(2)
HSBC	-	-	-	(54)	(54)	-	-	(54)
Morgan Stanley	-	-	-	(7)	(7)	-	-	(7)
RBC Dominion Securities	-	-	-	(256)	(256)	-	-	(256)
StateStreet	-	-	-	(135)	(135)	-	-	(135)
UBS	-	-	-	(9)	(9)	-	-	(9)
Total	-	-	(43)	(372)	(415)	-	65	(350)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(597)	-	-	(597)
Non-derivatives					
Other creditors	-	(1,150)	-	-	(1,150)
Distribution payable	-	(5)	-	-	(5)
Total financial liabilities	-	(1,752)	-	-	(1,752)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(672)	-	-	(672)
Non-derivatives					
Other creditors	-	(13,256)	-	-	(13,256)
Distribution payable	-	(10)	-	-	(10)
Total financial liabilities	-	(13,938)	-	-	(13,938)

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £253,000 (2019: £Nil). 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 31 July 2020 is £273,000 (2019: £Nil).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Citigroup	253	-
Total securities on loan	253	-

Collateral held	2020 £'000	2019 £'000
Government Bond	273	-
Total collateral held	273	-

The gross earnings and fees paid for the year are £1,000 (2019: £4,000) and £0 (2019: £1,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has decreased by 2.1% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.4280	-	0.4280	0.5202
Group 2	0.3063	0.1217	0.4280	0.5202
A Income shares				
Group 1	0.3248	-	0.3248	0.3975
Group 2	0.2064	0.1184	0.3248	0.3975
I Accumulation shares				
Group 1	0.6426	-	0.6426	0.7083
Group 2	0.2416	0.4010	0.6426	0.7083
I Income shares				
Group 1	0.5909	-	0.5909	0.6578
Group 2	0.4774	0.1135	0.5909	0.6578
L Accumulation shares				
Group 1	0.5662	-	0.5662	0.6135
Group 2	0.5662	-	0.5662	0.6135
L Income shares				
Group 1	0.5413	-	0.5413	0.5966
Group 2	0.5413	-	0.5413	0.5966
M Accumulation shares				
Group 1	0.4935	-	0.4935	0.4900
Group 2	0.3135	0.1800	0.4935	0.4900
M Income shares				
Group 1	0.4992	-	0.4992	0.4900
Group 2	0.3092	0.1900	0.4992	0.4900
Z Accumulation shares				
Group 1	1.4101	-	1.4101	1.4550
Group 2	0.5755	0.8346	1.4101	1.4550

Final interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.3901	-	0.3901	0.6301
Group 2	0.1963	0.1938	0.3901	0.6301
A Income shares				
Group 1	0.2969	-	0.2969	0.4809
Group 2	0.0948	0.2021	0.2969	0.4809
I Accumulation shares				
Group 1	0.6264	-	0.6264	0.7835
Group 2	0.2284	0.3980	0.6264	0.7835
I Income shares				
Group 1	0.5729	-	0.5729	0.7240
Group 2	0.3657	0.2072	0.5729	0.7240
L Accumulation shares				
Group 1	0.5560	-	0.5560	0.6752
Group 2	0.3784	0.1776	0.5560	0.6752
L Income shares				
Group 1	0.5301	-	0.5301	0.6512
Group 2	0.5301	-	0.5301	0.6512
M Accumulation shares				
Group 1	0.6167	-	0.6167	1.3200
Group 2	0.6167	-	0.6167	1.3200
M Income shares				
Group 1	0.6019	-	0.6019	1.3100
Group 2	0.6019	-	0.6019	1.3100
Z Accumulation shares				
Group 1	1.4083	-	1.4083	1.5783
Group 2	1.2156	0.1927	1.4083	1.5783

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Sterling Inflation-Linked Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in UK Government inflation-linked bonds.

Performance target: To achieve the return of the FTSE Actuaries UK Index Linked Gilts Over 5 years Index plus 0.5% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund invests at least 80% in inflation-linked government bonds issued or guaranteed by the UK Government.
- The fund may also invest in inflation-linked and non-inflation-linked investment grade corporate bonds and sub-sovereigns issued anywhere in the world. The fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to identify investments after analysing individual bonds and derivatives alongside global economic and market conditions.
- In seeking to achieve the performance target, the FTSE Actuaries UK Index Linked Gilts Over 5 years Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 1.70%. Due to the fund's risk constraints the intention is that the fund's performance will not deviate significantly from that of the index over the long term.

Derivatives and techniques

- The fund will make routine use of derivatives to reduce risk, reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives can be used to generate growth, consistent with the fund's risk profile, if market prices are expected to rise ("long positions") or fall ("short positions"). These positions can be used in overseas markets.
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI Sterling Inflation-Linked Bond Fund – A Accumulation Shares increased by 9.88% compared to an increase of 8.54% in the performance target, the FTSE Actuaries UK Index Linked Gilts over 5 years Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

The UK index-linked government bond market has had to deal with a particularly volatile landscape over the past year, facing a number of global and idiosyncratic factors. The yield on the 10-year benchmark inflation-linked gilt ultimately fell 20 basis points over the year to -2.99%; however, this does not tell the story of the whole year. In September, the UK linker market was surprised by announcements from the Office for National Statistics and the chancellor that they would conduct a consultation on prospective retail price index (RPI) reform. This would seek to align RPI with the consumer prices index including owner occupiers' housing costs (CPIH) sometime between 2025 and 2030. As a result, real yields sold off markedly, which was exacerbated in October by the effective removal of the threat of a 'cliff-edge no-deal Brexit'. The remainder of 2019 was characterised by ongoing concerns over global growth as US-China trade disputes intensified, which saw downward pressure on yields globally.

On the other hand, 2020 has been dominated by the coronavirus outbreak, as central banks and governments have enacted unprecedented policy measures aimed at insulating economies from their forced lockdowns as countries grapple with the pandemic. The Bank of England, alongside other central banks, reacted by cutting rates to their effective lower bound and jump-starting their quantitative-easing programmes. Meanwhile, governments have opened the fiscal taps as they try to protect jobs and shore up economic growth as best they can.

Inflation markets reacted swiftly and severely to the deteriorating situation, as fears over the complete collapse in demand due to lockdown restrictions led real yields to lurch higher and breakevens to fall significantly as nominal yields collapsed. Almost simultaneously, the complete breakdown of OPEC+ relations sent the oil price plummeting downwards, putting further pressure on real yields and breakevens. Following on from this period in March when liquidity was poor, and market pricing looked increasingly stretched, inflation pricing has recovered over the past few months, with most major markets approaching similar levels to those seen early in the year.

Risk markets have been remarkably resilient, recovering from their mid-March lows to trade back at pre-coronavirus levels, buoyed by the proliferation of loose policy and the reopening of economies. Continued progress on the fiscal policy front, particularly in the US, and on keeping economies open as the scientific community races

to create an effective vaccine, will likely see risk-facing assets continue to perform amid this particularly accommodative policy backdrop.

Portfolio Activity

The fund retained an overweight duration bias over the past 12 months. This proved beneficial in the second half of 2019 as anaemic growth and lacklustre inflation, amid rising geopolitical tensions, led core government bond markets lower in yield. We continued to benefit from our long duration position in 2020, although the first half of this year was characterised by a divergence between real and nominal yields. This was due to markets initially reacting to the pandemic outbreak by pricing a collapse in inflation, particularly in the US and other dollar-bloc economies. Inflation markets also had to deal with the breakdown in OPEC+ relations, which led to a collapse in oil, and further weighed on pricing.

The fund continues to hold a short position in UK inflation, which added to performance as inflation markets fell globally amid widespread lockdowns and the fear that the collapse in demand could trigger deflation in major economies. We altered our exposure recently by entering a 5-year RPI short, alongside a reduced short exposure in cash breakevens. The scheduled consultation on RPI reform was pushed back due to the pandemic, with the consultation period due to end in August and HM Treasury expected to provide a response in the autumn. The delay to the consultation, alongside limited supply and the moves in nominal bond markets, saw significant strength in UK real yields, which hit all-time lows in longer-dated tenors. We moved underweight real yields in the UK, as we think that there is room for the market to reprice should RPI be reformed to more closely resemble CPIH. This position would be supported by a weakening of inflation pricing in the UK more generally, which remains elevated relative to other developed markets. Meanwhile, Brexit negotiations have restarted in earnest and will likely be an important driver of UK inflation markets in the coming months.

We made a number of positioning changes, including increasing our long duration positions in US 30-year Treasury inflation-protected securities (TIPS) and adding French long-end nominal bonds in the first half of the period. We entered a cross-market position, buying German real yields while selling UK real yields. With this position, we looked to take advantage of a cheapening in UK pricing on the avoidance of a no-deal Brexit, while also providing exposure to the European economic slowdown narrative. Part of the German leg was later modified to a nominal bond exposure, and we have retained this duration overweight in Germany, which added to performance.

We added a long position in front-end Swedish rates, looking for the Riksbank to turn more dovish following their hike in December. We took profit on this position in April as it looked like it might require an outright move back to negative rates for front-end yields to move significantly lower.

More recently, we altered our duration positioning in the US, briefly switching out of long-end real yields and into the more liquid Treasury futures in March. Thereafter, we entered a long position in 10-year US real yields. This added to performance as we sought to take advantage from a recovery in inflation pricing in the US.

From a curve perspective, the fund held numerous positions throughout the year, primarily holding a flattening bias in UK real yields. Overall, these positions added slightly to performance.

The fund continues to hold various relative-value trades, hoping to take advantage of perceived pricing anomalies between various bonds, taking into account liquidity and supply and demand dynamics.

Portfolio Outlook and Strategy

The immediate focus in UK markets remains on developments around case numbers and the extent of local lockdowns, while also considering the potential impact as government employment support starts to wind down. Over the coming months, Brexit and RPI reform will no doubt gain prominence as the market shifts to consider the implications for inflation pricing. We continue to believe that current UK inflation pricing is excessive. As unemployment increases and realised prints continue to come in at low levels, we would expect the inflation swap market to move lower. Real yields continue to look rich in our view, and in the context of RPI reform, we are comfortable in maintaining our underweight position.

As the case count in the US continues to grow rapidly, much uncertainty remains over whether lawmakers will be able to agree on a renewal of unemployment support for millions of Americans. Democrats and Republicans disagree hugely on the size of a further fiscal package, and the longer the stalemate drags on, the more painful this will be for their citizens and for economic growth. In the medium term, the continuing deterioration in US-China relations, alongside the elections in November, will significantly increase the political risk facing markets. Democrats appear to be ahead in most polls at present; however this is, as we know, not necessarily an accurate predictor of the outcome. With the Federal Reserve looking to do everything they can to keep yields low and policy extremely loose, an enactment of further fiscal support would likely help to bolster risk markets in the absence of the serious political volatility. We retain our long position in TIPS against this backdrop, which is likely to benefit from continued strength in inflation markets, while also providing some duration protection.

The agreement of the 'Next Generation EU' deal has been taken somewhat positively, in that it has achieved a coordinated fiscal action that was thought highly unlikely just a few months ago. However, the deal contains compromises on the composition of grants and loans. Therefore, in our view, the deal will do little to rectify the longer-term imbalances within the bloc. With the European Central Bank limited in its ability to ease policy further, markets would likely need to see more on the fiscal side to price a material move higher in European inflation. Expectations have risen as global inflation pricing has recovered; however, we remain sceptical over the likelihood of a significant jump in growth and inflation, and retain an overweight in German duration.

Inflation Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	271.47	242.49	234.77
Return before operating charges*	24.08	31.35	10.41
Operating charges	(2.60)	(2.37)	(2.69)
Return after operating charges*	21.48	28.98	7.72
Distributions	(1.03)	(1.42)	(0.78)
Retained distributions on accumulation shares	1.03	1.42	0.78
Closing net asset value per share	292.95	271.47	242.49
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	7.91%	11.95%	3.29%
Other information			
Closing net asset value (£'000)	1,640	1,280	8,563
Closing number of shares	559,896	471,542	3,531,177
Operating charges	0.95%	0.97%	1.12%
Direct transaction costs	-	-	-
Prices			
Highest share price	293.6	269.9	252.1
Lowest share price	225.9	233.5	229.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	219.48	196.68	191.04
Return before operating charges*	19.42	25.90	8.46
Operating charges	(2.10)	(1.95)	(2.19)
Return after operating charges*	17.32	23.95	6.27
Distributions	(0.83)	(1.15)	(0.63)
Closing net asset value per share	235.97	219.48	196.68
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	7.89%	12.18%	3.28%
Other information			
Closing net asset value (£'000)	404	376	446
Closing number of shares	171,355	171,407	226,672
Operating charges	0.95%	0.97%	1.12%
Direct transaction costs	-	-	-
Prices			
Highest share price	237.2	218.9	205.2
Lowest share price	182.2	189.4	186.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	237.61	210.79	203.05
Return before operating charges*	21.16	27.90	9.03
Operating charges	(1.20)	(1.08)	(1.29)
Return after operating charges*	19.96	26.82	7.74
Distributions	(1.99)	(2.23)	(1.74)
Retained distributions on accumulation shares	1.99	2.23	1.74
Closing net asset value per share	257.57	237.61	210.79
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	8.40%	12.72%	3.81%
Other information			
Closing net asset value (£'000)	5,411	5,297	4,794
Closing number of shares	2,100,916	2,229,143	2,274,426
Operating charges	0.50%	0.50%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price	258.1	236.1	218.2
Lowest share price	198.3	203.1	199.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	158.13	142.04	137.98
Return before operating charges*	14.02	18.33	6.12
Operating charges	(0.80)	(0.74)	(0.88)
Return after operating charges*	13.22	17.59	5.24
Distributions	(1.32)	(1.50)	(1.18)
Closing net asset value per share	170.03	158.13	142.04
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	8.36%	12.38%	3.80%
Other information			
Closing net asset value (£'000)	1,168	1,046	860
Closing number of shares	686,973	661,316	605,437
Operating charges	0.50%	0.50%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price	171.0	157.9	148.3
Lowest share price	131.3	136.9	134.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	138.90	123.69	118.98
Return before operating charges*	12.38	15.78	5.28
Operating charges	(0.63)	(0.57)	(0.57)
Return after operating charges*	11.75	15.21	4.71
Distributions	(1.23)	(1.37)	(1.18)
Retained distributions on accumulation shares	1.23	1.37	1.18
Closing net asset value per share	150.65	138.90	123.69
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	8.46%	12.30%	3.96%
Other information			
Closing net asset value (£'000)	3,023	2,723	2,501
Closing number of shares	2,006,271	1,960,450	2,022,397
Operating charges	0.45%	0.45%	0.47%
Direct transaction costs	-	-	-
Prices			
Highest share price	150.9	138.0	127.9
Lowest share price	116.0	119.2	116.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	115.08	100.00 ^B
Return before operating charges*	10.37	15.48
Operating charges	(0.63)	(0.40)
Return after operating charges*	9.74	15.08
Distributions	(0.75)	(0.46)
Retained distributions on accumulation shares	0.75	0.46
Closing net asset value per share	124.82	115.08
* after direct transaction costs of:	-	-
Performance		
Return after charges	8.46%	15.08%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	906	100
Operating charges	0.55%	0.55%
Direct transaction costs	-	-
Prices		
Highest share price	125.1	114.4
Lowest share price	96.04	99.90

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 28 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	114.64	100.00 ^B
Return before operating charges*	10.30	15.50
Operating charges	(0.63)	(0.40)
Return after operating charges*	9.67	15.10
Distributions	(0.75)	(0.46)
Closing net asset value per share	123.56	114.64
* after direct transaction costs of:	-	-
Performance		
Return after charges	8.44%	15.10%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	909	100
Operating charges	0.55%	0.55%
Direct transaction costs	-	-
Prices		
Highest share price	124.3	114.3
Lowest share price	95.43	99.90

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 28 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	309.03	274.22	262.89
Return before operating charges*	27.61	35.09	11.65
Operating charges	(0.31)	(0.28)	(0.32)
Return after operating charges*	27.30	34.81	11.33
Distributions	(3.84)	(4.03)	(3.59)
Retained distributions on accumulation shares	3.84	4.03	3.59
Closing net asset value per share	336.33	309.03	274.22
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	8.83%	12.69%	4.31%
Other information			
Closing net asset value (£'000)	30,540	86,670	69,912
Closing number of shares	9,080,284	28,046,276	25,494,801
Operating charges	0.10%	0.10%	0.12%
Direct transaction costs	-	-	-
Prices			
Highest share price	336.9	306.8	282.6
Lowest share price	258.5	264.4	258.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (99.71%)		41,621	98.66
Euro Denominated Bonds (0.00%)		182	0.43
Government Bonds (0.00%)		182	0.43
greater than 25 years to maturity			
132,000	Germany (Fed Rep of) 0.1% Index-Linked 2046	182	0.43
Sterling Denominated Bonds (99.30%)		40,355	95.66
Government Bonds (99.30%)		40,355	95.66
between 5 and 10 years to maturity			
576,000	UK (Govt of) 0.125% Index-Linked 2028	775	1.84
797,000	UK (Govt of) 0.125% Index-Linked 2029	1,283	3.04
521,000	UK (Govt of) 1.25% 2027	569	1.35
660,000	UK (Govt of) 1.25% Index-Linked 2027	1,342	3.18
10,000	UK (Govt of) 4.125% Index-Linked 2030	39	0.09
between 10 and 15 years to maturity			
896,033	UK (Govt of) 0.75% Index-Linked 2034	1,806	4.28
1,069,000	UK (Govt of) 1.25% Index-Linked 2032	2,344	5.56
508,000	UK (Govt of) 2% Index-Linked 2035	1,573	3.73
between 15 and 25 years to maturity			
680,000	UK (Govt of) 0.125% Index-Linked 2036	1,216	2.88
647,000	UK (Govt of) 0.125% Index-Linked 2041	1,178	2.79
942,000	UK (Govt of) 0.125% Index-Linked 2044	2,074	4.92
853,757	UK (Govt of) 0.625% Index-Linked 2040	2,103	4.99
702,940	UK (Govt of) 0.625% Index-Linked 2042	1,879	4.45
731,752	UK (Govt of) 1.125% Index-Linked 2037	1,973	4.68
greater than 25 years to maturity			
799,000	UK (Govt of) 0.125% Index-Linked 2046	1,717	4.07
910,000	UK (Govt of) 0.125% Index-Linked 2048	1,929	4.57
746,000	UK (Govt of) 0.125% Index-Linked 2058	2,071	4.91
234,000	UK (Govt of) 0.125% Index-Linked 2065	759	1.80
865,991	UK (Govt of) 0.125% Index-Linked 2068	3,146	7.46
818,831	UK (Govt of) 0.25% Index-Linked 2052	2,177	5.16
799,131	UK (Govt of) 0.375% Index-Linked 2062	2,773	6.57
756,000	UK (Govt of) 0.5% Index-Linked 2050	2,295	5.44
175,000	UK (Govt of) 0.75% Index-Linked 2047	546	1.29
623,945	UK (Govt of) 1.25% Index-Linked 2055	2,788	6.61

Holding	Investment	Market Value £'000	Percentage of total net assets
US Dollar Denominated Bonds (0.41%)		1,084	2.57
Government Bonds (0.41%)		1,084	2.57
between 5 and 10 years to maturity			
1,288,000	US Treasury 0.125% Index-Linked 2030	1,084	2.57
Derivatives (-0.01%)		68	0.16
Forward Currency Contracts (-0.01%)		47	0.11
	Buy GBP 241,503 Sell EUR 269,000 10/09/2020	(1)	-
	Buy GBP 228,594 Sell USD 288,000 10/09/2020	9	0.02
	Buy GBP 888,685 Sell USD 1,116,000 10/09/2020	39	0.09
Futures (0.00%)		9	0.02
4	Long Euro Bond Future 08/09/2020	9	0.02
Inflation Swaps (0.00%)		12	0.03
GBP 1,809,000	Pay floating UKRPI receive fixed 3.32000% 15/06/2025	12	0.03
Total investment assets and liabilities		41,689	98.82
Net other assets		499	1.18
Total Net Assets		42,188	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities or approved derivatives within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	277	9,562
Revenue	2	855	1,349
Expenses	3	(111)	(167)
Net revenue before taxation		744	1,182
Taxation	4	-	-
Net revenue after taxation		744	1,182
Total return before distributions		1,021	10,744
Distributions	5	(744)	(1,182)
Change in net assets attributable to shareholders from investment activities		277	9,562

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	97,392	87,076
Amounts receivable on the issue of shares	7,418	10,942
Amounts payable on the cancellation of shares	(63,376)	(11,384)
	(55,958)	(442)
Dilution adjustment	13	15
Change in net assets attributable to shareholders from investment activities (see above)	277	9,562
Retained distribution on accumulation shares	464	1,181
Closing net assets attributable to shareholders	42,188	97,392

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		41,690	97,112
Current assets:			
Debtors	6	32	96
Cash and bank balances		491	218
		523	314
Total assets		42,213	97,426
Liabilities:			
Investment liabilities		(1)	(14)
Creditors	7	(20)	(13)
Distribution payable		(4)	(7)
		(24)	(20)
Total liabilities		(25)	(34)
Net assets attributable to shareholders		42,188	97,392

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	77	9,702
Derivative contracts	39	-
Forward currency contracts	140	67
Other gains/(losses)	21	(207)
Net capital gains	277	9,562

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	-	1
Interest on debt securities	855	1,348
Total revenue	855	1,349

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	49	79
Operating, administrative and servicing fees	62	88
Total expenses	111	167

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total taxation	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	744	1,182
Corporation tax at 20% (2019: 20%)	149	236
Effects of:		
Excess allowable expenses	68	14
UK Indexation relief	(217)	(250)
Total tax charge for year (note 4a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £82,000 (2019: £14,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	286	529
Final distribution	188	663
	474	1,192
Add: Income deducted on cancellation of shares	297	21
Deduct: Income received on issue of shares	(27)	(31)
Net distribution for the year	744	1,182

Details of the distribution per share are set out in this fund's distribution tables.

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	26	70
Amounts receivable from the ACD for the issue of shares	6	26
Total debtors	32	96

7. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	4	12
Amounts payable to the ACD for cancellation of shares	12	1
Other accrued expenses	4	-
Total creditors	20	13

8. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 7.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 7.

9. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	14,814	36,630	71,041	37,109
Total net trades in the year after transaction costs	14,814	36,630	71,041	37,109

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.23% (2019: 0.00%), this is representative of the average spread on the assets held during the year.

10. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	471,542	289,158	(200,804)	-	559,896
A Income shares	171,407	13,687	(13,514)	(225)	171,355
I Accumulation shares	2,229,143	527,187	(655,414)	-	2,100,916
I Income shares	661,316	350,377	(325,033)	313	686,973
K Accumulation shares	1,960,450	282,488	(236,667)	-	2,006,271
M Accumulation shares	100	806	-	-	906
M Income shares	100	809	-	-	909
Z Accumulation shares	28,046,276	1,434,949	(20,400,941)	-	9,080,284

11. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	41,621	-	-	97,112	-	-
Derivatives	9	60	-	-	-	-
Total investment assets	41,630	60	-	97,112	-	-
Fair value of investment liabilities						
Derivatives	-	(1)	-	-	(14)	-
Total investment liabilities	-	(1)	-	-	(14)	-

12. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Euro	14	-
US Dollar	76	34
Total	90	34

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the year end consists of:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020				
UK Sterling	40,163	569	1,366	42,098
Euro	248	-	(234)	14
US Dollar	1,146	-	(1,070)	76
Total	41,557	569	62	42,188

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2019				
UK Sterling	94,438	2,496	424	97,358
US Dollar	395	-	(361)	34
Total	94,833	2,496	63	97,392

Based on the investment strategy, types of complexities of the derivatives and the proportion of the fund comprising derivatives, the method of estimating the fund's overall risk position (Global Exposure) is to use the value at risk (VaR) techniques which estimate the probability of portfolio losses based on the statistical analysis of historical price trends and volatilities.

The VaR is produced on a daily basis and the fund's current VaR limit is detailed below.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	3.58%	4.07%
Maximum VaR	5.20%	5.01%
Average VaR	4.43%	4.64%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	-	4.37%	-	0.73%	5.10%
31 July 2019	-	3.07%	-	1.19%	4.26%

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

2020	Market value £'000	Percentage of total net assets %
Investment grade securities	41,621	98.66%
Below investment grade securities	-	-
Unrated securities	-	-
Total Value of Securities	41,621	98.66%

2019	Market value £'000	Percentage of total net assets %
Investment grade securities	97,112	99.71%
Below investment grade securities	-	-
Unrated securities	-	-
Total Value of Securities	97,112	99.71%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
2020								
Counterparty or clearer								
Bank of America								
Merrill Lynch	-	-	9	-	9	-	8	17
Barclays	12	-	-	-	12	-	-	12
Citigroup	-	-	-	(1)	(1)	-	-	(1)
Goldman Sachs	-	-	-	39	39	-	-	39
Morgan Stanley	-	-	-	9	9	-	-	9
Total	12	-	9	47	68	-	8	76

2019	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
Goldman Sachs	-	-	-	(14)	(14)	-	-	(14)
Total	-	-	-	(14)	(14)	-	-	(14)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(1)	-	-	(1)
Non-derivatives					
Other creditors	-	(20)	-	-	(20)
Distribution payable	-	(4)	-	-	(4)
Total financial liabilities	-	(25)	-	-	(25)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(14)	-	-	(14)
Non-derivatives					
Other creditors	-	(13)	-	-	(13)
Distribution payable	-	(7)	-	-	(7)
Total financial liabilities	-	(34)	-	-	(34)

13. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has decreased by 6.2% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.7254	-	0.7254	0.5633
Group 2	0.3624	0.3630	0.7254	0.5633
A Income shares				
Group 1	0.5862	-	0.5862	0.4569
Group 2	0.1307	0.4555	0.5862	0.4569
I Accumulation shares				
Group 1	1.1696	-	1.1696	1.0020
Group 2	0.6891	0.4805	1.1696	1.0020
I Income shares				
Group 1	0.7784	-	0.7784	0.6752
Group 2	0.5751	0.2033	0.7784	0.6752
K Accumulation shares				
Group 1	0.7185	-	0.7185	0.6193
Group 2	0.0759	0.6426	0.7185	0.6193
M Accumulation shares				
Group 1	0.2969	-	0.2969	0.1600
Group 2	0.2969	-	0.2969	0.1600
M Income shares				
Group 1	0.2948	-	0.2948	0.1600
Group 2	0.2948	-	0.2948	0.1600
Z Accumulation shares				
Group 1	2.1410	-	2.1410	1.8571
Group 2	0.1909	1.9501	2.1410	1.8571

Final interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.3085	-	0.3085	0.8586
Group 2	0.0838	0.2247	0.3085	0.8586
A Income shares				
Group 1	0.2486	-	0.2486	0.6938
Group 2	0.2094	0.0392	0.2486	0.6938
I Accumulation shares				
Group 1	0.8173	-	0.8173	1.2315
Group 2	0.3912	0.4261	0.8173	1.2315
I Income shares				
Group 1	0.5410	-	0.5410	0.8230
Group 2	0.3660	0.1750	0.5410	0.8230
K Accumulation shares				
Group 1	0.5133	-	0.5133	0.7545
Group 2	0.3355	0.1778	0.5133	0.7545
M Accumulation shares				
Group 1	0.4537	-	0.4537	0.3000
Group 2	0.4537	-	0.4537	0.3000
M Income shares				
Group 1	0.4543	-	0.4543	0.3000
Group 2	0.4543	-	0.4543	0.3000
Z Accumulation shares				
Group 1	1.6990	-	1.6990	2.1771
Group 2	0.8695	0.8295	1.6990	2.1771

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Sterling Long Dated Government Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in UK Government bonds with a maturity of 10 years or longer.

Performance target: To achieve the return of the FTSE Actuaries UK Conventional Gilts All Stocks Over 15 Years Index plus 0.5% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund invests at least 80% in government bonds issued or guaranteed by the UK Government with a maturity of ten years or longer.
- The fund may also invest in investment grade bonds of any maturity, issued anywhere in the world by governments, sub-sovereigns and corporations including inflation-linked bonds. The fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to identify investments after analysing individual bonds and derivatives alongside global economic and market conditions.
- In seeking to achieve the Performance Target, the FTSE Actuaries UK Conventional Gilts All Stocks Over 15 Years Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 1.70%. Due to the active nature of the management process the intention is that the fund's performance will not deviate significantly from that of the index over the long term.

Derivatives and techniques

- The fund will make routine use of derivatives to reduce risk, reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives can be used to generate growth, consistent with the fund's risk profile, if market prices are expected to rise ("long positions") or fall ("short positions"). These positions can be used in overseas markets.
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI Sterling Long Dated Government Bond Fund - A Accumulation Shares increased by 17.42% compared to an increase of 16.61% in the performance target, the FTSE Actuaries UK Conventional Gilts All Stocks Over 15 Years Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

In the 12 months to the end of July, the UK gilt market was driven by geopolitical uncertainty, local political turmoil and, subsequently, the effects of the coronavirus outbreak. Gilt prices were positive, as investors moved towards assets viewed as lower risk.

In August, the new Prime Minister, Boris Johnson, took the controversial step of proroguing parliament which, coupled with a series of subsequent events, put the UK on course for a general election. In October, Johnson was able to agree a Withdrawal Agreement with the European Union (EU). However, UK parliamentary approval was not forthcoming, making a general election inevitable.

From a gilt-market perspective, December's election was a non-event. The only surprise was the margin of the Conservative victory. Mandate in hand, Johnson confirmed his desire to 'Get Brexit Done'. Accordingly, the UK will leave the EU at the end of 2020. This leaves a very short period to negotiate a very long, complex future relationship.

However, Brexit soon left the spotlight as the coronavirus evolved into a global pandemic. The UK quickly announced a record level of stimulus – totalling approximately £65.5 billion – with the latest £30 billion 'jobs package' being announced in July. The Bank of England (BoE) also made two rate cuts in March, bringing interest rates down to 0.1%, and ratcheted up its bond-buying programme.

The general macro environment was thus supportive of gilt prices. Yields plummeted, with the 10-year gilt seeing its yield almost touching 0.10% at the end of the period compared to about 0.55% at the beginning. Front-dated yields also turned negative as the BoE suggested negative rates could be part of the monetary policy toolkit (it was previously thought that the effective lower bound in the UK was 0.10%). Net gilt supply remained negative as the BoE continued its aggressive quantitative-easing programme, despite record levels of issuance. Although the central bank began to taper down its speed of bond purchases beginning in June, the era of central-bank largesse endures. For now, it seems investors can only focus on fear of missing out on the latest central-bank-fuelled rally.

Meanwhile, Brexit-related uncertainty continues to rumble along in the background. While negotiations are set to resume in mid-August, it looks likely to be yet another exercise in brinkmanship, and we do not expect any clarity until later in the year.

Portfolio Activity

The fund continued to hold an overweight duration bias over the 12-month period. Up until February, the global economic backdrop was characterised by subdued growth and low inflation amid geopolitical uncertainty. Since February, the COVID-19 pandemic dominated markets. Markets became dysfunctional in March, then central banks rode to the rescue with rate cuts and a return to quantitative easing.

As a result, the duration positioning added to the outperformance of the fund. We added a long-dated UK position to the fund when the gilt market became dysfunctional in the belief that the BoE would have to step in. Gilt yields plummeted when the BoE announced a large quantitative-easing package and our position paid off. The fund ended the period duration neutral.

Up until the COVID-19 pandemic, the fund held numerous UK short positions – we periodically added to these when we felt Brexit fears had been exaggerated or political tensions had become elevated. We held these positions throughout the UK general election period. Following the Conservative Party win, we switched from short to long on a cross-market basis. We felt the market had priced in an unrealistic hope that Boris Johnson would use his parliamentary majority to soften his stance on Brexit, and we opposed this view. This position was successful throughout January as the interest-rate cuts were priced in. In June, the fund re-established short UK positions, as we disagree with market expectations that the BoE will pursue negative interest rates. Additionally, gilts should underperform as the BoE slows gilt purchases.

The fund held a bias for a steeper UK yield curve, as we foresee greater gilt issuance on the back of an expansionary fiscal policy from the Conservative government, and latterly the fiscal response to the COVID-19 pandemic. In periods of limited gilt issuance, we reduced and closed the positions – such as throughout December and January. We re-established a position in April and May on the weight of supply in the long end of the UK curve, closing the position in June.

Outside of the UK, the fund held positions in Australia, Canada, the US, Germany and France. We held relative-value positions in Germany versus Sweden and France, and the US versus Canada and Australia. The fund also held curve positions in the US, Germany and Australia.

In inflation, we took positions in US 10-year and 30-year breakevens. Throughout the period, the fund held numerous relative-value strategies, which have worked well with the increase in gilt issuance and the offsetting quantitative-easing programme.

Portfolio Outlook and Strategy

Over the next 6 to 12 months, focus will be on how the global, and specifically the UK, economies recover from the COVID-19 pandemic. As the economy continues to reopen and the UK furlough scheme ends, the full picture will be revealed.

Bubbling away in the background is Brexit. The transition period will finish at the end of 2020, with or without a deal. The market expectation is that the UK will come to a deal at some point before year-end. What that deal is, and how it impacts the UK economy is another story. In a global context, the US presidential election in November will keep markets busy.

Pan Euro Macro Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund’s share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

- The fund is rated as 5 because of the extent to which the following risk factors apply:
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
 - The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
 - The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund’s objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund’s ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	121.80	109.73	106.95
Return before operating charges*	20.66	13.14	3.99
Operating charges	(1.25)	(1.07)	(1.21)
Return after operating charges*	19.41	12.07	2.78
Distributions	(0.30)	(0.87)	(0.88)
Retained distributions on accumulation shares	0.30	0.87	0.88
Closing net asset value per share	141.21	121.80	109.73
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	15.94%	11.00%	2.60%
Other information			
Closing net asset value (£'000)	46	37	11
Closing number of shares	32,402	30,248	10,100
Operating charges	0.95%	0.95%	1.12%
Direct transaction costs	-	-	-
Prices			
Highest share price	148.9	122.4	112.0
Lowest share price	121.0	103.2	103.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	329.38	295.36	286.36
Return before operating charges*	56.03	35.51	10.81
Operating charges	(1.81)	(1.49)	(1.81)
Return after operating charges*	54.22	34.02	9.00
Distributions	(2.42)	(3.72)	(3.78)
Retained distributions on accumulation shares	2.42	3.72	3.78
Closing net asset value per share	383.60	329.38	295.36
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	16.46%	11.52%	3.14%
Other information			
Closing net asset value (£'000)	10,326	4,471	2,379
Closing number of shares	2,691,929	1,357,339	805,387
Operating charges	0.50%	0.50%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price	403.8	330.8	301.5
Lowest share price	328.0	278.2	277.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	332.91	298.55	289.07
Return before operating charges*	56.62	35.73	10.89
Operating charges	(1.62)	(1.37)	(1.41)
Return after operating charges*	55.00	34.36	9.48
Distributions	(2.63)	(3.92)	(4.23)
Retained distributions on accumulation shares	2.63	3.92	4.23
Closing net asset value per share	387.91	332.91	298.55
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	16.52%	11.51%	3.28%
Other information			
Closing net asset value (£'000)	3,598	3,164	2,449
Closing number of shares	927,531	950,582	820,189
Operating charges	0.45%	0.45%	0.48%
Direct transaction costs	-	-	-
Prices			
Highest share price	408.2	334.3	304.7
Lowest share price	331.6	281.2	280.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	108.80	98.79	97.05
Return before operating charges*	18.46	11.75	3.62
Operating charges	(0.53)	(0.45)	(0.47)
Return after operating charges*	17.93	11.30	3.15
Distributions	(0.86)	(1.29)	(1.41)
Closing net asset value per share	125.87	108.80	98.79
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	16.48%	11.44%	3.25%
Other information			
Closing net asset value (£'000)	510	329	269
Closing number of shares	405,549	302,091	271,800
Operating charges	0.45%	0.45%	0.48%
Direct transaction costs	-	-	-
Prices			
Highest share price	132.8	109.9	101.6
Lowest share price	107.9	94.07	93.41

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	117.25	100.00 ^B
Return before operating charges*	20.45	17.65
Operating charges	(0.71)	(0.40)
Return after operating charges*	19.74	17.25
Distributions	(0.97)	(1.75)
Retained distributions on accumulation shares	0.97	1.75
Closing net asset value per share	136.99	117.25
* after direct transaction costs of:	-	-
Performance		
Return after charges	16.84%	17.25%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	851	100
Operating charges	0.55%	0.55%
Direct transaction costs	-	-
Prices		
Highest share price	144.1	117.7
Lowest share price	117.1	99.39

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 28 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	265.20	237.00	228.68
Return before operating charges*	45.18	28.44	8.62
Operating charges	(0.28)	(0.24)	(0.30)
Return after operating charges*	44.90	28.20	8.32
Distributions	(3.11)	(3.96)	(4.16)
Retained distributions on accumulation shares	3.11	3.96	4.16
Closing net asset value per share	310.10	265.20	237.00
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	16.93%	11.90%	3.64%
Other information			
Closing net asset value (£'000)	7,673	27,398	23,997
Closing number of shares	2,474,297	10,330,979	10,125,550
Operating charges	0.10%	0.10%	0.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	325.9	266.3	241.9
Lowest share price	264.5	223.4	222.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (99.40%)		21,622	97.60
Australian Dollar Denominated Bonds (0.00%)		169	0.76
Government Bonds (0.00%)		169	0.76
greater than 25 years to maturity			
241,000	Australia (Commonwealth of) 3% 2047	169	0.76
Euro Denominated Bonds (2.09%)		-	-
Government Bonds (2.09%)		-	-
Sterling Denominated Bonds (96.45%)		21,325	96.26
Government Bonds (96.45%)		21,325	96.26
between 15 and 25 years to maturity			
211,359	UK (Govt of) 1.25% 2041	239	1.08
1,329,630	UK (Govt of) 1.75% 2037	1,603	7.24
727,000	UK (Govt of) 3.25% 2044	1,147	5.18
726,000	UK (Govt of) 3.5% 2045	1,202	5.43
351,647	UK (Govt of) 4.25% 2036	556	2.51
744,048	UK (Govt of) 4.25% 2039	1,250	5.64
689,728	UK (Govt of) 4.25% 2040	1,181	5.33
689,981	UK (Govt of) 4.5% 2042	1,257	5.68
479,227	UK (Govt of) 4.75% 2038	839	3.79
greater than 25 years to maturity			
190,000	UK (Govt of) 0.5% 2061	187	0.84
350,000	UK (Govt of) 0.625% 2050	350	1.58
710,000	UK (Govt of) 1.5% 2047	866	3.91
1,115,208	UK (Govt of) 1.625% 2054	1,467	6.62
363,000	UK (Govt of) 1.625% 2071	554	2.50
595,033	UK (Govt of) 1.75% 2049	772	3.48
612,000	UK (Govt of) 1.75% 2057	852	3.85
517,434	UK (Govt of) 2.5% 2065	920	4.15
511,391	UK (Govt of) 3.5% 2068	1,152	5.20
103,352	UK (Govt of) 3.75% 2052	198	0.89
627,000	UK (Govt of) 4% 2060	1,393	6.29
627,000	UK (Govt of) 4.25% 2046	1,181	5.33
333,000	UK (Govt of) 4.25% 2049	659	2.97
691,000	UK (Govt of) 4.25% 2055	1,500	6.77

Holding	Investment	Market Value £'000	Percentage of total net assets
US Dollar Denominated Bonds (0.86%)		128	0.58
Government Bonds (0.86%)		128	0.58
greater than 25 years to maturity			
56,000	US Treasury 1% Index-Linked 2048	63	0.29
59,000	US Treasury 1% Index-Linked 2049	65	0.29
Derivatives (-0.15%)		(3)	(0.01)
Forward Currency Contracts (-0.15%)		2	0.01
	Buy AUD 21,000 Sell GBP 11,446 10/09/2020	-	-
	Buy AUD 42,000 Sell GBP 23,320 10/09/2020	1	-
	Buy GBP 24,638 Sell AUD 45,000 10/09/2020	-	-
	Buy GBP 139,947 Sell AUD 256,000 10/09/2020	-	-
	Buy GBP 12,665 Sell EUR 14,000 10/09/2020	-	-
	Buy GBP 12,332 Sell USD 16,000 10/09/2020	-	-
	Buy GBP 19,116 Sell USD 24,000 10/09/2020	1	-
	Buy GBP 20,826 Sell USD 26,000 10/09/2020	1	-
	Buy GBP 39,110 Sell USD 51,000 10/09/2020	-	-
	Buy GBP 129,239 Sell USD 168,000 10/09/2020	1	0.01
	Buy USD 8,000 Sell GBP 6,426 10/09/2020	-	-
	Buy USD 16,000 Sell GBP 12,928 10/09/2020	(1)	-
	Buy USD 33,000 Sell GBP 25,076 10/09/2020	(1)	-
Futures (0.00%)		(7)	(0.03)
16	Long Australia 10 Year Bond Future 15/09/2020	9	0.04
7	Long Canadian 10 Year Bond Future 21/09/2020	6	0.02
4	Long Euro Bond Future 08/09/2020	5	0.02
27	Long US 5 Year Note Future 30/09/2020	13	0.06
(4)	Short Euro-Oat Future 08/09/2020	(2)	(0.01)
(10)	Short Long Gilt Future 28/09/2020	(14)	(0.06)
(13)	Short US 10 Year Ultra Future 21/09/2020	(23)	(0.10)
(1)	Short US Ultra Bond (CBT) Future 21/09/2020	(1)	-

Holding	Investment	Market Value £'000	Percentage of total net assets
Interest Rate Swaps (0.00%)		2	0.01
CAD 3,450,000	Pay floating CAD-BA-CDOR receive fixed 0.7983% 25/07/2024	2	0.01
CAD 1,150,000	Pay floating CAD-BA-CDOR receive fixed 0.8% 25/07/2024	-	-
Total investment assets and liabilities		21,619	97.59
Net other assets		535	2.41
Total Net Assets		22,154	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities or approved derivatives within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	2,983	3,205
Revenue	2	335	538
Expenses	3	(69)	(54)
Net revenue before taxation		266	484
Taxation	4	-	-
Net revenue after taxation		266	484
Total return before distributions		3,249	3,689
Distributions	5	(266)	(484)
Change in net assets attributable to shareholders from investment activities		2,983	3,205

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	35,399	29,105
Amounts receivable on the issue of shares	12,707	6,276
Amounts payable on the cancellation of shares	(29,142)	(3,679)
	(16,435)	2,597
Dilution adjustment	15	1
Change in net assets attributable to shareholders from investment activities (see above)	2,983	3,205
Retained distribution on accumulation shares	192	491
Closing net assets attributable to shareholders	22,154	35,399

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		21,661	35,227
Current assets:			
Debtors	6	163	1,360
Cash and bank balances		429	123
		592	1,483
Total assets		22,253	36,710
Liabilities:			
Investment liabilities		(42)	(94)
Creditors	7	(56)	(1,215)
Distribution payable		(1)	(2)
		(57)	(1,217)
Total liabilities		(99)	(1,311)
Net assets attributable to shareholders		22,154	35,399

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	2,779	3,302
Derivative contracts	137	-
Forward currency contracts	65	(105)
Other gains	2	8
Net capital gains	2,983	3,205

2. Revenue

	2020 £'000	2019 £'000
Interest on debt securities	335	538
Total revenue	335	538

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	42	23
Operating, administrative and servicing fees	27	31
Total expenses	69	54

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total taxation	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	266	484
Corporation tax at 20% (2019: 20%)	53	97
Effects of:		
Distributions treated as tax deductible	(53)	(97)
Total tax charge for year (note 4a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	121	242
Final distribution	74	252
	195	494
Add: Income deducted on cancellation of shares	97	9
Deduct: Income received on issue of shares	(26)	(19)
Net distribution for the year	266	484

Details of the distribution per share are set out in this fund's distribution tables.

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	63	131
Amounts receivable from the ACD for the issue of shares	100	26
Sales awaiting settlement	-	1,203
Total debtors	163	1,360

7. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	4	6
Amounts payable to the ACD for cancellation of shares	-	7
Other accrued expenses	2	-
Purchases awaiting settlement	50	1,202
Total creditors	56	1,215

8. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 7.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 7.

9. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Bonds	34,054	50,871	50,199	47,595
Trades in the year before transaction costs	34,054	50,871	50,199	47,595
Total net trades in the year after transaction costs	34,054	50,871	50,199	47,595

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.12% (2019: 0.08%), this is representative of the average spread on the assets held during the year.

10. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Closing shares 2020
A Accumulation shares	30,248	55,992	(53,838)	32,402
I Accumulation shares	1,357,339	2,726,757	(1,392,167)	2,691,929
K Accumulation shares	950,582	399,551	(422,602)	927,531
K Income shares	302,091	150,421	(46,963)	405,549
M Accumulation shares	100	751	-	851
Z Accumulation shares	10,330,979	400,136	(8,256,818)	2,474,297

11. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	21,453	169	-	35,186	-	-
Derivatives	33	6	-	-	41	-
Total investment assets	21,486	175	-	35,186	41	-
Fair value of investment liabilities						
Derivatives	(40)	(2)	-	-	(94)	-
Total investment liabilities	(40)	(2)	-	-	(94)	-

12. Risk Management Policies and Disclosures

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure	Net foreign currency exposure
	2020 £'000	2019 £'000
Australian Dollar	89	-
Canadian Dollar	26	-
Euro	7	74
US Dollar	16	333
Total	138	407

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the year end consists of:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	282	21,325	409	22,016
Australian Dollar	39	169	(119)	89
Canadian Dollar	21	-	5	26
Euro	18	-	(11)	7
US Dollar	199	-	(183)	16
Total	559	21,494	101	22,154

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2019				
Currency				
UK Sterling	123	34,141	728	34,992
Euro	-	739	(665)	74
US Dollar	-	306	27	333
Total	123	35,186	90	35,399

Sensitivity analysis

The sensitivity analysis of the fund's financial asset and liability positions is monitored by the Investment Manager using VaR analysis. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VaR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	3.21%	3.69%
Maximum VaR	4.33%	4.63%
Average VaR	3.95%	4.36%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	0.02%	3.78%	-	0.39%	4.19%
31 July 2019	-	3.29%	-	0.52%	3.81%

The ACD must calculate the global exposure of any fund it manages either as: 1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property. This is known as the Commitment Approach and is a measure of leverage or; 2) the market risk of the scheme property by way of the value at risk (VaR) approach. Although, the sensitivity analysis of the fund's financial asset and liability positions described above uses VaR analysis, the global exposure calculations for funds may be calculated on the Commitment Basis. The Prospectus provides further details on which method is used to calculate Global Exposure for each fund.

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	21,622	97.60%
Below investment grade securities	-	-
Unrated securities	-	-
Total Value of Securities	21,622	97.60%

	Market value £'000	Percentage of total net assets %
2019		
Investment grade securities	35,186	99.40%
Below investment grade securities	-	-
Unrated securities	-	-
Total Value of Securities	35,186	99.40%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

						Mark to Market Exposure		
	Swaps	Options	Futures	Forward Currency Contracts	Total	Collateral (held)/ pledged	Margin at clearing broker	Total by Counter- party
2020	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	(7)	-	(7)	-	181	174
Deutsche Bank	-	-	-	1	1	-	-	1
Morgan Stanley	-	-	-	1	1	-	-	1
RBC Dominion Securities	-	-	-	1	1	-	-	1
Royal Bank of Canada	2	-	-	-	2	-	-	2
UBS	-	-	-	(1)	(1)	-	-	(1)
Total	2	-	(7)	2	(3)	-	181	178

						Mark to Market Exposure		
	Swaps	Options	Futures	Forward Currency Contracts	Total	Collateral (held)/ pledged	Margin at clearing broker	Total by Counter- party
2019	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	-	(5)	(5)	-	-	(5)
BNP Paribas	-	-	-	(2)	(2)	-	-	(2)
Goldman Sachs	-	-	-	(3)	(3)	-	-	(3)
HSBC	-	-	-	(5)	(5)	-	-	(5)
RBC Dominion Securities	-	-	-	(39)	(39)	-	-	(39)
StateStreet	-	-	-	1	1	-	-	1
Total	-	-	-	(53)	(53)	-	-	(53)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(42)	-	-	(42)
Non-derivatives					
Other creditors	-	(56)	-	-	(56)
Distribution payable	-	(1)	-	-	(1)
Total financial liabilities	-	(99)	-	-	(99)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(94)	-	-	(94)
Non-derivatives					
Other creditors	-	(1,215)	-	-	(1,215)
Distribution payable	-	(2)	-	-	(2)
Total financial liabilities	-	(1,311)	-	-	(1,311)

13. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has decreased by 6.0% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.2381	-	0.2381	0.4415
Group 2	0.1231	0.1150	0.2381	0.4415
I Accumulation shares				
Group 1	1.4165	-	1.4165	1.8621
Group 2	0.6098	0.8067	1.4165	1.8621
K Accumulation shares				
Group 1	1.5184	-	1.5184	1.9565
Group 2	0.5586	0.9598	1.5184	1.9565
K Income shares				
Group 1	0.4962	-	0.4962	0.6474
Group 2	0.0995	0.3967	0.4962	0.6474
M Accumulation shares				
Group 1	0.5372	-	0.5372	0.4100
Group 2	0.2872	0.2500	0.5372	0.4100
Z Accumulation shares				
Group 1	1.6941	-	1.6941	1.9676
Group 2	0.8739	0.8202	1.6941	1.9676

Final interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.0604	-	0.0604	0.4312
Group 2	-	0.0604	0.0604	0.4312
I Accumulation shares				
Group 1	1.0025	-	1.0025	1.8606
Group 2	0.3990	0.6035	1.0025	1.8606
K Accumulation shares				
Group 1	1.1075	-	1.1075	1.9591
Group 2	0.4043	0.7032	1.1075	1.9591
K Income shares				
Group 1	0.3604	-	0.3604	0.6441
Group 2	0.0879	0.2725	0.3604	0.6441
M Accumulation shares				
Group 1	0.4325	-	0.4325	1.3400
Group 2	0.4325	-	0.4325	1.3400
Z Accumulation shares				
Group 1	1.4111	-	1.4111	1.9946
Group 2	0.3569	1.0542	1.4111	1.9946

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Sterling Money Market Fund

For the year ended 31 July 2020

Investment Objective

The fund aims to generate income and preserve some capital over the short term (2 years or less) by investing in cash deposits and money market instruments.

Performance target: The fund targets a return equivalent to 1 Week GBP LIBID. The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target. 1 Week GBP LIBID has been chosen as a proxy for the return from cash deposits.

Investment Policy

Portfolio securities

- The fund invests at least 80% in cash deposits and money market instruments.
- The fund may also invest in reverse repos, securitisations and asset-backed commercial paper.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments).
- The fund qualifies as a money-market fund under the MMF Regulation and more specifically as a Standard VNAV MMF.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and company level.
- The fund is managed in line with the MMF Regulation which is used as a reference for portfolio management and risk monitoring of the fund. For example, constraints include limits on the average maturity of the portfolio.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives include instruments used to manage expected changes in interest rates.

Performance Review

For the year ended 31 July 2020, the value of ASI Sterling Money Market Fund - A Accumulation Shares increased by 0.53% compared to an increase of 0.33% in the performance target, the 1 Week GBP LIBID.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

In the 12 months to end of July, the UK gilt market was driven by geopolitical uncertainty, local political turmoil and, subsequently, the effects of the coronavirus outbreak. Gilt prices were positive, as investors moved toward assets viewed as lower risk.

In August, the new Prime Minister, Boris Johnson, took the controversial step of proroguing parliament, which coupled with a series of subsequent events, put the UK on course for a general election. In October, Johnson was able to agree a Withdrawal Agreement with the European Union (EU). However, UK parliamentary agreement was not forthcoming, making a general election inevitable.

From a gilt-market perspective, December's election was a non-event. The only surprise was the margin of the Conservative victory. Mandate in hand, Johnson confirmed his desire to 'Get Brexit Done'. Accordingly, the UK will leave the EU at the end of 2020. This leaves a very short period to negotiate a very long, complex future relationship.

However, Brexit soon left the spotlight as the coronavirus evolved into a global pandemic. The UK quickly announced a record level of stimulus – totalling approximately £65.5 billion – with the latest £30 billion 'jobs package' being announced in July. The Bank of England (BoE) also made two rate cuts in March, bringing interest rates down to 0.1%, and ratcheted up its bond-buying programme.

The general macro environment was thus supportive of gilt prices. Yields plummeted, with the 10-year gilt seeing its yield almost touching 0.10% at the end of the period compared to about 0.55% at the beginning. Front-dated yields also turned negative. And as the central bank continued its quantitative-easing programme, net gilt supply continued to increase. Even so, demand still outstripped supply. Although the central bank began to taper down its speed of bond purchases beginning in June, the era of central-bank largesse endures. For now, it seems investors can only focus on the fear of missing out on the latest central-bank-fuelled rally.

Meanwhile, Brexit-related uncertainty continues to rumble along in the background. While negotiations are set to resume in mid-August, it looks likely to be yet another exercise in brinkmanship, and we do not expect any clarity until later in the year.

Portfolio Activity

The net asset value of the fund remained steady over the period. Investment activity was focused on its weighted average maturity. Maturing assets were reinvested in broadly the same range of money market instruments as the previous period.

Portfolio Outlook and Strategy

The outlook remains uncertain as we are still in the midst of the COVID-19 crisis. The future depends on the country getting on top of the spread of the virus. While lockdown restrictions are beginning to be lifted, we are still at the risk of infection spikes. And until a vaccine or successful treatment has been found, we will have to learn to live with the possibility of future outbreaks.

UK base rates are now at an all-time low of 0.10% and the outlook from the BoE is of a prolonged period of monetary policy remaining at exceptionally low to potentially negative levels. The potential of negative official benchmark interest rates in sterling has been the main topic of conversation. As a result, a flat yield curve is expected going forward. Furthermore, the issue of Brexit is still lingering in the background and – despite being overshadowed by the pandemic – continues to be a major challenge facing the UK.

Where cashflow requirements permit, the weighted average maturity of the fund will be increased. While the fund has recently added securities at advantageous yield levels, with a flat yield curve and credit spreads looking tight, activity will once again be focused on cautiously managing both liquidity and credit curve positioning within the fund.

Euro IG and Aggregate Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 1 because of the extent to which the following risk factors apply:

- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.
- The fund may hold money-market instruments, the value of which may be subject to adverse movements in extreme market conditions.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	112.65	111.91	111.61
Return before operating charges*	0.89	1.02	0.60
Operating charges	(0.28)	(0.28)	(0.30)
Return after operating charges*	0.61	0.74	0.30
Distributions	(0.42)	(0.66)	0.32
Retained distributions on accumulation shares	0.42	0.66	0.32
Closing net asset value per share	113.26	112.65	111.91
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.54%	0.66%	0.27%
Other information			
Closing net asset value (£'000)	31,897	27,751	23,396
Closing number of shares	28,161,935	24,634,417	20,905,978
Operating charges	0.25%	0.25%	0.27%
Direct transaction costs	-	-	-
Prices			
Highest share price	113.3	112.7	111.9
Lowest share price	112.7	111.9	111.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	99.96	99.87	99.90
Return before operating charges*	0.79	0.93	0.52
Operating charges	(0.25)	(0.25)	(0.27)
Return after operating charges*	0.54	0.68	0.25
Distributions	(0.37)	(0.59)	(0.28)
Closing net asset value per share	100.13	99.96	99.87
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.54%	0.68%	0.25%
Other information			
Closing net asset value (£'000)	889	997	337
Closing number of shares	887,607	997,691	337,542
Operating charges	0.25%	0.25%	0.27%
Direct transaction costs	-	-	-
Prices			
Highest share price	100.2	100.1	100.0
Lowest share price	99.97	99.89	99.87

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	114.66	113.79	113.42
Return before operating charges*	0.90	1.04	0.62
Operating charges	(0.17)	(0.17)	(0.25)
Return after operating charges*	0.73	0.87	0.37
Distributions	(0.54)	(0.78)	(0.39)
Retained distributions on accumulation shares	0.54	0.78	0.39
Closing net asset value per share	115.39	114.66	113.79
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.64%	0.76%	0.32%
Other information			
Closing net asset value (£'000)	418,301	363,056	253,361
Closing number of shares	362,501,423	316,650,126	222,660,758
Operating charges	0.15%	0.15%	0.22%
Direct transaction costs	-	-	-
Prices			
Highest share price	115.4	114.7	113.8
Lowest share price	114.7	113.8	113.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	99.92	99.84	99.87
Return before operating charges*	0.79	0.92	0.53
Operating charges	(0.15)	(0.15)	(0.22)
Return after operating charges*	0.64	0.77	0.31
Distributions	(0.47)	(0.69)	(0.34)
Closing net asset value per share	100.09	99.92	99.84
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.64%	0.77%	0.31%
Other information			
Closing net asset value (£'000)	19,567	28,574	7,921
Closing number of shares	19,549,617	28,597,199	7,933,577
Operating charges	0.15%	0.15%	0.22%
Direct transaction costs	-	-	-
Prices			
Highest share price	100.1	100.1	99.98
Lowest share price	99.93	99.85	99.84

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	100.01	100.00 ^B
Return before operating charges*	0.62	0.14
Operating charges	(0.20)	(0.13)
Return after operating charges*	0.42	0.01
Distributions	(0.23)	-
Retained distributions on accumulation shares	0.23	-
Closing net asset value per share	100.43	100.01
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.42%	0.01%
Other information		
Closing net asset value (£'000)	156	-
Closing number of shares	155,149	100
Operating charges	0.20%	0.20%
Direct transaction costs	-	-
Prices		
Highest share price	100.4	100.0
Lowest share price	100.0	99.99

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 29 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	100.01	100.00 ^B
Return before operating charges*	0.61	0.14
Operating charges	(0.20)	(0.13)
Return after operating charges*	0.41	0.01
Distributions	(0.22)	-
Closing net asset value per share	100.20	100.01
* after direct transaction costs of:	-	
Performance		
Return after charges	0.41%	0.01%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	1,000	100
Operating charges	0.20%	0.20%
Direct transaction costs	-	-
Prices		
Highest share price	100.2	100.0
Lowest share price	100.0	99.99

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 29 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Gross Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	108.07	107.14	106.64
Return before operating charges*	0.85	0.98	0.57
Operating charges	(0.05)	(0.05)	(0.07)
Return after operating charges*	0.80	0.93	0.50
Distributions	(0.62)	(0.84)	(0.52)
Retained distributions on accumulation shares	0.62	0.84	0.52
Closing net asset value per share	108.87	108.07	107.14
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.74%	0.87%	0.47%
Other information			
Closing net asset value (£'000)	80	3,027	3,625
Closing number of shares	73,942	2,801,172	3,382,812
Operating charges	0.05%	0.05%	0.07%
Direct transaction costs	-	-	-
Prices			
Highest share price	108.9	108.1	107.2
Lowest share price	108.1	107.2	106.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Sterling Denominated Bonds (22.71%)		65,891	13.99
Corporate Bonds (22.71%)		65,891	13.99
less than 5 years to maturity			
4,650,000	Australia & New Zealand Banking 0.50188% 2021	4,652	0.99
5,000,000	Banque Federative du Credit Mutuel FRN 2021	5,002	1.06
5,000,000	Canadian Imperial Bank of Commerce FRN 2020	4,999	1.06
500,000	Commonwealth Bank of Australia 0.5385% 2021	500	0.11
4,300,000	Commonwealth Bank of Australia FRN 2020	4,300	0.91
5,000,000	Cooperatieve Rabobank 0.52188% 2021	5,002	1.06
7,256,000	Cooperatieve Rabobank 4.625% 2021	7,392	1.57
5,000,000	HSBC FRN 2020	4,997	1.06
10,000,000	JPMorgan Chase FRN 2021	9,921	2.11
2,000,000	Sumitomo Mitsui Banking FRN 2020	1,999	0.42
2,000,000	Svenska Handelsbanken 3% 2020	2,015	0.43
5,000,000	Toronto-Dominion Bank FRN 2020	5,000	1.06
10,089,000	UBS 1.25% 2020	10,112	2.15
Cash Held For Investment Purposes (0.15%)		-	-
Money Markets (66.10%)		345,555	73.38
Certificates Of Deposits (48.53%)		280,576	59.58
10,000,000	Barclays Bank CD 0% 13/11/2020	9,977	2.12
8,000,000	BNP Paribas CD 0% 07/07/2021	7,976	1.70
10,000,000	BNP Paribas CD 0% 19/01/2021	9,983	2.12
10,000,000	Canadian Imperial Bank of Commerce CD 0.85% 08/10/2020	10,001	2.13
10,000,000	Citibank CD 0.07% 20/10/2020	10,000	2.12
10,000,000	First Abu Dhabi Bank CD 0% 08/03/2021	9,980	2.12
10,000,000	First Abu Dhabi Bank CD 0% 15/12/2020	9,979	2.12
10,000,000	Goldman Sachs 0% CD 26/02/2021	9,964	2.12
10,000,000	HSBC Bank CD 0% 06/04/2021	9,984	2.12
10,000,000	Lloyds Bank CD 0% 15/02/2021	9,959	2.12
10,000,000	Lloyds Bank CD 0% 30/10/2020	9,976	2.12
10,000,000	Mizuho Bank CD 0.08% 28/10/2020	10,000	2.12
10,000,000	MUFG Bank CD 0% 16/11/2020	9,986	2.12
10,000,000	MUFG Bank CD 0% 24/08/2020	9,996	2.12
10,000,000	National Westminster CD 0% 01/02/2021	9,984	2.12
10,000,000	NATL Bank CD 0% 01/10/2020	9,982	2.12
10,000,000	Qatar National CD 0% 07/08/2020	9,999	2.12

Holding	Investment	Market Value £'000	Percentage of total net assets
10,000,000	Qatar National CD 0% 18/11/2020	9,980	2.12
10,000,000	Royal Bank of Canada CD 1.41% 28/09/2020	10,000	2.12
10,000,000	Santander UK CD 0.8% 03/08/2020	10,000	2.12
10,000,000	Societe Generale CD 0% 01/12/2020	9,981	2.12
10,000,000	Societe Generale CD 0.45% 01/12/2020	10,000	2.12
10,000,000	Standard Chartered CD 0% 05/01/2021	9,982	2.12
10,000,000	Standard Chartered CD 0% 09/11/2020	9,983	2.12
10,000,000	Sumitomo Mitsui CD 0% 01/09/2020	9,995	2.12
10,000,000	Sumitomo Mitsui CD 0% 03/12/2020	9,989	2.12
5,000,000	The Toronto-Dominion Bank CD 0% 30/09/2020	4,988	1.06
10,000,000	The Toronto-Dominion Bank CD 0% 01/10/2020	9,982	2.12
8,000,000	UBS CD 0% 01/07/2021	7,970	1.69
Commercial Paper (17.57%)		64,979	13.80
10,000,000	Agence Centrale CP 0% 13/10/2020	9,998	2.12
10,000,000	Agence Centrale CP 0% 27/10/2020	9,998	2.12
10,000,000	Barclays Bank CP 0% 06/08/2020	10,000	2.13
10,000,000	ING CP 0% 05/08/2020	10,000	2.13
5,000,000	OP Corporate Bank CP 0% 25/01/2021	4,996	1.06
5,000,000	OP Corporate CP 0% 10/08/2020	5,000	1.06
5,000,000	OP Corporate CP 0% 28/05/2021	4,989	1.06
10,000,000	Sumitomo Mitsui CP 0% 02/11/2020	9,998	2.12
Collective Investment Schemes (9.13%)		21,170	4.50
21,171	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc ⁺	21,170	4.50
Total investment assets		432,616	91.87
Net other assets		38,275	8.13
Total Net Assets		470,891	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	844	268
Revenue	2	2,887	3,099
Expenses	3	(732)	(574)
Interest payable and similar charges		(24)	(16)
Net revenue before taxation		2,131	2,509
Taxation	4	-	-
Net revenue after taxation		2,131	2,509
Total return before distributions		2,975	2,777
Distributions	5	(2,131)	(2,509)
Change in net assets attributable to shareholders from investment activities		844	268

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	423,405	288,640
Amounts receivable on the issue of shares	234,731	173,706
Amounts payable on the cancellation of shares	(190,129)	(41,681)
	44,602	132,025
Dilution adjustment	-	1
Change in net assets attributable to shareholders from investment activities (see above)	844	268
Retained distribution on accumulation shares	2,040	2,471
Closing net assets attributable to shareholders	470,891	423,405

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		432,616	415,298
Current assets:			
Debtors	6	437	1,119
Cash and bank balances	7	47,951	10,099
		48,388	11,218
Total assets		481,004	426,516
Liabilities:			
Creditors	8	(10,105)	(3,057)
Distribution payable		(8)	(54)
		(10,113)	(3,111)
Total liabilities		(10,113)	(3,111)
Net assets attributable to shareholders		470,891	423,405

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	844	268
Net capital gains	844	268

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	282	27
Income from Overseas Collective Investment Schemes		
Unfranked income	-	218
Interest on debt securities	1,617	1,084
Interest on short term investments	988	1,770
Total revenue	2,887	3,099

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	498	390
Operating, administrative and servicing fees	234	184
Total expenses	732	574

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total taxation	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	2,131	2,509
Corporation tax at 20% (2019: 20%)	426	502
Effects of:		
Distributions treated as tax deductible	(426)	(502)
Total tax charge for year (note 4a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	791	530
Second interim distribution	724	666
Third interim distribution	488	655
Final distribution	189	771
	2,192	2,622
Add: Income deducted on cancellation of shares	90	35
Deduct: Income received on issue of shares	(151)	(148)
Net distribution for the year	2,131	2,509

Details of the distribution per share are set out in this fund's distribution tables.

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	437	669
Amounts receivable from the ACD for the issue of shares	-	450
Total debtors	437	1,119

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	951	24
Deposits with original maturity of less than 3 months	47,000	10,075
	47,951	10,099
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	21,170	38,646
Net Liquidity	68,170	48,745

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	43	56
Amounts payable to the ACD for cancellation of shares	44	-
Other accrued expenses	20	-
Purchases awaiting settlement	9,998	3,001
Total creditors	10,105	3,057

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds and collective investment schemes during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	892,538	887,320	858,627	794,125
Collective investment schemes	14,150	166,342	31,625	133,722
Trades in the year before transaction costs	906,688	1,053,662	890,252	927,847
Total net trades in the year after transaction costs	906,688	1,053,662	890,252	927,847

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.02% (2019: 0.03%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	24,634,417	18,368,231	(14,806,794)	(33,919)	28,161,935
A Income shares	997,691	632,116	(684,700)	(57,500)	887,607
I Accumulation shares	316,650,126	164,307,098	(118,489,120)	33,319	362,501,423
I Income shares	28,597,199	23,091,399	(32,196,504)	57,523	19,549,617
M Accumulation shares	100	155,049	-	-	155,149
M Income shares	100	900	-	-	1,000
Z Gross Accumulation shares	2,801,172	1,060,746	(3,787,976)	-	73,942

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	-	65,891	-	-	96,138	-
Money Market Instruments	-	345,555	-	-	280,514	-
Collective Investment Schemes	-	21,170	-	-	38,646	-
Total investment assets	-	432,616	-	-	415,298	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

The income and capital value of the fund's investments are mainly denominated in Sterling, the fund's functional currency; therefore, the financial statements are not subject to any significant risk of currency movements. This is consistent with the exposure during the prior year.

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the year end consists of:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	105,338	375,229	(9,676)	470,891
Total	105,338	375,229	(9,676)	470,891

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2019				
Currency				
UK Sterling	140,080	285,316	(1,991)	423,405
Total	140,080	285,316	(1,991)	423,405

Weighted average interest rate

	Weighted average interest rate (%) 2020	Weighted average period to maturity (days) 2019	Weighted average interest rate (%) 2020	Weighted average period to maturity (days) 2019
Type of Securities				
Bonds	2.00	0.82	188.00	177.00
Certificates of deposit	0.09	0.62	86.00	66.00
Commercial papers	-	-	13.00	16.00

Other price risk

Sensitivity analysis

The sensitivity analysis of the fund's financial asset and liability positions is monitored by the Investment Manager using VaR analysis. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	0.03%	0.03%
Maximum VaR	0.10%	0.11%
Average VaR	0.05%	0.06%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	-	0.06%	-	0.02%	0.08%
31 July 2019	-	0.02%	-	0.02%	0.04%

The ACD must calculate the global exposure of any fund it manages either as: 1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property. This is known as the Commitment Approach and is a measure of leverage or; 2) the market risk of the scheme property by way of the value at risk (VaR) approach. Although, the sensitivity analysis of the fund's financial asset and liability positions described above uses VaR analysis, the global exposure calculations for funds may be calculated on the Commitment Basis. The Prospectus provides further details on which method is used to calculate Global Exposure for each fund.

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	41,674	8.85%
Unrated securities	24,217	5.14%
Total Value of Securities	65,891	13.99%

	Market value £'000	Percentage of total net assets %
2019		
Investment grade securities	96,138	22.71%
Total Value of Securities	96,138	22.71%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £10,113,000 (2019: £3,111,000).

14. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 0.1% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

First interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 October 2019

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
A Accumulation shares				
Group 1	0.1648	-	0.1648	0.1591
Group 2	0.0846	0.0802	0.1648	0.1591
A Income shares				
Group 1	0.1463	-	0.1463	0.1420
Group 2	0.0950	0.0513	0.1463	0.1420
I Accumulation shares				
Group 1	0.1966	-	0.1966	0.1904
Group 2	0.1058	0.0908	0.1966	0.1904
I Income shares				
Group 1	0.1714	-	0.1714	0.1671
Group 2	0.0929	0.0785	0.1714	0.1671
M Accumulation shares				
Group 1	0.0130	-	0.0130	-
Group 2	0.0130	-	0.0130	-
M Income shares				
Group 1	0.0130	-	0.0130	-
Group 2	0.0130	-	0.0130	-
Z Gross Accumulation shares				
Group 1	0.2126	-	0.2126	0.2065
Group 2	0.1382	0.0744	0.2126	0.2065

Second interim interest distribution

Group 1 - shares purchased prior to 1 November 2019

Group 2 - shares purchased between 1 November 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.1524	-	0.1524	0.1663
Group 2	0.0510	0.1014	0.1524	0.1663
A Income shares				
Group 1	0.1350	-	0.1350	0.1479
Group 2	0.0576	0.0774	0.1350	0.1479
I Accumulation shares				
Group 1	0.1841	-	0.1841	0.1982
Group 2	0.0855	0.0986	0.1841	0.1982
I Income shares				
Group 1	0.1601	-	0.1601	0.1745
Group 2	0.1014	0.0587	0.1601	0.1745
M Accumulation shares				
Group 1	0.1200	-	0.1200	-
Group 2	0.1200	-	0.1200	-
M Income shares				
Group 1	0.1200	-	0.1200	-
Group 2	0.1200	-	0.1200	-
Z Gross Accumulation shares				
Group 1	0.2008	-	0.2008	0.2111
Group 2	0.1443	0.0565	0.2008	0.2111

Third interim interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 30 April 2020

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
A Accumulation shares				
Group 1	0.0812	-	0.0812	0.1541
Group 2	0.0194	0.0618	0.0812	0.1541
A Income shares				
Group 1	0.0719	-	0.0719	0.1371
Group 2	0.0273	0.0446	0.0719	0.1371
I Accumulation shares				
Group 1	0.1110	-	0.1110	0.1846
Group 2	0.0331	0.0779	0.1110	0.1846
I Income shares				
Group 1	0.0963	-	0.0963	0.1620
Group 2	0.0498	0.0465	0.0963	0.1620
M Accumulation shares				
Group 1	0.0790	-	0.0790	-
Group 2	0.0790	-	0.0790	-
M Income shares				
Group 1	0.0800	-	0.0800	-
Group 2	0.0800	-	0.0800	-
Z Gross Accumulation shares				
Group 1	0.1314	-	0.1314	0.2002
Group 2	0.0456	0.0858	0.1314	0.2002

Final interest distribution

Group 1 - shares purchased prior to 1 May 2020

Group 2 - shares purchased between 1 May 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.0190	-	0.0190	0.1785
Group 2	0.0103	0.0087	0.0190	0.1785
A Income shares				
Group 1	0.0168	-	0.0168	0.1586
Group 2	0.0077	0.0091	0.0168	0.1586
I Accumulation shares				
Group 1	0.0484	-	0.0484	0.2106
Group 2	0.0247	0.0237	0.0484	0.2106
I Income shares				
Group 1	0.0420	-	0.0420	0.1835
Group 2	0.0207	0.0213	0.0420	0.1835
M Accumulation shares				
Group 1	0.0182	-	0.0182	-
Group 2	0.0124	0.0058	0.0182	-
M Income shares				
Group 1	0.0080	-	0.0080	-
Group 2	0.0080	-	0.0080	-
Z Gross Accumulation shares				
Group 1	0.0705	-	0.0705	0.2256
Group 2	0.0567	0.0138	0.0705	0.2256

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Sterling Opportunistic Corporate Bond Fund

For the year ended 31 July 2020

Investment Objective

The fund aims to provide income and some growth over the long term (5 years or more) by investing in bonds.

Performance Target: To achieve the return of iBoxx Sterling Collateralized & Corporates (1-10 year) Index plus 1.25% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 80% in bonds issued anywhere in the world by governments, sub-sovereigns and corporations.
- The fund may invest in investment grade, emerging market, high yield, inflation-linked, convertible, asset backed and mortgage-backed bonds.
- At least 80% of the fund's investments will be in Sterling or will be subjected to techniques to reduce (hedge) risk related to currency movements on non-Sterling investments. The fund has some flexibility to seek returns from currencies.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to identify bonds and derivatives after analysing company's prospects and creditworthiness alongside global economic and market conditions.
- In seeking to achieve the Performance Target, the iBoxx Sterling Collateralized & Corporates (1-10 year) Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The team seeks to reduce the risk of significant changes in the value of the fund compared to the index. The potential change in value of the fund (as measured by expected volatility) is not ordinarily expected to exceed 150% of the potential change in value of the index.

Please Note: The fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and techniques

- The fund will routinely use of derivatives to reduce risk, reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").

- Derivatives can be used to generate growth, consistent with the fund's risk profile, if market prices are expected to rise ("long positions") or fall ("short positions"). These positions can be used in overseas markets.
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI Sterling Opportunistic Corporate Bond Fund – A Accumulation Shares increased by 3.67% compared to an increase of 3.25% in the performance target, the iBoxx Sterling Collateralized & Corporates 1-10 year Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

In the early part of the review period, collapsing government bond yields and fairly stable credit spreads in most higher-quality bond markets led to fixed-income markets overall generating some strong returns, while showing little volatility. Although yields were already lower than many investors thought possible, deteriorating economic data and the threat of policy action caused a further collapse towards lows. However, while investment-grade credit, where the fund is focused, held in, riskier asset classes like high yield and emerging markets wobbled slightly as political and economic data provided some volatility-causing headlines. Bond yields rose in many government markets in the latter part 2019, but corporate bonds continued to perform well as risk appetite remained healthy.

Markets entered 2020 in a constructive manner, with investment-grade spreads materially tighter. High yield and emerging markets were also strong. This more positive environment for risk assets came about as global economic data appeared to be picking up modestly and a 'phase-one' trade deal between the US and China was agreed.

Global central banks also appear to be prepared to maintain – or even extend – their accommodative stances going forward, thus providing further confidence. In late January, the coronavirus started affecting markets, which began to consider the implications for global growth. Equities fell sharply, as did commodities such as oil, as the virus spread rapidly around the world, initially causing a slowing of global supply chains and economic activity. The virus' spread and the sharp increase in cases and fatalities then led to a succession of lockdowns across the globe, which more or less halted domestic economic activity. Those sectors most affected by lockdowns and trade flows performed badly, with hotels, retail, airlines and leisure being among the worst hit.

Central banks and governments in both developed and emerging economies responded quickly, announcing rate cuts, bond-buying programmes and stimulus packages. These actions soothed financial markets, which also helped gradually reverse the dramatic spread widening seen in February and March over the subsequent months. Still, there are certainly outstanding risks in significant areas of the economy, and credit rating agencies have been taking action. Nonetheless, buyers are continuing to demand fixed-income assets, forcing yields lower and spreads tighter.

Portfolio Activity

The portfolio performed strongly because of strong sector allocation and stock selection. The fund's exposure to credit markets was focused on the lower-quality areas of the market and the financial sectors relative to non-financials. Both factors were material drivers of performance over the period, with positioning in financials being especially beneficial. Overweight positions in sectors such as banks and utilities, which performed well, were particularly helpful. Meanwhile, underweight positions in the transportation and autos sectors also boosted performance, especially during the height of the COVID-19 crisis.

Within the transport sector, UK airports are material issuers in the domestic market. The fund's exposure is largely in the country's prime airport infrastructure, Heathrow, and this position was increased when spreads widened dramatically in March 2020 through the use of credit default swap contracts.

Portfolio Outlook and Strategy

Credit markets have performed well of late and are approaching fair value and levels seen at the end of 2019. Some of the higher-risk areas of the markets still offer value, but the economic environment means that stock selection will be crucial over the coming period. The risks to growth caused by the impacts of the coronavirus are fairly apparent and ongoing as the virus has yet to be brought under control. Although there appears to be ongoing support for bonds across most markets, we are happy to pare back risk, especially in the most fully valued areas. Furthermore, with the extremely low levels of government bond yields, duration has now also fallen below that of the index benchmark.

Sterling IG and Aggregate Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 3 because of the extent to which the following risk factors apply:

- The fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	140.96	134.75	135.31
Return before operating charges*	6.50	7.70	0.97
Operating charges	(1.52)	(1.49)	(1.53)
Return after operating charges*	4.98	6.21	(0.56)
Distributions	(2.64)	(3.08)	(3.30)
Retained distributions on accumulation shares	2.64	3.08	3.30
Closing net asset value per share	145.94	140.96	134.75
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.53%	4.61%	(0.41%)
Other information			
Closing net asset value (£'000)	16	42	78
Closing number of shares	10,706	29,499	57,741
Operating charges	1.07%	1.09%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	146.5	141.6	137.0
Lowest share price	130.7	132.6	134.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	113.66	111.12	114.34
Return before operating charges*	5.19	6.27	0.82
Operating charges	(1.22)	(1.21)	(1.28)
Return after operating charges*	3.97	5.06	(0.46)
Distributions	(2.15)	(2.52)	(2.76)
Closing net asset value per share	115.48	113.66	111.12
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.49%	4.55%	(0.40%)
Other information			
Closing net asset value (£'000)	203,175	244,511	246,976
Closing number of shares	175,941,881	215,131,503	222,253,326
Operating charges	1.07%	1.09%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	117.1	114.8	115.5
Lowest share price	104.4	108.8	111.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	148.05	140.85	140.72
Return before operating charges*	6.86	8.08	1.02
Operating charges	(0.93)	(0.88)	(0.89)
Return after operating charges*	5.93	7.20	0.13
Distributions	(3.51)	(3.90)	(4.15)
Retained distributions on accumulation shares	3.51	3.90	4.15
Closing net asset value per share	153.98	148.05	140.85
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	4.01%	5.11%	0.09%
Other information			
Closing net asset value (£'000)	112	120	133
Closing number of shares	72,614	81,006	94,677
Operating charges	0.62%	0.62%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price	154.6	148.7	142.8
Lowest share price	137.7	139.0	140.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	117.16	114.54	117.85
Return before operating charges*	5.35	6.46	0.86
Operating charges	(0.73)	(0.72)	(0.74)
Return after operating charges*	4.62	5.74	0.12
Distributions	(2.74)	(3.12)	(3.43)
Closing net asset value per share	119.04	117.16	114.54
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.94%	5.01%	0.10%
Other information			
Closing net asset value (£'000)	1,148	1,624	2,447
Closing number of shares	964,802	1,386,300	2,136,466
Operating charges	0.62%	0.62%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price	120.8	118.5	119.1
Lowest share price	107.7	112.2	115.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Gross Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	138.14	131.44	131.33
Return before operating charges*	6.40	7.53	0.94
Operating charges	(0.87)	(0.83)	(0.83)
Return after operating charges*	5.53	6.70	0.11
Distributions	(3.28)	(3.63)	(3.87)
Retained distributions on accumulation shares	3.28	3.63	3.87
Closing net asset value per share	143.67	138.14	131.44
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	4.00%	5.10%	0.08%
Other information			
Closing net asset value (£'000)	22,565	23,420	23,487
Closing number of shares	15,706,390	16,954,252	17,868,370
Operating charges	0.62%	0.62%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price	144.3	138.8	133.3
Lowest share price	128.4	129.7	131.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Gross Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	106.77	104.38	107.41
Return before operating charges*	4.89	5.89	0.77
Operating charges	(0.67)	(0.65)	(0.67)
Return after operating charges*	4.22	5.24	0.10
Distributions	(2.41)	(2.85)	(3.13)
Closing net asset value per share	108.58	106.77	104.38
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.95%	5.02%	0.09%
Other information			
Closing net asset value (£'000)	12	24	25
Closing number of shares	10,795	22,698	23,630
Operating charges	0.62%	0.62%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price	110.1	108.0	108.5
Lowest share price	98.15	102.3	104.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	106.50	100.00 ^B
Return before operating charges*	5.11	6.97
Operating charges	(0.72)	(0.47)
Return after operating charges*	4.39	6.50
Distributions	(2.37)	(2.44)
Retained distributions on accumulation shares	2.37	2.44
Closing net asset value per share	110.89	106.50
* after direct transaction costs of:	-	-
Performance		
Return after charges	4.12%	6.50%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	936	100
Operating charges	0.67%	0.67%
Direct transaction costs	-	-
Prices		
Highest share price	111.3	107.0
Lowest share price	99.09	99.42

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 29 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	103.98	100.00 ^B
Return before operating charges*	5.06	6.87
Operating charges	(0.70)	(0.46)
Return after operating charges*	4.36	6.41
Distributions	(2.29)	(2.43)
Closing net asset value per share	106.05	103.98
* after direct transaction costs of:	-	-
Performance		
Return after charges	4.19%	6.41%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	955	100
Operating charges	0.67%	0.67%
Direct transaction costs	-	-
Prices		
Highest share price	107.6	105.3
Lowest share price	95.98	99.42

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 29 November 2018.

^B The opening net asset value stated is the share class launch price.

P Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	113.67	111.11	114.33
Return before operating charges*	5.21	6.30	0.83
Operating charges	(0.45)	(0.47)	(0.46)
Return after operating charges*	4.76	5.83	0.37
Distributions	(2.81)	(3.27)	(3.59)
Closing net asset value per share	115.62	113.67	111.11
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	4.19%	5.25%	0.32%
Other information			
Closing net asset value (£'000)	17	84	1,307
Closing number of shares	15,240	73,716	1,175,998
Operating charges	0.39%	0.39%	0.40%
Direct transaction costs	-	-	-
Prices			
Highest share price	117.3	115.0	115.6
Lowest share price	104.5	108.9	111.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

P Gross Income shares ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	111.19	114.41
Return before operating charges*	4.15	0.83
Operating charges	(0.42)	(0.46)
Return after operating charges*	3.73	0.37
Distributions	(2.43)	(3.59)
Redemption value as at 9 June 2019	(112.49)	-
Closing net asset value per share	-	111.19
* after direct transaction costs of:	-	-
Performance		
Return after charges	3.35%	0.32%
Other information		
Closing net asset value (£'000)	-	44
Closing number of shares	-	39,818
Operating charges	0.39%	0.40%
Direct transaction costs	-	-
Prices		
Highest share price	112.7	115.6
Lowest share price	109.0	111.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A P Gross Income share class was closed on 9 June 2019.

Q Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	113.75	111.14	114.33
Return before operating charges*	5.18	6.28	0.86
Operating charges	(0.35)	(0.36)	(0.36)
Return after operating charges*	4.83	5.92	0.50
Distributions	(3.00)	(3.31)	(3.69)
Closing net asset value per share	115.58	113.75	111.14
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	4.25%	5.33%	0.44%
Other information			
Closing net asset value (£'000)	804	2,006	7,038
Closing number of shares	695,802	1,763,413	6,333,144
Operating charges	0.31%	0.31%	0.31%
Direct transaction costs	-	-	-
Prices			
Highest share price	117.4	115.1	115.6
Lowest share price	104.6	109.0	111.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Q Gross Income shares ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	111.23	114.42
Return before operating charges*	7.03	0.87
Operating charges	(0.36)	(0.36)
Return after operating charges*	6.67	0.51
Distributions	(3.48)	(3.70)
Redemption value as at 7 August 2019	(114.93)	-
Closing net asset value per share	-	111.23
* after direct transaction costs of:	-	-
Performance		
Return after charges	5.34%	0.45%
Other information		
Closing net asset value (£'000)	-	105
Closing number of shares	-	94,358
Operating charges	0.31%	0.31%
Direct transaction costs	-	-
Prices		
Highest share price	115.1	115.7
Lowest share price	109.1	111.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Q Gross Income share class was closed on 30 July 2019.

Z Accumulation shares ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	109.98	104.13	103.52
Return before operating charges*	3.45	5.98	0.75
Operating charges	(0.12)	(0.13)	(0.14)
Return after operating charges*	3.33	5.85	0.61
Distributions	(2.37)	(3.42)	(3.58)
Retained distributions on accumulation shares	2.37	3.42	3.58
Redemption value as at 16 June 2020	(113.31)	-	-
Closing net asset value per share	-	109.98	104.13
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.03%	5.62%	0.59%
Other information			
Closing net asset value (£'000)	-	879	629
Closing number of shares	-	798,852	603,811
Operating charges	0.12%	0.12%	0.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	115.0	110.5	105.3
Lowest share price	102.6	102.9	103.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Z Accumulation share class was closed on 16 June 2020.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (86.82%)		185,006	81.20
Euro Denominated Bonds (17.25%)		24,550	10.77
Corporate Bonds (17.25%)		24,550	10.77
less than 5 years to maturity			
1,300,000	Banco Sabadell 1.75% 2024	1,141	0.50
2,000,000	FCE Bank 1.528% 2020	1,791	0.79
between 5 and 10 years to maturity			
900,000	Alstria Office REIT 1.5% 2026	818	0.36
1,300,000	International Consolidated Airlines 1.5% 2027*	829	0.36
between 15 and 25 years to maturity			
1,250,000	AIG 4.875% 2037	977	0.43
greater than 25 years to maturity			
1,244,000	Channel Link Enterprises Finance FRN 2050	1,154	0.51
Perpetual			
600,000	Aareal Bank 7.625% fixed to floating Perpetual	501	0.22
5,300,000	ABN Amro 5.75% Perpetual	4,769	2.09
4,800,000	Caixa Geral de Depositos 10.75% fixed to floating Perpetual	4,683	2.05
2,000,000	Engie 3.25% Perpetual	1,917	0.84
2,500,000	NatWest FRN Perpetual	2,027	0.89
1,000,000	UniCredit 7.5% fixed to floating Perpetual	955	0.42
2,000,000	UniCredit 9.25% fixed to floating Perpetual	1,922	0.84
1,200,000	Volkswagen International 3.5% fixed to floating Perpetual	1,066	0.47
Sterling Denominated Bonds (61.72%)		140,899	61.85
Corporated Bonds (56.99%)		123,483	54.21
less than 5 years to maturity			
900,000	Banco Santander 1.375% 2024	909	0.40
1,747,000	Barclays 2.375% 2023	1,783	0.78
2,000,000	Barclays 10% 2021	2,139	0.94
554,000	Citigroup 5.875% 2024	640	0.28
1,400,000	Deutsche Bank 2.625% 2024	1,422	0.62
1,649,000	Fidelity National Information Services 2.602% 2025	1,782	0.78
3,314,000	FirstGroup 8.75% 2021	3,394	1.49
500,000	Heathrow Funding 7.125% 2024	567	0.25

		Market Value £'000	Percentage of total net assets
Holding	Investment		
1,323,000	Intu (SGS) Finance 3.875% 2023	797	0.35
890,000	Intu (SGS) Finance 4.125% 2023*	465	0.20
459,000	MPT Operating Partnership 2.55% 2023	458	0.20
750,000	Thames Water 2.375% 2023	742	0.33
2,000,000	Trafford Centre Finance 4.75% 2024	2,154	0.95
between 5 and 10 years to maturity			
800,000	Abertis Infraestructuras 3.375% 2026	850	0.37
1,500,000	Barclays 3% 2026	1,596	0.70
774,000	BAT International Finance 2.25% 2028	781	0.34
855,000	Citigroup 1.75% 2026	880	0.39
2,514,000	Citigroup 5.15% 2026	3,058	1.34
930,000	CPUK 3.69% 2028	946	0.42
2,600,000	Credit Suisse FRN 2025	2,674	1.17
1,554,000	Danske Bank 2.25% fixed to floating 2028	1,575	0.69
1,300,000	Fuller Smith & Turner 6.875% 2028	1,576	0.69
1,950,000	Gatwick 6.125% 2026	2,314	1.02
668,000	Grainger 3% 2030	692	0.30
1,785,000	Hammerson 3.5% 2025	1,600	0.70
1,740,000	Kraft Heinz Foods 4.125% 2027	1,868	0.82
1,311,000	London & Quadrant Housing Trust 2.625% 2028	1,415	0.62
607,000	MPT Operating Partnership 3.692% 2028	609	0.27
712,000	National Express 2.375% 2028	693	0.30
1,884,000	National Grid 1.375% 2026	1,958	0.86
1,008,000	National Grid Electricity Transmission 1.125% 2028	1,024	0.45
742,000	NewRiver REIT 3.5% 2028	657	0.29
1,500,000	NIE Finance 6.375% 2026	1,959	0.86
2,500,000	Northumbrian Water 1.625% 2026	2,600	1.14
1,800,000	Paragon FRN 2026	1,802	0.79
1,500,000	Phoenix 6.625% 2025	1,763	0.77
2,200,000	Quadgas Finance 3.375% 2029	2,337	1.03
1,820,000	Rabobank 5.25% 2027	2,257	0.99
2,000,000	Royal Bank of Canada 1.125% 2025	2,019	0.89
500,000	Scentre Management 3.875% 2026	542	0.24
1,421,000	Smith (DS) 2.875% 2029	1,448	0.64
1,354,000	Southern Water Services Finance 2.375% 2028	1,392	0.61
1,360,000	Stagecoach Group 4% 2025	1,364	0.60
600,000	Thames Water 6.75% 2028	847	0.37
1,600,000	Trafford Centre 7.03% 2029	900	0.39
2,212,000	Tritax Big Box REIT 2.625% 2026	2,377	1.04
924,000	Unite Group 3.5% 2028	962	0.42
1,000,000	Virgin Money UK 4% fixed to floating 2027	1,014	0.45

		Market Value £'000	Percentage of total net assets
Holding	Investment		
2,908,000	Welltower 4.8% 2028	3,386	1.49
1,110,000	Wessex Water Services Finance 1.5% 2029	1,138	0.50
873,000	Westfield Stratford City Finance 1.642% 2026	882	0.39
2,000,000	Wm Morrison Supermarkets 4.75% 2029	2,516	1.11
between 10 and 15 years to maturity			
1,765,000	Barclays 3.75% 3.75% fixed to floating 2030	1,826	0.80
2,200,000	Digital Stout 3.75% 2030	2,622	1.15
1,600,000	Thames Water 5.75% 2030	1,692	0.74
between 15 and 25 years to maturity			
1,500,000	Aviva 6.125% 2036	1,796	0.79
2,100,000	CNP Assurances 7.375% 2041	2,236	0.98
1,258,000	Eversholt Funding 2.742% 2040	1,310	0.58
2,200,000	QBE Insurance 6.115% 2042	2,327	1.02
greater than 25 years to maturity			
500,000	American International FRN 2067	425	0.19
1,105,000	BHP Billiton 6.5% 2077	1,207	0.53
1,281,000	BHP Billiton 6.5% 2077	1,400	0.62
400,000	Channel Link 3.043% 2050	413	0.18
1,563,000	Enel 6.625% fixed to floating 2076	1,633	0.72
4	London Wall Mortgage Capital FRN 2048	-	-
2,000,000	NGG 5.625% fixed to floating 2073	2,297	1.01
2,500,000	Society of Lloyd's 4.875% 2047	2,643	1.16
1,500,000	SSE 3.625% 2077	1,523	0.67
Perpetual			
2,400,000	Aviva 6.125% fixed to floating Perpetual	2,605	1.14
2,000,000	AXA 6.6862% fixed to floating Perpetual	2,391	1.05
1,000,000	Barclays 6.375% fixed to floating Perpetual	968	0.43
1,313,000	BP Capital Markets 4.25% fixed to floating Perpetual	1,356	0.59
500,000	Cheltenham & Gloucester 11.75% Perpetual	1,008	0.44
1,200,000	EDF 6% fixed to floating Perpetual	1,296	0.57
2,825,000	HSBC 5.844% fixed to floating Perpetual	3,768	1.65
500,000	Lloyds Banking Group 7.625% fixed to floating Perpetual	516	0.23
505,000	Nationwide Building Society 5.75% fixed to floating Perpetual	514	0.23
629,000	Nationwide Building Society 5.875% fixed to floating Perpetual	637	0.28
2,114,000	Orange 5.75% fixed to floating Perpetual	2,306	1.01
2,200,000	Orange 5.875% fixed to floating Perpetual	2,332	1.02
886,000	SSE 3.74% fixed to floating Perpetual	913	0.40

Holding	Investment	Market Value £'000	Percentage of total net assets
Government Bonds (4.73%)		17,416	7.64
less than 5 years to maturity			
5,000,000	UK (Govt of) 1% 2024	5,215	2.29
between 5 and 10 years to maturity			
3,000,000	UK (Govt of) 1.5% 2026*	3,290	1.44
7,850,000	UK (Govt of) 1.625% 2028	8,911	3.91
US Dollar Denominated Bonds (7.85%)		19,557	8.58
Corporate Bonds (6.81%)		19,557	8.58
less than 5 years to maturity			
2,921,000	American International 2.5% 2025	2,379	1.04
1,600,000	Ford Motor 8.5% 2023	1,346	0.59
1,039,000	General Motors Financial 5.2% 2023	861	0.38
between 5 and 10 years to maturity			
2,200,000	ABN Amro FRN 2028	1,759	0.77
1,405,000	Canadian Natural Resources 2.95% 2030	1,094	0.48
between 10 and 15 years to maturity			
2,226,000	AT&T 2.75% 2031	1,815	0.80
960,000	Charter Communications Operating 2.8% 2031	770	0.34
greater than 25 years to maturity			
951,000	NatWest Markets 7.125% 2093	1,120	0.49
Perpetual			
1,170,000	Australia & New Zealand Banking FRN Perpetual	610	0.27
4,600,000	Bank of Nova Scotia 4.65% fixed to floating Perpetual	3,319	1.46
2,500,000	Credit Suisse 6.25% fixed to floating Perpetual	2,028	0.89
1,000,000	Hongkong & Shanghai Banking FRN Perpetual	592	0.26
2,100,000	NatWest 7.5% fixed to floating Perpetual	1,600	0.70
500,000	Westpac Banking FRN Perpetual	264	0.11

Holding	Investment	Market Value £'000	Percentage of total net assets
Government Bonds (1.04%)		-	-
Equities (0.00%)		-	-
UK Equities (0.00%)		-	-
7,104	BrightHouse	-	-
Collective Investment Schemes (9.13%)		22,841	10.02
12,904,353	ASI Strategic Bond Fund Z Acc ⁺	22,841	10.02
Derivatives (-0.67%)		96	0.04
Credit Default Swaps (-0.12%)		(285)	(0.13)
EUR 5,000,000	Buy CDX SES Senior 20/06/2025 1.0%	(7)	-
USD 2,000,000	Sell CDX Petroleos Mexicano 20/06/2025 1.0%	(278)	(0.13)
Forward Currency Contracts (-0.59%)		544	0.25
	Buy AUD 380,000 Sell GBP 207,129 10/09/2020	1	-
	Buy AUD 429,000 Sell GBP 236,681 10/09/2020	(2)	-
	Buy EUR 129,000 Sell GBP 116,853 10/09/2020	(1)	-
	Buy EUR 130,000 Sell GBP 116,383 10/09/2020	1	-
	Buy EUR 135,000 Sell GBP 120,358 10/09/2020	1	-
	Buy EUR 593,000 Sell GBP 540,062 10/09/2020	(5)	-
	Buy EUR 637,000 Sell GBP 569,334 10/09/2020	5	-
	Buy EUR 816,000 Sell GBP 741,318 10/09/2020	(6)	-
	Buy EUR 898,000 Sell GBP 804,381 10/09/2020	5	-
	Buy EUR 1,673,000 Sell GBP 1,508,080 10/09/2020	-	-
	Buy EUR 2,267,000 Sell GBP 2,024,761 10/09/2020	19	0.01
	Buy EUR 3,400,000 Sell GBP 3,101,605 10/09/2020	(36)	(0.02)
	Buy GBP 1,061,633 Sell AUD 1,942,000 10/09/2020	1	-
	Buy GBP 266,695 Sell EUR 298,000 10/09/2020	(2)	-
	Buy GBP 338,539 Sell EUR 374,000 10/09/2020	1	-
	Buy GBP 430,485 Sell EUR 483,000 10/09/2020	(5)	-
	Buy GBP 811,115 Sell EUR 899,000 10/09/2020	1	-
	Buy GBP 1,017,033 Sell EUR 1,129,000 10/09/2020	(1)	-
	Buy GBP 1,078,015 Sell EUR 1,200,000 10/09/2020	(4)	-
	Buy GBP 1,149,685 Sell EUR 1,265,000 10/09/2020	9	-
	Buy GBP 1,172,859 Sell EUR 1,316,000 10/09/2020	(14)	(0.01)
	Buy GBP 28,193,252 Sell EUR 31,601,000 10/09/2020	(297)	(0.13)
	Buy GBP 140,739 Sell USD 178,000 10/09/2020	5	-

Holding	Investment	Market Value £'000	Percentage of total net assets
	Buy GBP 458,753 Sell USD 584,000 10/09/2020	14	0.01
	Buy GBP 553,230 Sell USD 697,000 10/09/2020	22	0.01
	Buy GBP 595,488 Sell USD 751,000 10/09/2020	23	0.01
	Buy GBP 1,061,988 Sell USD 1,321,000 10/09/2020	56	0.03
	Buy GBP 23,199,985 Sell USD 29,176,000 10/09/2020	976	0.43
	Buy USD 742,000 Sell GBP 591,690 10/09/2020	(25)	(0.01)
	Buy USD 888,000 Sell GBP 718,535 10/09/2020	(42)	(0.02)
	Buy USD 1,369,000 Sell GBP 1,097,482 10/09/2020	(55)	(0.02)
	Buy USD 2,480,000 Sell GBP 1,922,885 10/09/2020	(34)	(0.01)
	Buy USD 2,771,000 Sell GBP 2,177,296 10/09/2020	(67)	(0.03)
Futures (-0.06%)		169	0.07
88	Long Australia 10 Year Bond Future 15/09/2020	124	0.05
32	Long Euro Bond Future 08/09/2020	(69)	(0.03)
215	Long US 10 Year Note Future 21/09/2020	213	0.09
(67)	Short Long Gilt Future 28/09/2020	(99)	(0.04)
Inflation Swaps (-0.02%)		(332)	(0.15)
USD 7,940,000	Pay fixed 2.05450% receive floating USCPI 14/01/2029	(332)	(0.15)
Total investment assets and liabilities		207,943	91.26
Net other assets		19,908	8.74
Total Net Assets		227,851	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

* Managed by subsidiaries of Standard Life Aberdeen plc.

* A portion of this security is on loan at the period end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	2,699	5,819
Revenue	2	7,695	9,073
Expenses	3	(2,620)	(2,772)
Interest payable and similar charges		(5)	(6)
Net revenue before taxation		5,070	6,295
Taxation	4	(41)	(1)
Net revenue after taxation		5,029	6,294
Total return before distributions		7,728	12,113
Distributions	5	(5,029)	(6,294)
Change in net assets attributable to shareholders from investment activities		2,699	5,819

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	272,711	282,269
Amounts receivable on the issue of shares	12,191	1,698
Amounts payable on the cancellation of shares	(60,579)	(17,742)
	(48,388)	(16,044)
Dilution adjustment	283	19
Change in net assets attributable to shareholders from investment activities (see above)	2,699	5,819
Retained distribution on accumulation shares	546	647
Unclaimed distributions	-	1
Closing net assets attributable to shareholders	227,851	272,711

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		209,324	261,901
Current assets:			
Debtors	6	6,028	3,408
Cash and bank balances	7	15,102	11,803
		21,130	15,211
Total assets		230,454	277,112
Liabilities:			
Investment liabilities		(1,381)	(2,065)
Creditors	8	(279)	(892)
Distribution payable		(943)	(1,444)
		(1,222)	(2,336)
Total liabilities		(2,603)	(4,401)
Net assets attributable to shareholders		227,851	272,711

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	(1,394)	7,758
Derivative contracts	1,414	414
Forward currency contracts	2,609	(1,703)
Other gains/(losses)	70	(650)
Net capital gains	2,699	5,819

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	6	11
Derivative revenue	23	87
Income from UK Collective Investment Schemes		
Interest income	874	1,122
Interest on debt securities	6,778	7,818
Stocklending revenue	14	35
Total revenue	7,695	9,073

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	2,336	2,476
Operating, administrative and servicing fees	284	296
Total expenses	2,620	2,772

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Corporation tax	8	-
Double taxation relief	(8)	-
Overseas taxes	41	1
Total taxation	41	1

(b)

Factors affecting current tax charge for the year

The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:

	2020 £'000	2019 £'000
Net revenue before taxation	5,070	6,295
Corporation tax at 20% (2019: 20%)	1,014	1,259
Effects of:		
Overseas taxes	41	1
Double taxation relief	(8)	-
Distributions treated as tax deductible	(1,006)	(1,259)
Total tax charge for year (note 4a)	41	1

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Factors that may affect future tax charge

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

5.

Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	1,251	1,532
Second interim distribution	1,525	1,420
Third interim distribution	1,024	1,671
Final distribution	1,071	1,613
	4,871	6,236
Add: Income deducted on cancellation of shares	181	66
Deduct: Income received on issue of shares	(23)	(8)
Net distribution for the year	5,029	6,294

Details of the distribution per share are set out in this fund's distribution tables.

6.

Debtors

	2020 £'000	2019 £'000
Accrued revenue	2,749	3,406
Amounts receivable from the ACD for the issue of shares	-	2
Sales awaiting settlement	3,279	-
Total debtors	6,028	3,408

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	13,380	11,024
Cash at broker	1,112	399
Collateral cash pledged to counterparties ⁻	610	380
Net Liquidity	15,102	11,803

⁻ This reflects cash the fund retains beneficial ownership of however which is currently being used to manage bilateral counterparty exposure on out of the money derivative positions.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	175	233
Amounts payable to the ACD for cancellation of shares	82	-
Other accrued expenses	22	-
Purchases awaiting settlement	-	659
Total creditors	279	892

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	234,256	246,162	281,698	265,964
Equities	-	-	-	7
Collective investment schemes	-	-	3,088	-
Corporate actions	-	516	-	2,644
Trades in the year before transaction costs	234,256	246,678	284,786	268,615
Total net trades in the year after transaction costs	234,256	246,678	284,786	268,615

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.85% (2019: 0.64%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	29,499	2,524	(20,921)	(396)	10,706
A Income shares	215,131,503	10,898,674	(50,087,868)	(428)	175,941,881
I Accumulation shares	81,006	10,394	(19,163)	377	72,614
I Income shares	1,386,300	6,957	(428,870)	415	964,802
I Gross Accumulation shares	16,954,252	-	(1,247,862)	-	15,706,390
I Gross Income shares	22,698	46	(11,949)	-	10,795
M Accumulation shares	100	836	-	-	936
M Income shares	100	855	-	-	955
P Income shares	73,716	-	(58,476)	-	15,240
Q Income shares	1,763,413	-	(1,067,611)	-	695,802
Q Gross Income shares	1,000	-	(1,000)	-	-
Z Accumulation shares	798,852	1,000	(799,852)	-	-

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	17,416	167,590	-	12,862	223,905	-
Equities	-	-	-	4	-	-
Collective Investment Schemes	-	22,841	-	-	24,887	-
Derivatives	337	1,140	-	163	80	-
Total investment assets	17,753	191,571	-	13,029	248,872	-
Fair value of investment liabilities						
Derivatives	(168)	(1,213)	-	-	(2,065)	-
Total investment liabilities	(168)	(1,213)	-	-	(2,065)	-

13. Risk Management Policies and Disclosures

Based on the investment strategy, types of complexities of the derivatives and the proportion of the fund comprising derivatives, the method of estimating the fund's overall risk position (Global Exposure) is to use the value at risk (VaR) techniques which estimate the probability of portfolio losses based on the statistical analysis of historical price trends and volatilities. The VaR is produced on a daily basis and the fund's current VaR limit is detailed below.

Value at Risk (VaR)

Model assumptions:

System:

Advanced Portfolio Technologies (APT)

VaR methodology:

Parametric

Confidence level:

99%

Holding period:

1 week (5 days)

Decay factor for exponential smoothing of the historical market data:

Nil

Historical observation period:

-

VaR limit (absolute):

20%

VaR limit (relative):

200%

Reference portfolio for relative VaR:

-

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VaR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	0.60%	0.85%
Maximum VaR	2.18%	1.23%
Average VaR	1.21%	0.96%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	(0.03%)	(0.02%)	-	1.60%	1.55%
31 July 2019	0.01%	0.59%	-	0.39%	0.99%

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the year end consists of:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	32,616	96,241	96,978	225,835
Australian Dollar	165	-	(495)	(330)
Euro	6,251	13,707	(18,671)	1,287
US Dollar	3,239	16,332	(18,512)	1,059
Total	42,271	126,280	59,300	227,851

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2019				
Currency				
UK Sterling	95,798	109,160	65,913	270,871
Euro	19,451	27,622	(45,046)	2,027
Swedish Krona	-	-	(175)	(175)
US Dollar	9,380	12,045	(21,437)	(12)
Total	124,629	148,827	(745)	272,711

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	149,658	65.69%
Below investment grade securities	33,772	14.82%
Unrated securities	1,576	0.69%
Total Value of Securities	185,006	81.20%

	Market value £'000	Percentage of total net assets %
2019		
Investment grade securities	166,862	61.19%
Below investment grade securities	68,213	25.01%
Unrated securities	1,692	0.62%
Total Value of Securities	236,767	86.82%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

2020	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	169	(10)	159	-	1,112	1,271
Barclays	-	-	-	(55)	(55)	-	-	(55)
BNP Paribas	(7)	-	-	(47)	(54)	-	-	(54)
Citigroup	(610)	-	-	-	(610)	610	-	-
Credit Agricole	-	-	-	6	6	-	-	6
Deutsche Bank	-	-	-	(36)	(36)	-	-	(36)
Goldman Sachs	-	-	-	(1)	(1)	-	-	(1)
Morgan Stanley	-	-	-	6	6	-	-	6
RBC Dominion Securities	-	-	-	1,060	1,060	-	-	1,060
Royal Bank of Scotland	-	-	-	23	23	-	-	23
Standard Chartered	-	-	-	(58)	(58)	-	-	(58)
StateStreet	-	-	-	(344)	(344)	-	-	(344)
Total	(617)	-	169	544	96	610	1,112	1,917

						Mark to Market Exposure		
	Swaps	Options	Futures	Forward Currency Contracts	Total	Collateral (held)/ pledged	Margin at clearing broker	Total by Counter- party
2019	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	163	24	187	-	-	187
Barclays	-	-	-	(50)	(50)	-	-	(50)
BNP Paribas	-	-	-	(13)	(13)	-	-	(13)
Citigroup	(64)	-	-	1	(63)	-	-	(63)
Goldman Sachs	-	-	-	(783)	(783)	-	-	(783)
HSBC	-	-	-	(428)	(428)	-	-	(428)
JP Morgan	(310)	-	-	-	(310)	380	-	70
Morgan Stanley	-	-	-	(11)	(11)	-	-	(11)
RBC Dominion Securities	-	-	-	(60)	(60)	-	-	(60)
StateStreet	-	-	-	(271)	(271)	-	-	(271)
UBS	-	-	-	(20)	(20)	-	-	(20)
Total	(374)	-	163	(1,611)	(1,822)	380	-	(1,442)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(764)	(285)	(332)	(1,381)
Non-derivatives					
Other creditors	-	(279)	-	-	(279)
Distribution payable	-	(943)	-	-	(943)
Total financial liabilities	-	(1,986)	(285)	(332)	(2,603)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(1,691)	(151)	(223)	(2,065)
Non-derivatives					
Other creditors	-	(892)	-	-	(892)
Distribution payable	-	(1,444)	-	-	(1,444)
Total financial liabilities	-	(4,027)	(151)	(223)	(4,401)

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £6,145,000 (2019: £1,032,000). 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 31 July 2020 is £6,638,000 (2019: £1,117,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Barclays	-	87
BNP Paribas	760	-
Citigroup	4,914	661
Goldman Sachs	471	284
Total securities on loan	6,145	1,032

Collateral held	2020 £'000	2019 £'000
Government Bond	6,638	1,117
Total collateral held	6,638	1,117

The gross earnings and fees paid for the year are £16,000 (2019: £41,000) and £2,000 (2019: £6,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

15. Subsequent Events

The fund closed on 19 October 2020, following the redemption of all the shares in issue.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

First interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 October 2019

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
A Accumulation shares				
Group 1	0.6383	-	0.6383	0.7237
Group 2	0.3237	0.3146	0.6383	0.7237
A Income shares				
Group 1	0.5154	-	0.5154	0.5968
Group 2	0.0154	0.5000	0.5154	0.5968
I Accumulation shares				
Group 1	0.8403	-	0.8403	0.9345
Group 2	0.4140	0.4263	0.8403	0.9345
I Income shares				
Group 1	0.6649	-	0.6649	0.7600
Group 2	0.3957	0.2692	0.6649	0.7600
I Gross Accumulation shares				
Group 1	0.7839	-	0.7839	0.8715
Group 2	0.7839	-	0.7839	0.8715
I Gross Income shares				
Group 1	0.6073	-	0.6073	0.6921
Group 2	0.6073	-	0.6073	0.6921
M Accumulation shares				
Group 1	0.3376	-	0.3376	-
Group 2	0.0376	0.3000	0.3376	-
M Income shares				
Group 1	0.3370	-	0.3370	-
Group 2	0.0371	0.2999	0.3370	-
P Income shares				
Group 1	0.7115	-	0.7115	0.8012
Group 2	0.7115	-	0.7115	0.8012

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
P Gross Income shares*				
Group 1	-	-	-	0.7894
Group 2	-	-	-	0.7894
Q Income shares				
Group 1	0.7349	-	0.7349	0.8249
Group 2	0.7349	-	0.7349	0.8249
Q Gross Income shares**				
Group 1	-	-	-	0.8256
Group 2	-	-	-	0.8256
Z Accumulation shares				
Group 1	0.7637	-	0.7637	0.8231
Group 2	0.7637	-	0.7637	0.8231

* Share class closed 9 June 2019.

** Share class closed 30 July 2019.

Second interim interest distribution

Group 1 - shares purchased prior to 1 November 2019

Group 2 - shares purchased between 1 November 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.7928	-	0.7928	0.9468
Group 2	0.3992	0.3936	0.7928	0.9468
A Income shares				
Group 1	0.6347	-	0.6347	0.5786
Group 2	0.3122	0.3225	0.6347	0.5786
I Accumulation shares				
Group 1	1.0032	-	1.0032	0.9105
Group 2	0.3892	0.6140	1.0032	0.9105
I Income shares				
Group 1	0.7889	-	0.7889	0.7192
Group 2	0.4619	0.3270	0.7889	0.7192
I Gross Accumulation shares				
Group 1	0.9360	-	0.9360	0.8452
Group 2	0.9360	-	0.9360	0.8452
I Gross Income shares				
Group 1	0.7194	-	0.7194	0.6672
Group 2	0.2450	0.4744	0.7194	0.6672
M Accumulation shares				
Group 1	0.7266	-	0.7266	0.5700
Group 2	0.7266	-	0.7266	0.5700
M Income shares				
Group 1	0.7097	-	0.7097	0.5700
Group 2	0.7097	-	0.7097	0.5700
P Income shares				
Group 1	0.8320	-	0.8320	0.7452
Group 2	0.8320	-	0.8320	0.7452

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
P Gross Income shares*				
Group 1	-	-	-	0.7751
Group 2	-	-	-	0.7751
Q Income shares				
Group 1	0.8559	-	0.8559	0.7237
Group 2	0.8559	-	0.8559	0.7237
Q Gross Income shares**				
Group 1	-	-	-	0.8760
Group 2	-	-	-	0.8760
Z Accumulation shares				
Group 1	0.8877	-	0.8877	0.8079
Group 2	0.8877	-	0.8877	0.8079

* Share class closed 9 June 2019.

** Share class closed 30 July 2019.

Third interim interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 30 April 2020

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
A Accumulation shares				
Group 1	0.5394	-	0.5394	0.5932
Group 2	0.2928	0.2466	0.5394	0.5932
A Income shares				
Group 1	0.4705	-	0.4705	0.6825
Group 2	0.2736	0.1969	0.4705	0.6825
I Accumulation shares				
Group 1	0.7959	-	0.7959	1.0338
Group 2	0.3997	0.3962	0.7959	1.0338
I Income shares				
Group 1	0.6048	-	0.6048	0.8296
Group 2	0.4658	0.1390	0.6048	0.8296
I Gross Accumulation shares				
Group 1	0.7427	-	0.7427	0.9644
Group 2	0.7427	-	0.7427	0.9644
I Gross Income shares				
Group 1	0.4684	-	0.4684	0.7556
Group 2	0.4684	-	0.4684	0.7556
M Accumulation shares				
Group 1	0.6251	-	0.6251	0.9700
Group 2	0.6251	-	0.6251	0.9700
M Income shares				
Group 1	0.5956	-	0.5956	0.9700
Group 2	0.5956	-	0.5956	0.9700
P Income shares				
Group 1	0.5453	-	0.5453	0.8693
Group 2	0.5453	-	0.5453	0.8693

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
P Gross Income shares*				
Group 1	-	-	-	0.8637
Group 2	-	-	-	0.8637
Q Income shares				
Group 1	0.6589	-	0.6589	0.8897
Group 2	0.6589	-	0.6589	0.8897
Q Gross Income shares**				
Group 1	-	-	-	0.8930
Group 2	-	-	-	0.8930
Z Accumulation shares				
Group 1	0.7183	-	0.7183	0.8954
Group 2	0.7183	-	0.7183	0.8954

* Share class closed 9 June 2019.

** Share class closed 30 July 2019.

Final interest distribution

Group 1 - shares purchased prior to 1 May 2020

Group 2 - shares purchased between 1 May 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.6655	-	0.6655	0.8121
Group 2	0.2854	0.3801	0.6655	0.8121
A Income shares				
Group 1	0.5290	-	0.5290	0.6583
Group 2	0.3126	0.2164	0.5290	0.6583
I Accumulation shares				
Group 1	0.8726	-	0.8726	1.0175
Group 2	0.4543	0.4183	0.8726	1.0175
I Income shares				
Group 1	0.6785	-	0.6785	0.8109
Group 2	0.1859	0.4926	0.6785	0.8109
I Gross Accumulation shares				
Group 1	0.8141	-	0.8141	0.9495
Group 2	0.8141	-	0.8141	0.9495
I Gross Income shares				
Group 1	0.6188	-	0.6188	0.7391
Group 2	0.6188	-	0.6188	0.7391
M Accumulation shares				
Group 1	0.6774	-	0.6774	0.9000
Group 2	0.6774	-	0.6774	0.9000
M Income shares				
Group 1	0.6437	-	0.6437	0.8898
Group 2	0.6437	-	0.6437	0.8898
P Income shares				
Group 1	0.7251	-	0.7251	0.8526
Group 2	0.7251	-	0.7251	0.8526

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
P Gross Income shares*				
Group 1	-	-	-	-
Group 2	-	-	-	-
Q Income shares				
Group 1	0.7476	-	0.7476	0.8760
Group 2	0.7476	-	0.7476	0.8760
Q Gross Income shares**				
Group 1	-	-	-	0.8820
Group 2	-	-	-	0.8820
Z Accumulation shares***				
Group 1	-	-	-	0.8920
Group 2	-	-	-	0.8920

* Share class closed 9 June 2019.

** Share class closed 30 July 2019.

*** Share class closed 16 June 2020.

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Sterling Short Term Government Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the medium to long term (3 to 5 years) by investing in UK Government bonds with a maturity of up to five years.

Performance target: To achieve the return of the FTSE Actuaries UK Conventional Gilts All Stocks up to 5 Years Index plus 0.5% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund.

There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund invests at least 80% in government bonds issued or guaranteed by the UK Government with a maturity of up to 5 years.
- The fund may also invest in investment grade bonds of any maturity, issued anywhere in the world by governments, sub-sovereigns and corporations including inflation-linked bonds. The fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to identify investments after analysing individual bonds and derivatives alongside global economic and market conditions.
- In seeking to achieve the Performance Target, the FTSE Actuaries UK Conventional Gilts All Stocks up to 5 Years Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 1.70%. Due to the fund's risk constraints the intention is that the fund's performance will not deviate significantly from that of the index over the long term.

Derivatives and techniques

- The fund will make routine use of derivatives to reduce risk, reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives can be used to generate growth, consistent with the fund's risk profile, if market prices are expected to rise ("long positions") or fall ("short positions"). These positions can be used in overseas markets.
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI Sterling Short Term Government Bond Fund – A Accumulation Shares increased by 1.02% compared to an increase of 1.33% in the performance target, the FTSE Actuaries UK Conventional Gilts All Stocks up to 5 Years Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

In the 12 months to the end of July, the UK gilt market was driven by geopolitical uncertainty, local political turmoil and, subsequently, the effects of the coronavirus outbreak. Gilt prices were positive, as investors moved towards assets viewed as lower risk.

In August, the new Prime Minister, Boris Johnson, took the controversial step of proroguing parliament which, coupled with a series of subsequent events, put the UK on course for a general election. In October, Johnson was able to agree a Withdrawal Agreement with the European Union (EU). However, UK parliamentary approval was not forthcoming, making a general election inevitable.

From a gilt-market perspective, December's election was a non-event. The only surprise was the margin of the Conservative victory. Mandate in hand, Johnson confirmed his desire to 'Get Brexit Done'. Accordingly, the UK will leave the EU at the end of 2020. This leaves a very short period to negotiate a very long, complex future relationship.

However, Brexit soon left the spotlight as the coronavirus evolved into a global pandemic. The UK quickly announced a record level of stimulus – totalling approximately £65.5 billion – with the latest £30 billion 'jobs package' being announced in July. The Bank of England (BoE) also made two rate cuts in March, bringing interest rates down to 0.1%, and ratcheted up its bond-buying programme.

The general macro environment was thus supportive of gilt prices. Yields plummeted, with the 10-year gilt seeing its yield almost touching 0.10% at the end of the period compared to about 0.55% at the beginning. Front-dated yields also turned negative as the BoE suggested negative rates could be part of the monetary policy toolkit (it was previously thought that the effective lower bound in the UK was 0.10%). Net gilt supply remained negative as the BoE continued its aggressive quantitative-easing programme, despite record levels of issuance. Although the central bank began to taper down its speed of bond purchases beginning in June, the era of central-bank largesse endures. For now, it seems investors can only focus on fear of missing out on the latest central-bank-fuelled rally.

Meanwhile, Brexit-related uncertainty continues to rumble along in the background. While negotiations are set to resume in mid-August, it looks likely to be yet another exercise in brinkmanship, and we do not expect any clarity until later in the year.

Portfolio Activity

The fund continued to hold an overweight duration bias over the 12-month period. Up until February, the global economic backdrop was characterised by subdued growth and low inflation amid geopolitical uncertainty. Since February, the COVID-19 pandemic dominated markets. Markets became dysfunctional in March, then central banks rode to the rescue with rate cuts and a return to quantitative easing.

As a result, the duration positioning added to the outperformance of the fund. We added a long-dated UK position to the fund when the gilt market became dysfunctional in the belief that the BoE would have to step in. Gilt yields plummeted when the BoE announced a large quantitative-easing package and our position paid off. The fund ended the period duration neutral.

Up until the COVID-19 pandemic, the fund held numerous UK short positions – we periodically added to these when we felt Brexit fears had been exaggerated or political tensions had become elevated. We held these positions throughout the UK general election period. Following the Conservative Party win, we switched from short to long on a cross-market basis. We felt the market had priced in an unrealistic hope that Boris Johnson would use his parliamentary majority to soften his stance on Brexit, and we opposed this view. This position was successful throughout January as the interest-rate cuts were priced in. In June, the fund re-established short UK positions, as we disagree with market expectations that the BoE will pursue negative interest rates. Additionally, gilts should underperform as the BoE slows gilt purchases.

At the turn of the year, the fund held front-end UK steepeners. These paid off when the BoE unexpectedly turned dovish, the curve steepened and the fund took profits. We took a position once more at the end of January in anticipation of rate cuts ahead of the COVID-19 pandemic.

Outside of the UK, the fund held positions in Australia, Canada, the US, Germany and France. We held relative-value positions in Germany versus Sweden and France, and the US versus Canada and Australia. The fund also held curve positions in the US, Germany and Australia.

In inflation, we took positions in US 10-year and 30-year breakevens. Throughout the period, the fund held numerous relative-value strategies, which worked well with the increase in gilt issuance and the offsetting quantitative-easing programme.

Portfolio Outlook and Strategy

Over the next 6 to 12 months, focus will be on how the global, and specifically the UK, economies recover from the COVID-19 pandemic. As the economy continues to reopen and the UK furlough scheme ends, the full picture will be revealed.

Bubbling away in the background is Brexit. The transition period will finish at the end of 2020, with or without a deal. The market expectation is that the UK will come to a deal at some point before year-end. What that deal is, and how it impacts the UK economy is another story. In a global context, the US presidential election in November will keep markets busy.

Rates Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund’s share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 3 because of the extent to which the following risk factors apply:

- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund’s objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund’s ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	128.95	127.08	128.54
Return before operating charges*	2.30	2.91	(0.10)
Operating charges	(1.03)	(1.04)	(1.36)
Return after operating charges*	1.27	1.87	(1.46)
Distributions	-	-	-
Retained distributions on accumulation shares	-	-	-
Closing net asset value per share	130.22	128.95	127.08
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.98%	1.47%	(1.14%)
Other information			
Closing net asset value (£'000)	7,513	6,634	6,809
Closing number of shares	5,769,846	5,144,184	5,358,115
Operating charges	0.80%	0.82%	1.07%
Direct transaction costs	-	-	-
Prices			
Highest share price	130.4	128.9	128.8
Lowest share price	127.8	126.6	126.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	117.58	114.70	116.02
Return before operating charges*	2.10	3.82	(0.09)
Operating charges	(0.94)	(0.94)	(1.23)
Return after operating charges*	1.16	2.88	(1.32)
Distributions	-	-	-
Closing net asset value per share	118.74	117.58	114.70
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.99%	2.51%	(1.14%)
Other information			
Closing net asset value (£'000)	883	873	1,027
Closing number of shares	743,548	742,299	895,050
Operating charges	0.80%	0.82%	1.07%
Direct transaction costs	-	-	-
Prices			
Highest share price	118.9	117.6	116.3
Lowest share price	116.6	114.2	114.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	103.91	101.26	101.91
Return before operating charges*	1.86	3.01	(0.07)
Operating charges	(0.37)	(0.36)	(0.58)
Return after operating charges*	1.49	2.65	(0.65)
Distributions	(0.23)	(0.44)	(0.24)
Retained distributions on accumulation shares	0.23	0.44	0.24
Closing net asset value per share	105.40	103.91	101.26
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.43%	2.62%	(0.63%)
Other information			
Closing net asset value (£'000)	56,580	51,987	62,395
Closing number of shares	53,679,433	50,030,591	61,618,042
Operating charges	0.35%	0.35%	0.57%
Direct transaction costs	-	-	-
Prices			
Highest share price	105.5	103.9	102.2
Lowest share price	103.2	101.0	100.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	101.96	99.84	100.72
Return before operating charges*	1.82	2.90	(0.07)
Operating charges	(0.36)	(0.35)	(0.57)
Return after operating charges*	1.46	2.55	(0.64)
Distributions	(0.22)	(0.43)	(0.24)
Closing net asset value per share	103.20	101.96	99.84
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.43%	2.55%	(0.64%)
Other information			
Closing net asset value (£'000)	10,953	17,402	22,270
Closing number of shares	10,613,849	17,067,059	22,305,148
Operating charges	0.35%	0.35%	0.57%
Direct transaction costs	-	-	-
Prices			
Highest share price	103.3	102.1	101.0
Lowest share price	101.2	99.54	99.55

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	101.75	100.00 ^B
Return before operating charges*	2.08	2.02
Operating charges	(0.41)	(0.27)
Return after operating charges*	1.67	1.75
Distributions	(0.20)	(0.45)
Retained distributions on accumulation shares	0.20	0.45
Closing net asset value per share	103.42	101.75
* after direct transaction costs of:	-	-
Performance		
Return after charges	1.64%	1.75%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	986	100
Operating charges	0.40%	0.40%
Direct transaction costs	-	-
Prices		
Highest share price	103.5	101.7
Lowest share price	101.3	99.98

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 29 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	101.31	100.00 ^B
Return before operating charges*	2.06	2.04
Operating charges	(0.41)	(0.27)
Return after operating charges*	1.65	1.77
Distributions	(0.21)	(0.46)
Closing net asset value per share	102.75	101.31
* after direct transaction costs of:	-	-
Performance		
Return after charges	1.63%	1.77%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	990	100
Operating charges	0.40%	0.40%
Direct transaction costs	-	-
Prices		
Highest share price	102.8	101.4
Lowest share price	100.7	99.98

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 29 November 2018.

^B The opening net asset value stated is the share class launch price.

P Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	117.80	116.15	117.17
Return before operating charges*	2.08	2.56	(0.09)
Operating charges	(0.30)	(0.29)	(0.34)
Return after operating charges*	1.78	2.27	(0.43)
Distributions	(0.38)	(0.62)	(0.59)
Closing net asset value per share	119.20	117.80	116.15
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.51%	1.95%	(0.37%)
Other information			
Closing net asset value (£'000)	1,431	7,794	5,777
Closing number of shares	1,200,647	6,616,574	4,973,817
Operating charges	0.25%	0.25%	0.29%
Direct transaction costs	-	-	-
Prices			
Highest share price	119.3	117.9	117.5
Lowest share price	116.9	115.8	115.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	153.34	150.10	150.34
Return before operating charges*	2.76	3.32	(0.11)
Operating charges	(0.08)	(0.08)	(0.13)
Return after operating charges*	2.68	3.24	(0.24)
Distributions	(0.80)	(1.10)	(1.08)
Retained distributions on accumulation shares	0.80	1.10	1.08
Closing net asset value per share	156.02	153.34	150.10
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.75%	2.16%	(0.16%)
Other information			
Closing net asset value (£'000)	372	1,264	1,039
Closing number of shares	238,388	824,580	692,117
Operating charges	0.05%	0.05%	0.09%
Direct transaction costs	-	-	-
Prices			
Highest share price	156.1	153.3	150.8
Lowest share price	152.5	149.7	149.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (99.53%)		75,274	96.84
Euro Denominated Bonds (3.30%)		-	-
Government Bonds (3.30%)		-	-
Sterling Denominated Bonds (0.00%)		72,115	92.78
Corporate Bonds (0.00%)		1,874	2.41
less than 5 years to maturity			
1,073,000	KFW 1.25% 2023	1,113	1.43
between 5 and 10 years to maturity			
713,000	BNG Bank 1.625% 2025	761	0.98
Government Bonds (95.04%)		70,241	90.37
less than 5 years to maturity			
1,744,000	UK (Govt of) 0.125% 2023	1,753	2.26
6,406,000	UK (Govt of) 0.5% 2022	6,480	8.34
6,591,751	UK (Govt of) 0.625% 2025	6,835	8.79
4,377,492	UK (Govt of) 0.75% 2023	4,493	5.78
5,508,283	UK (Govt of) 1% 2024	5,746	7.39
1,434,427	UK (Govt of) 1.5% 2021	1,445	1.86
5,356,000	UK (Govt of) 1.75% 2022	5,563	7.16
3,527,568	UK (Govt of) 2.25% 2023	3,787	4.87
6,113,415	UK (Govt of) 2.75% 2024	6,840	8.80
5,855,000	UK (Govt of) 3.75% 2021*	6,098	7.85
7,099,000	UK (Govt of) 4% 2022	7,560	9.72
5,842,413	UK (Govt of) 5% 2025	7,227	9.30
6,009,000	UK (Govt of) 8% 2021	6,414	8.25
Swedish Krona Denominated Bonds (0.00%)		2,108	2.71
Government Bonds (0.00%)		2,108	2.71
between 5 and 10 years to maturity			
22,450,000	Sweden (Kingdom of) 0.75% 2029	2,108	2.71
US Dollar Denominated Bonds (1.19%)		1,051	1.35
Government Bonds (1.19%)		1,051	1.35
between 5 and 10 years to maturity			
945,000	US Treasury 0.125% Index-Linked 2030	795	1.02

Holding	Investment	Market Value £'000	Percentage of total net assets
greater than 25 years to maturity			
114,000	US Treasury 1% Index-Linked 2048	128	0.17
116,000	US Treasury 1% Index-Linked 2049	128	0.16
Forward Currency Contracts (-0.23%)		4	0.01
	Buy AUD 74,000 Sell GBP 40,379 10/09/2020	-	-
	Buy GBP 41,088 Sell AUD 74,000 10/09/2020	1	-
	Buy GBP 2,038,841 Sell SEK 23,926,000 10/09/2020	(46)	(0.06)
	Buy GBP 35,015 Sell USD 44,000 10/09/2020	1	-
	Buy GBP 35,715 Sell USD 47,000 10/09/2020	-	-
	Buy GBP 56,269 Sell USD 73,000 10/09/2020	1	-
	Buy GBP 66,113 Sell USD 83,000 10/09/2020	3	0.01
	Buy GBP 72,092 Sell USD 90,000 10/09/2020	3	0.01
	Buy GBP 257,722 Sell USD 335,000 10/09/2020	3	-
	Buy GBP 1,549,711 Sell USD 1,950,000 10/09/2020	64	0.08
	Buy USD 54,000 Sell GBP 43,637 10/09/2020	(3)	-
	Buy USD 64,000 Sell GBP 49,514 10/09/2020	(1)	-
	Buy USD 969,000 Sell GBP 760,510 10/09/2020	(22)	(0.03)
Futures (0.00%)		(59)	(0.08)
58	Long Australia 10 Year Bond Future 15/09/2020	34	0.04
25	Long Canadian 10 Year Bond Future 21/09/2020	20	0.03
14	Long Euro-Oat Future 08/09/2020	(8)	(0.01)
54	Long US 10 Year Ultra Future 21/09/2020	(87)	(0.11)
(50)	Short Long Gilt Future 28/09/2020	(65)	(0.08)
(94)	Short US 5 Year Note Future 30/09/2020	49	0.05
(2)	Short US Ultra Bond (CBT) Future 21/09/2020	(2)	-
Interest Rate Swaps (0.00%)		9	0.01
CAD 12,450,000.00	Pay floating CAD BA receive fixed 0.79830% 25/07/2024	7	0.01
CAD 4,150,000.00	Pay floating CAD BA receive fixed 0.80000% 25/07/2024	2	-
Total investment assets and liabilities		75,228	96.78
Net other assets		2,506	3.22
Total Net Assets		77,734	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities or approved derivatives within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

* A portion of this security is on loan at the year end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	767	1,856
Revenue	2	423	728
Expenses	3	(286)	(356)
Interest payable and similar charges		(1)	-
Net revenue before taxation		136	372
Taxation	4	-	-
Net revenue after taxation		136	372
Total return before distributions		903	2,228
Distributions	5	(153)	(375)
Change in net assets attributable to shareholders from investment activities		750	1,853

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	85,954	99,317
Amounts receivable on the issue of shares	18,887	13,659
Amounts payable on the cancellation of shares	(27,976)	(29,130)
	(9,089)	(15,471)
Dilution adjustment	3	-
Change in net assets attributable to shareholders from investment activities (see above)	750	1,853
Retained distribution on accumulation shares	116	255
Closing net assets attributable to shareholders	77,734	85,954

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		75,462	85,739
Current assets:			
Debtors	6	1,057	12,356
Cash and bank balances	7	2,287	280
		3,344	12,636
Total assets		78,806	98,375
Liabilities:			
Investment liabilities		(234)	(387)
Creditors	8	(832)	(12,004)
Distribution payable		(6)	(30)
		(838)	(12,034)
Total liabilities		(1,072)	(12,421)
Net assets attributable to shareholders		77,734	85,954

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	(251)	1,969
Derivative contracts	234	-
Forward currency contracts	660	(237)
Other gains	124	124
Net capital gains	767	1,856

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	-	1
Interest on debt securities	420	722
Stocklending revenue	3	5
Total revenue	423	728

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	249	309
Operating, administrative and servicing fees	37	47
Total expenses	286	356

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total taxation	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	136	372
Corporation tax at 20% (2019: 20%)	27	74
Effects of:		
Distributions treated as tax deductible	(27)	(74)
Total tax charge for year (note 4a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	44	64
Second interim distribution	39	99
Third interim distribution	35	119
Final distribution	30	89
	148	371
Add: Income deducted on cancellation of shares	12	11
Deduct: Income received on issue of shares	(7)	(7)
Net distribution for the year	153	375
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	136	372
Shortfall transfer from capital to revenue	17	3
Total distributions	153	375

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	619	514
Amounts receivable from the ACD for the issue of shares	438	74
Sales awaiting settlement	-	11,768
Total debtors	1,057	12,356

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	1,718	280
Cash at broker	569	-
Net Liquidity	2,287	280

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	22	28
Amounts payable to the ACD for cancellation of shares	35	392
Other accrued expenses	3	-
Purchases awaiting settlement	772	11,584
Total creditors	832	12,004

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	136,561	272,443	145,161	284,411
Trades in the year before transaction costs	136,561	272,443	145,161	284,411
Total net trades in the year after transaction costs	136,561	272,443	145,161	284,411

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.04% (2019: 0.04%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Closing shares 2020
A Accumulation shares	5,144,184	2,023,179	(1,397,517)	5,769,846
A Income shares	742,299	111,168	(109,919)	743,548
I Accumulation shares	50,030,591	13,208,536	(9,559,694)	53,679,433
I Income shares	17,067,059	345,702	(6,798,912)	10,613,849
M Accumulation shares	100	886	-	986
M Income shares	100	890	-	990
P Income shares	6,616,574	1,452,148	(6,868,075)	1,200,647
Z Accumulation shares	824,580	121,907	(708,099)	238,388

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	71,292	3,982	-	85,551	-	-
Derivatives	104	85	-	-	188	-
Total investment assets	71,396	4,067	-	85,551	188	-
Fair value of investment liabilities						
Derivatives	(163)	(72)	-	-	(387)	-
Total investment liabilities	(163)	(72)	-	-	(387)	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Australian Dollar	175	52
Canadian Dollar	73	-
Euro	46	31
Swedish Krona	34	-
US Dollar	(22)	478
Total	306	561

Interest rate risk

Interest rate risk is an unfavourable change in interest rates that can affect the price of a security, which in turn results in the portfolio experiencing a loss. Interest rate changes not only affect fixed income products but have material impacts on funding arrangements and other asset types.

The following table shows separately the value of investments at fixed interest rates, at variable rates and those that are non-interest bearing instruments.

The interest rate risk profile of the fund's investments at the year end consists of:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	1,912	72,115	3,401	77,428
Australian Dollar	141	-	34	175
Canadian Dollar	44	-	29	73
Euro	54	-	(8)	46
Swedish Krona	-	2,108	(2,074)	34
US Dollar	137	1,051	(1,210)	(22)
Total	2,288	75,274	172	77,734

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2019				
Currency				
UK Sterling	228	81,693	3,472	85,393
Australian Dollar	52	-	-	52
Euro	2,836	-	(2,805)	31
US Dollar	1,022	-	(544)	478
Total	4,138	81,693	123	85,954

Other price risk

Sensitivity analysis

The sensitivity analysis of the fund's financial asset and liability positions is monitored by the Investment Manager using VaR analysis. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents the potential losses from adverse changes in market factors for a specified time period and confidence level.

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	0.29%	0.26%
Maximum VaR	0.90%	0.43%
Average VaR	0.45%	0.34%

VaR Table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	(0.03%)	0.30%	-	0.08%	0.35%
31 July 2019	-	0.35%	-	0.06%	0.41%

The ACD must calculate the global exposure of any fund it manages either as: 1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property. This is known as the Commitment Approach and is a measure of leverage or; 2) the market risk of the scheme property by way of the value at risk (VaR) approach. Although, the sensitivity analysis of the fund's financial asset and liability positions described above uses VaR analysis, the global exposure calculations for funds may be calculated on the Commitment Basis. The Prospectus provides further details on which method is used to calculate Global Exposure for each fund.

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	75,274	96.84%
Total Value of Securities	75,274	96.84%

	Market value £'000	Percentage of total net assets %
2019		
Investment grade securities	85,551	99.53%
Total Value of Securities	85,551	99.53%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

The balance sheet data shown here is unaudited and preliminary.								
						Mark to Market Exposure		
	Swaps	Options	Futures	Forward		Collateral	Margin at	Total by
	£'000	£'000	£'000	Currency	Total	(held)/	clearing	Counter-
2020	£'000	£'000	£'000	Contracts	£'000	pledged	broker	party
				£'000		£'000	£'000	£'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	(59)	42	(17)	-	-	(17)
Deutsche Bank	-	-	-	4	4	-	-	4
JP Morgan	-	-	-	3	3	-	-	3
Morgan Stanley	-	-	-	4	4	-	-	4
RBC Dominion Securities	-	-	-	1	1	-	-	1
Royal Bank of Canada	9	-	-	-	9	-	-	9
Standard Chartered	-	-	-	(1)	(1)	-	-	(1)
UBS	-	-	-	(49)	(49)	-	-	(49)
Total	9	-	(59)	4	(46)	-	-	(46)

	Mark to Market Exposure							
	Swaps	Options	Futures	Forward Currency Contracts	Total	Collateral (held)/ pledged	Margin at clearing broker	Total by Counter- party
2019	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	-	(99)	(99)	-	-	(99)
BNP Paribas	-	-	-	(36)	(36)	-	-	(36)
Goldman Sachs	-	-	-	(3)	(3)	-	-	(3)
HSBC	-	-	-	73	73	-	-	73
RBC Dominion Securities	-	-	-	(162)	(162)	-	-	(162)
StateStreet	-	-	-	28	28	-	-	28
Total	-	-	-	(199)	(199)	-	-	(199)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(234)	-	-	(234)
Non-derivatives					
Other creditors	-	(832)	-	-	(832)
Distribution payable	-	(6)	-	-	(6)
Total financial liabilities	-	(1,072)	-	-	(1,072)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(387)	-	-	(387)
Non-derivatives					
Other creditors	-	(12,004)	-	-	(12,004)
Distribution payable	-	(30)	-	-	(30)
Total financial liabilities	-	(12,421)	-	-	(12,421)

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £5,427,000 (2019: £Nil). 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 31 July 2020 is £5,716,000 (2019: £Nil).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Citigroup	5,427	-
Total securities on loan	5,427	-

Collateral held	2020 £'000	2019 £'000
Government Bond	5,716	-
Total collateral held	5,716	-

The gross earnings and fees paid for the year are £4,000 (2019: £6,000) and £1,000 (2019: £1,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has decreased by 0.5% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

First interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 October 2019

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
A Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
I Accumulation shares				
Group 1	0.0672	-	0.0672	0.0688
Group 2	0.0335	0.0337	0.0672	0.0688
I Income shares				
Group 1	0.0660	-	0.0660	0.0679
Group 2	0.0360	0.0300	0.0660	0.0679
M Accumulation shares				
Group 1	0.0872	-	0.0872	-
Group 2	0.0072	0.0800	0.0872	-
M Income shares				
Group 1	0.0868	-	0.0868	-
Group 2	0.0068	0.0800	0.0868	-
P Income shares				
Group 1	0.1054	-	0.1054	0.1088
Group 2	0.0427	0.0627	0.1054	0.1088
Z Accumulation shares				
Group 1	0.2148	-	0.2148	0.2154
Group 2	0.0139	0.2009	0.2148	0.2154

Second interim interest distribution

Group 1 - shares purchased prior to 1 November 2019

Group 2 - shares purchased between 1 November 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
I Accumulation shares				
Group 1	0.0635	-	0.0635	0.1136
Group 2	0.0265	0.0370	0.0635	0.1136
I Income shares				
Group 1	0.0622	-	0.0622	0.1121
Group 2	0.0399	0.0223	0.0622	0.1121
M Accumulation shares				
Group 1	0.0547	-	0.0547	0.2500
Group 2	0.0547	-	0.0547	0.2500
M Income shares				
Group 1	0.0545	-	0.0545	0.2500
Group 2	0.0545	-	0.0545	0.2500
P Income shares				
Group 1	0.1014	-	0.1014	0.1601
Group 2	0.1014	-	0.1014	0.1601
Z Accumulation shares				
Group 1	0.2091	-	0.2091	0.2830
Group 2	0.0579	0.1512	0.2091	0.2830

Third interim interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 30 April 2020

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
A Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
I Accumulation shares				
Group 1	0.0532	-	0.0532	0.1408
Group 2	0.0079	0.0453	0.0532	0.1408
I Income shares				
Group 1	0.0522	-	0.0522	0.1386
Group 2	0.0225	0.0297	0.0522	0.1386
M Accumulation shares				
Group 1	0.0355	-	0.0355	0.1000
Group 2	0.0355	-	0.0355	0.1000
M Income shares				
Group 1	0.0394	-	0.0394	0.1000
Group 2	0.0394	-	0.0394	0.1000
P Income shares				
Group 1	0.0894	-	0.0894	0.1901
Group 2	0.0894	-	0.0894	0.1901
Z Accumulation shares				
Group 1	0.1926	-	0.1926	0.3203
Group 2	0.1926	-	0.1926	0.3203

Final interest distribution

Group 1 - shares purchased prior to 1 May 2020

Group 2 - shares purchased between 1 May 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
I Accumulation shares				
Group 1	0.0445	-	0.0445	0.1137
Group 2	0.0172	0.0273	0.0445	0.1137
I Income shares				
Group 1	0.0436	-	0.0436	0.1117
Group 2	0.0066	0.0370	0.0436	0.1117
M Accumulation shares				
Group 1	0.0263	-	0.0263	0.1000
Group 2	0.0263	-	0.0263	-
M Income shares				
Group 1	0.0333	-	0.0333	0.1100
Group 2	0.0333	-	0.0333	-
P Income shares				
Group 1	0.0807	-	0.0807	0.1588
Group 2	0.0139	0.0668	0.0807	0.1588
Z Accumulation shares				
Group 1	0.1837	-	0.1837	0.2834
Group 2	0.1837	-	0.1837	-

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Strategic Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in government and corporate bonds issued anywhere in the world.

Performance Target: To exceed the IA £ Strategic Bond Sector Average return over 1 year (after charges) and be top quartile over rolling three year periods. The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target. It has been chosen as the target as the constituents of the sector have similar aims and objectives.

Investment Policy

Portfolio securities

- The fund will invest at least 80% in bonds issued anywhere in the world by governments, sub-sovereigns and corporations.
- The fund may invest in investment grade, emerging market, high yield, inflation-linked, convertible, asset backed and mortgage-backed bonds.
- At least 80% of the fund's investments will be in Sterling or will be subjected to techniques to reduce (hedge) risk related to currency movements on non-Sterling investments. The fund has some flexibility to seek returns from currencies.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to identify bonds and derivatives after analysing companies prospects and creditworthiness alongside global economic and market conditions.
- The team also seek to reduce the risk of losses and the expected change (as measured by annual volatility) in the value of the fund, is not ordinarily expected to exceed 8%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the average fund of the IA £ Strategic Bond Sector Average over the long term.

Please Note: The fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and techniques

- The fund will routinely use derivatives to reduce risk, reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives can be used to generate growth, consistent with the fund's risk profile, if market prices are expected to rise ("long positions") or fall ("short positions").

- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance Review

For the year ended 31 July 2020, the value of ASI Strategic Bond Fund – A Accumulation Shares increased by 4.10% compared to an increase of 4.13% in the performance target, the IA £ Strategic Bond Sector Average return over 1 year (after charges).

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

In the early part of the review period, collapsing government bond yields and fairly stable credit spreads in most higher-quality bond markets led to fixed-income markets overall generating some strong returns, while showing little volatility. Although yields were already lower than many investors thought possible, deteriorating economic data and the threat of policy action caused a further collapse towards lows. However, while investment-grade credit, where the fund is focused, held in, riskier asset classes like high yield and emerging markets wobbled slightly as political and economic data provided some volatility-causing headlines. Bond yields rose in many government markets in the latter part 2019, but corporate bonds continued to perform well as risk appetite remained healthy.

Markets entered 2020 in a constructive manner, with investment-grade spreads materially tighter. High yield and emerging markets were particularly strong. This more positive environment for risk assets came about as global economic data appeared to be picking up modestly and a 'phase-one' trade deal between the US and China was agreed.

Global central banks also appear to be prepared to maintain – or even extend – their accommodative stances going forward, thus providing further confidence. In late January, the coronavirus started affecting all financial markets, with especially significant implications for global growth. Equities fell sharply, as did commodities such as oil, as the virus spread rapidly around the world, initially causing a slowing of global supply chains and economic activity. The virus' spread and the sharp increase in cases and fatalities then led to a succession of lockdowns which more or less halted domestic economic activity. Those sectors most affected by lockdowns and trade flows performed badly, with hotels, retail, airlines and leisure being among the worst hit.

Central banks and governments in both developed and emerging economies responded quickly, announcing rate cuts, bond-buying programmes and stimulus packages. These actions soothed financial markets, which also helped gradually reverse the dramatic spread widening seen in February and March over the subsequent months. Still, there are certainly outstanding risks in

significant areas of the economy, and credit rating agencies have been taking action. Nonetheless, buyers are continuing to demand fixed-income assets, forcing yields lower and spreads tighter. Higher yielding areas of the credit market such as high yield corporates in both developed and developing markets have been very strong performers.

Portfolio Activity

The portfolio performance was driven by strong sector allocation and stock selection. The fund's credit exposure was focused on the lower-quality areas of the market and the financial sectors relative to non-financials. Both factors were material drivers of performance over the period, with positioning in financials being especially beneficial. Positions in sectors such as banks and utilities, which performed well, were particularly helpful. Exposure to some of the riskier areas of the credit market such as autos, hotels and energy stocks were tactically added after the March sell-off. Profits have already been taken on some of these positions following the material recovery.

Within the transport sector, UK airports are material issuers in the domestic market. The fund's exposure is largely in the country's prime airport infrastructure, Heathrow, and this position was increased when spreads widened dramatically in March 2020 through the use of credit default swap contracts.

Portfolio Outlook and Strategy

Credit markets have performed well of late and are approaching fair value and levels seen at the end of 2019. Some of the higher-risk areas of the markets still offer value, but the economic environment means that stock selection will be crucial over the coming period. The risks to growth caused by the impacts of the coronavirus are fairly apparent and ongoing as the virus has yet to be brought under control. Although there appears to be ongoing support for bonds across most markets, we are happy to pare back risk, especially in the most fully valued areas. Furthermore, with the extremely low levels of government bond yields, duration has been maintained between four and five years, with exposure predominantly in the UK and US markets.

Sterling IG And Aggregate Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 3 because of the extent to which the following risk factors apply:

- The fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	155.20	148.78	148.01
Return before operating charges*	7.15	8.08	2.46
Operating charges	(1.66)	(1.66)	(1.69)
Return after operating charges*	5.49	6.42	0.77
Distributions	(4.05)	(4.70)	(4.23)
Retained distributions on accumulation shares	4.05	4.70	4.23
Closing net asset value per share	160.69	155.20	148.78
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.54%	4.32%	0.52%
Other information			
Closing net asset value (£'000)	683	1,230	3,151
Closing number of shares	424,843	792,485	2,117,856
Operating charges	1.06%	1.06%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	163.8	156.1	151.6
Lowest share price	142.6	145.4	147.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	117.72	116.25	118.98
Return before operating charges*	5.37	6.18	1.99
Operating charges	(1.25)	(1.23)	(1.35)
Return after operating charges*	4.12	4.95	0.64
Distributions	(3.04)	(3.48)	(3.37)
Closing net asset value per share	118.80	117.72	116.25
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.50%	4.26%	0.54%
Other information			
Closing net asset value (£'000)	8	10	20
Closing number of shares	7,005	8,087	17,191
Operating charges	1.06%	1.06%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	122.6	119.2	121.1
Lowest share price	106.8	112.8	116.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

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Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	161.88	154.46	152.90
Return before operating charges*	7.48	8.39	2.54
Operating charges	(1.00)	(0.97)	(0.98)
Return after operating charges*	6.48	7.42	1.56
Distributions	(4.97)	(5.59)	(5.16)
Retained distributions on accumulation shares	4.97	5.59	5.16
Closing net asset value per share	168.36	161.88	154.46
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	4.00%	4.80%	1.02%
Other information			
Closing net asset value (£'000)	4,290	8,227	17,488
Closing number of shares	2,547,813	5,082,117	11,322,477
Operating charges	0.61%	0.61%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price	171.3	162.8	157.0
Lowest share price	149.2	151.2	153.3

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Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	117.39	116.10	118.84
Return before operating charges*	5.37	6.17	1.97
Operating charges	(0.72)	(0.70)	(0.75)
Return after operating charges*	4.65	5.47	1.22
Distributions	(3.56)	(4.18)	(3.96)
Closing net asset value per share	118.48	117.39	116.10
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.96%	4.71%	1.03%
Other information			
Closing net asset value (£'000)	2,837	3,703	3,252
Closing number of shares	2,394,509	3,155,009	2,800,980
Operating charges	0.61%	0.61%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price	122.3	119.0	121.1
Lowest share price	106.5	112.7	116.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Gross Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	127.05	121.21	119.98
Return before operating charges*	5.88	6.59	2.00
Operating charges	(0.79)	(0.75)	(0.77)
Return after operating charges*	5.09	5.84	1.23
Distributions	(3.90)	(4.43)	(4.05)
Retained distributions on accumulation shares	3.90	4.43	4.05
Closing net asset value per share	132.14	127.05	121.21
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	4.01%	4.82%	1.03%
Other information			
Closing net asset value (£'000)	727	893	970
Closing number of shares	550,544	702,770	800,228
Operating charges	0.61%	0.61%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price	134.5	127.8	123.2
Lowest share price	117.1	118.7	120.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Gross Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	102.18	101.06	103.44
Return before operating charges*	4.67	5.37	1.72
Operating charges	(0.63)	(0.61)	(0.65)
Return after operating charges*	4.04	4.76	1.07
Distributions	(3.10)	(3.64)	(3.45)
Closing net asset value per share	103.12	102.18	101.06
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.95%	4.71%	1.03%
Other information			
Closing net asset value (£'000)	14,378	14,235	13,373
Closing number of shares	13,942,541	13,931,539	13,232,182
Operating charges	0.61%	0.61%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price	106.5	103.6	105.4
Lowest share price	92.73	98.10	101.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	106.83	100.00 ^B
Return before operating charges*	5.16	7.28
Operating charges	(0.72)	(0.45)
Return after operating charges*	4.44	6.83
Distributions	(3.09)	(2.93)
Retained distributions on accumulation shares	3.09	2.93
Closing net asset value per share	111.27	106.83
* after direct transaction costs of:	-	-
Performance		
Return after charges	4.16%	6.83%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	929	100
Operating charges	0.66%	0.66%
Direct transaction costs	-	-
Prices		
Highest share price	113.2	107.4
Lowest share price	98.56	99.47

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 29 November 2018.

^B The opening NAV is the launch price of the share class.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	103.79	100.00 ^B
Return before operating charges*	5.02	7.12
Operating charges	(0.69)	(0.45)
Return after operating charges*	4.33	6.67
Distributions	(2.98)	(2.88)
Closing net asset value per share	105.14	103.79
* after direct transaction costs of:	-	-
Performance		
Return after charges	4.17%	6.67%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	953	100
Operating charges	0.66%	0.66%
Direct transaction costs	-	-
Prices		
Highest share price	108.6	105.3
Lowest share price	94.57	99.47

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 29 November 2018.

^B The opening NAV is the launch price of the share class.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	169.47	160.88	158.46
Return before operating charges*	7.85	8.77	2.63
Operating charges	(0.19)	(0.18)	(0.21)
Return after operating charges*	7.66	8.59	2.42
Distributions	(6.07)	(6.71)	(6.17)
Retained distributions on accumulation shares	6.07	6.71	6.17
Closing net asset value per share	177.13	169.47	160.88
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	4.52%	5.34%	1.53%
Other information			
Closing net asset value (£'000)	63,214	59,415	62,218
Closing number of shares	35,687,020	35,060,143	38,673,467
Operating charges	0.11%	0.11%	0.13%
Direct transaction costs	-	-	-
Prices			
Highest share price	179.9	170.4	163.1
Lowest share price	156.7	157.8	159.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (94.07%)		81,154	94.21
Australian Dollar Denominated Bonds (0.00%)		872	1.01
Government Bonds (0.00%)		872	1.01
greater than 25 years to maturity			
1,600,000	Australia (Commonwealth of) 1.75% 2051	872	1.01
Euro Denominated Bonds (16.97%)		17,977	20.87
Corporate Bonds (16.97%)		17,977	20.87
less than 5 years to maturity			
800,000	Banco Sabadell 1.75% 2024	702	0.82
1,000,000	FCE Bank 1.528% 2020	896	1.04
between 5 and 10 years to maturity			
400,000	Alstria Office REIT 1.5% 2026	364	0.42
750,000	Banca Monte dei Paschi di Siena 8% fixed to floating 2030*	651	0.76
500,000	CaixaBank 2.25% 2030	453	0.53
1,000,000	International Consolidated Airlines 1.5% 2027*	638	0.74
600,000	ZF Europe Finance 2.5% 2027	507	0.59
between 15 and 25 years to maturity			
600,000	AIG 4.875% 2037*	469	0.54
670,000	Anheuser-Busch InBev 2.75% 2036	706	0.82
greater than 25 years to maturity			
470,000	Channel Link Enterprises Finance FRN 2050	436	0.51
Perpetual			
200,000	Aareal Bank 7.625% fixed to floating Perpetual	167	0.19
1,900,000	ABN Amro 5.75% Perpetual	1,710	1.98
700,000	BNP Paribas FRN Perpetual	685	0.79
1,600,000	Caixa Geral de Depositos 10.75% fixed to floating Perpetual	1,561	1.81
900,000	Deutsche Bank 6% fixed to floating Perpetual	747	0.87
900,000	Engie 3.25% Perpetual	863	1.00
1,400,000	NatWest FRN Perpetual	1,135	1.32
500,000	Stichting 6.5% Perpetual	492	0.57
500,000	Telefonica 3.875% Perpetual	456	0.53
349,000	TOTAL 1.75% fixed to floating Perpetual	315	0.37

Holding	Investment	Market Value £'000	Percentage of total net assets
1,500,000	TOTAL 3.369% Perpetual	1,473	1.71
1,300,000	UniCredit 7.5% fixed to floating Perpetual	1,242	1.44
900,000	UniCredit 9.25% fixed to floating Perpetual	865	1.00
500,000	Volkswagen International 3.5% fixed to floating Perpetual	444	0.52
Sterling Denominated Bonds (60.01%)		49,456	57.41
Corporate Bonds (59.51%)		49,456	57.41
less than 5 years to maturity			
1,400,000	Anheuser-Busch InBev 1.75% 2025	1,455	1.69
427,000	Arqiva 6.75% 2023	442	0.51
900,000	Barclays 10% 2021	963	1.12
830,000	City Greenwich Lewisham Rail Link 9.375% 2020	25	0.03
500,000	Deutsche Bank 2.625% 2024	508	0.59
205,000	Eversholt 6.359% 2025	253	0.29
800,000	FirstGroup 8.75% 2021	819	0.95
650,000	General Motors Financial 2.35% 2025	631	0.73
800,000	Heathrow Funding 7.125% 2024	906	1.05
467,000	Intu (SGS) Finance 3.875% 2023	281	0.33
600,000	Lend Lease Europe 6.125% 2021	625	0.73
152,000	MPT Operating Partnership 2.55% 2023	152	0.18
500,000	Volkswagen Financial Services 2.125% 2024	512	0.60
between 5 and 10 years to maturity			
300,000	Abertis Infraestructuras 3.375% 2026	319	0.37
500,000	ABP 6.25% 2026	599	0.70
300,000	BAT International Finance 2.25% 2028	303	0.35
400,000	BUPA Finance 5% 2026	451	0.52
431,000	Danske Bank 2.25% fixed to floating 2028	437	0.51
700,000	Fuller Smith & Turner 6.875% 2028	848	0.98
745,000	Gatwick 6.125% 2026	884	1.03
260,000	Grainger 3% 2030	269	0.31
800,000	Hammerson 3.5% 2025*	717	0.83
800,000	Hammerson 6% fixed to floating 2026	794	0.92
730,000	Kraft Heinz Foods 4.125% 2027	784	0.91
201,000	MPT Operating Partnership 3.692% 2028	202	0.23
453,000	National Express 2.375% 2028	441	0.51
413,000	NewRiver REIT 3.5% 2028	366	0.43
750,000	Paragon FRN 2026	751	0.87
887,000	Phoenix 6.625% 2025	1,043	1.21
1,300,000	Quadgas Finance 3.375% 2029	1,381	1.60
400,000	Scentre Management 3.875% 2026	433	0.50

		Market Value £'000	Percentage of total net assets
	Holding Investment		
	961,000 Smith (DS) 2.875% 2029	979	1.14
	538,000 Southern Water Services Finance 2.375% 2028	553	0.64
	800,000 Trafford Centre 7.03%% 2029	450	0.52
	347,000 Unite Group 3.5% 2028	361	0.42
	1,000,000 Welltower 4.8% 2028	1,164	1.35
	315,000 Westfield Stratford City Finance 1.642% 2026	318	0.37
between 10 and 15 years to maturity			
	760,000 Annington Funding 3.685% 2034	901	1.05
	755,000 Barclays 3.75% fixed to floating 2030	781	0.91
	600,000 Broadgate Financing 5.098% 2033	667	0.77
	700,000 Digital Stout 3.75% 2030	834	0.97
	520,000 Premiartel 6.175% 2032	561	0.65
	700,000 Tritax Big Box REIT 3.125% 2031	784	0.91
	483,000 Wm Morrison Supermarkets 2.5% 2031	520	0.60
between 15 and 25 years to maturity			
	800,000 CNP Assurances 7.375% 2041	852	0.99
	488,000 Eversholt Funding 2.742% 2040	508	0.59
	1,012,000 QBE Insurance 6.115% 2042	1,071	1.24
	1,286,000 Tesco 5.744% 2040	1,679	1.95
greater than 25 years to maturity			
	250,000 American International FRN 2067	213	0.25
	1,000,000 Aviva 5.125% 2050	1,155	1.34
	858,000 BHP Billiton 6.5% 2077	938	1.09
	170,000 Channel Link 3.043% 2050	176	0.20
	300,000 Dignity 4.6956% Perpetual	234	0.27
	500,000 Income Contingent Student Loans 2 2007-2009 2.5% 2058	439	0.51
	1,550,000 NGG 5.625% fixed to floating 2073	1,780	2.07
	350,000 RSA Insurance FRN 2045	392	0.46
	800,000 SSE 3.625% 2077	812	0.94
Perpetual			
	1,500,000 AXA 6.6862% fixed to floating Perpetual	1,793	2.08
	1,200,000 Barclays 6.375% fixed to floating Perpetual	1,162	1.35
	460,000 Barclays 9% Perpetual	545	0.63
	508,000 BP Capital Markets 4.25% fixed to floating Perpetual	525	0.61
	200,000 Cheltenham & Gloucester 11.75% Perpetual	403	0.47
	345,000 HBOS 5.75% fixed to floating Perpetual	345	0.40
	500,000 HBOS 7.881% fixed to floating Perpetual	767	0.89
	1,010,000 HSBC 5.844% fixed to floating Perpetual	1,347	1.56

			Market Value £'000	Percentage of total net assets
Holding	Investment			
1,000,000	Lloyds Bank 13% fixed to floating Perpetual		1,713	1.99
500,000	National Westminster Bank FRN Perpetual		552	0.64
200,000	Nationwide Building Society 5.75% fixed to floating Perpetual		204	0.24
252,000	Nationwide Building Society 5.875% fixed to floating Perpetual		255	0.30
214,000	Orange 5.75% fixed to floating Perpetual		233	0.27
800,000	Orange 5.875% Perpetual		848	0.99
338,000	SSE 3.74% fixed to floating Perpetual		348	0.40
700,000	SSE 3.875% fixed to floating Perpetual		700	0.81
Government Bonds (0.50%)			-	-
US Dollar Denominated Bonds (17.09%)			12,849	14.92
Corporate Bonds (16.69%)			12,849	14.92
less than 5 years to maturity				
1,650,000	ABN Amro 6.25% 2022		1,360	1.58
1,038,000	American International 2.5% 2025		845	0.98
800,000	Ford Motor 8.5% 2023		673	0.78
416,000	General Motors Financial 5.2% 2023		345	0.40
600,000	MAF Global Securities 4.75% 2024		480	0.56
1,500,000	UBS 7.625% 2022		1,276	1.48
between 5 and 10 years to maturity				
800,000	ABN Amro FRN 2028		640	0.74
550,000	Canadian Natural Resources 2.95% 2030		428	0.50
between 10 and 15 years to maturity				
930,000	AT&T 2.75% 2031		758	0.88
309,000	Charter Communications Operating 2.8% 2031		248	0.29
1,054,000	Dresdner Funding Trust I 8.151% 2031		1,120	1.30
greater than 25 years to maturity				
507,000	NatWest Markets 7.125% 2093		597	0.69
Perpetual				
370,000	Australia & New Zealand Banking FRN Perpetual		193	0.23
2,340,000	Bank of Nova Scotia FRN Perpetual		1,688	1.96
1,000,000	Credit Suisse 6.25% Perpetual		811	0.94
350,000	Hongkong & Shanghai Banking FRN Perpetual		207	0.24
800,000	NatWest 7.5% Perpetual		609	0.71
1,000,000	Societe Generale 0.62338% Perpetual		571	0.66

Holding	Investment	Market Value £'000	Percentage of total net assets
Government Bonds (0.40%)		-	-
Collective Investment Schemes (0.00%)		1,488	1.73
185,005	ASI Emerging Markets Corporate Bond Fund Z Inc ⁺	1,488	1.73
Derivatives (-1.25%)		320	0.37
Credit Default Swaps (-0.12%)		(142)	(0.16)
EUR 1,800,000	Buy CDX SES 20/06/2025 1%	(3)	-
USD 1,000,000	Sell CDX Petroleos Mexicanos 20/06/2025 1%	(139)	(0.16)
Forward Currency Contracts (-1.01%)		548	0.64
	Buy AUD 1,566,848 Sell GBP 866,881 05/08/2020	(11)	(0.01)
	Buy AUD 408,000 Sell GBP 225,062 10/09/2020	(2)	-
	Buy AUD 429,000 Sell GBP 233,831 10/09/2020	1	-
	Buy CAD 101,000 Sell GBP 59,509 10/09/2020	(2)	-
	Buy EUR 43,000 Sell GBP 38,885 10/09/2020	-	-
	Buy EUR 90,000 Sell GBP 80,562 10/09/2020	1	-
	Buy EUR 175,000 Sell GBP 157,950 10/09/2020	-	-
	Buy EUR 186,000 Sell GBP 166,121 10/09/2020	1	-
	Buy EUR 186,000 Sell GBP 167,217 10/09/2020	-	-
	Buy EUR 203,000 Sell GBP 184,904 10/09/2020	(2)	-
	Buy EUR 327,000 Sell GBP 296,131 10/09/2020	(1)	-
	Buy EUR 632,000 Sell GBP 575,625 10/09/2020	(6)	(0.01)
	Buy EUR 749,000 Sell GBP 668,981 10/09/2020	6	0.01
	Buy GBP 96,390 Sell AUD 176,000 10/09/2020	-	-
	Buy GBP 167,021 Sell AUD 304,000 10/09/2020	1	-
	Buy GBP 866,904 Sell AUD 1,567,000 10/09/2020	11	0.01
	Buy GBP 2,285,895 Sell AUD 4,147,000 10/09/2020	20	0.02
	Buy GBP 62,547 Sell EUR 70,000 10/09/2020	(1)	-
	Buy GBP 86,003 Sell EUR 96,000 10/09/2020	(1)	-
	Buy GBP 91,747 Sell EUR 101,000 10/09/2020	1	-
	Buy GBP 102,453 Sell EUR 113,000 10/09/2020	1	-
	Buy GBP 158,646 Sell EUR 178,000 10/09/2020	(2)	-
	Buy GBP 181,038 Sell EUR 200,000 10/09/2020	1	-
	Buy GBP 194,860 Sell EUR 217,000 10/09/2020	(1)	-
	Buy GBP 203,681 Sell EUR 227,000 10/09/2020	(1)	-
	Buy GBP 297,749 Sell EUR 334,000 10/09/2020	(3)	-
	Buy GBP 360,062 Sell EUR 399,000 10/09/2020	-	-

Holding	Investment	Market Value £'000	Percentage of total net assets
	Buy GBP 443,794 Sell EUR 497,000 10/09/2020	(4)	-
	Buy GBP 444,686 Sell EUR 495,000 10/09/2020	(2)	-
	Buy GBP 530,587 Sell EUR 589,000 10/09/2020	-	-
	Buy GBP 708,226 Sell EUR 779,000 10/09/2020	6	0.01
	Buy GBP 17,237,414 Sell EUR 19,200,000 10/09/2020	(72)	(0.08)
	Buy GBP 103,080 Sell USD 130,000 10/09/2020	4	-
	Buy GBP 103,803 Sell USD 130,000 10/09/2020	5	-
	Buy GBP 109,099 Sell USD 138,000 10/09/2020	4	-
	Buy GBP 147,159 Sell USD 187,000 10/09/2020	5	0.01
	Buy GBP 162,032 Sell USD 205,000 10/09/2020	6	0.01
	Buy GBP 192,082 Sell USD 242,000 10/09/2020	8	0.01
	Buy GBP 372,803 Sell USD 472,000 10/09/2020	13	0.01
	Buy GBP 439,210 Sell USD 550,000 10/09/2020	20	0.02
	Buy GBP 471,322 Sell USD 600,000 10/09/2020	14	0.02
	Buy GBP 480,726 Sell USD 620,000 10/09/2020	8	0.01
	Buy GBP 959,390 Sell USD 1,200,000 10/09/2020	45	0.05
	Buy GBP 14,886,282 Sell USD 18,694,000 10/09/2020	647	0.75
	Buy USD 89,000 Sell GBP 70,825 10/09/2020	(3)	-
	Buy USD 128,000 Sell GBP 100,306 10/09/2020	(3)	-
	Buy USD 149,000 Sell GBP 117,876 10/09/2020	(4)	(0.01)
	Buy USD 180,000 Sell GBP 146,665 10/09/2020	(10)	(0.01)
	Buy USD 288,000 Sell GBP 231,518 10/09/2020	(12)	(0.01)
	Buy USD 383,000 Sell GBP 305,414 10/09/2020	(14)	(0.02)
	Buy USD 1,050,000 Sell GBP 825,030 10/09/2020	(25)	(0.03)
	Buy USD 1,177,000 Sell GBP 939,192 10/09/2020	(43)	(0.05)
	Buy USD 1,393,000 Sell GBP 1,058,689 10/09/2020	2	-
	Buy USD 1,793,000 Sell GBP 1,424,026 10/09/2020	(58)	(0.07)
Futures (-0.09%)		81	0.09
132	Long Australia 10 Year Bond Future 15/09/2020	186	0.21
220	Long US 10 Year Note Future 21/09/2020	222	0.26
128	Long US 5 Year Note Future 30/09/2020	78	0.09
(32)	Short Euro Bond Future 08/09/2020	(61)	(0.07)
(24)	Short Euro Buxl 30 Year Future 08/09/2020	(189)	(0.22)
(27)	Short Euro-Bobl Future 08/09/2020	(19)	(0.02)
(108)	Short Long Gilt Future 28/09/2020	(136)	(0.16)

Holding	Investment	Market Value £'000	Percentage of total net assets
Inflation Swaps (-0.03%)		(64)	(0.08)
USD 3,100,000	Pay fixed 2.0545% receive floating USCPI 14/01/2029	(129)	(0.15)
GBP 3,900,000	Pay floating UKRPI receive fixed 3.31% 28/2/2025	65	0.07
Interest Rate Swaps (0.00%)		(103)	(0.12)
GBP 1,400,000	Pay fixed 0.619% receive floating GBP-LIBOR 26/9/2069	(116)	(0.13)
USD 22,700,000	Pay fixed 0.852% receive floating USD-LIBOR 3/3/2023	(240)	(0.28)
GBP 780,000	Pay fixed 0.934% receive floating GBP-LIBOR 12/8/2054	(110)	(0.13)
CAD 32,300,000	Pay floating CAD-BA-CDOR receive fixed 1.295% 3/3/2023	271	0.31
GBP 4,240,000	Pay floating GBP-LIBOR receive fixed 0.633% 12/8/2026	92	0.11
Total investment assets and liabilities		82,962	96.31
Net other assets		3,177	3.69
Total Net Assets		86,139	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

* Managed by subsidiaries of Standard Life Aberdeen plc.

* A portion of this security is on loan at the year end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	709	665
Revenue	2	3,123	3,783
Expenses	3	(220)	(262)
Interest payable and similar charges		(3)	(6)
Net revenue before taxation		2,900	3,515
Taxation	4	-	-
Net revenue after taxation		2,900	3,515
Total return before distributions		3,609	4,180
Distributions	5	(2,900)	(3,515)
Change in net assets attributable to shareholders from investment activities		709	665

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	87,713	100,472
Amounts receivable on the issue of shares	8,701	6,556
Amounts payable on the cancellation of shares	(13,370)	(22,827)
	(4,669)	(16,271)
Dilution adjustment	33	47
Change in net assets attributable to shareholders from investment activities (see above)	709	665
Retained distribution on accumulation shares	2,353	2,800
Closing net assets attributable to shareholders	86,139	87,713

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		84,387	82,721
Current assets:			
Debtors	6	2,281	1,165
Cash and bank balances	7	2,703	5,304
		4,984	6,469
Total assets		89,371	89,190
Liabilities:			
Investment liabilities		(1,425)	(1,305)
Creditors	8	(1,678)	(22)
Distribution payable		(129)	(150)
		(1,807)	(172)
Total liabilities		(3,232)	(1,477)
Net assets attributable to shareholders		86,139	87,713

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	(608)	3,605
Derivative contracts	526	(1,406)
Forward currency contracts	842	(602)
Other losses	(51)	(932)
Net capital gains	709	665

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	3	7
Derivative revenue	5	24
Income from Overseas Collective Investment Schemes		
Unfranked income	52	111
Interest on debt securities	3,061	3,635
Stocklending revenue	2	6
Total revenue	3,123	3,783

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	126	163
Operating, administrative and servicing fees	94	99
Total expenses	220	262

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total taxation	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	2,900	3,515
Corporation tax at 20% (2019: 20%)	580	703
Effects of:		
Distributions treated as tax deductible	(580)	(703)
Total tax charge for year (note 4a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	750	838
Second interim distribution	717	922
Third interim distribution	687	870
Final distribution	720	799
	2,874	3,429
Add: Income deducted on cancellation of shares	65	104
Deduct: Income received on issue of shares	(39)	(18)
Net distribution for the year	2,900	3,515

Details of the distribution per share are set out in this fund's distribution tables.

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	1,213	1,127
Amounts receivable from the ACD for the issue of shares	25	38
Overseas withholding tax recoverable	14	-
Sales awaiting settlement	1,029	-
Total debtors	2,281	1,165

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	339	4,769
Cash at broker	1,944	415
Collateral cash pledged to counterparties ⁻	420	120
Net Liquidity	2,703	5,304

⁻ This reflects cash the fund retains beneficial ownership of however which is currently being used to manage bilateral counterparty exposure on out of the money derivative positions.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	10	21
Amounts payable to the ACD for cancellation of shares	804	1
Other accrued expenses	8	-
Purchases awaiting settlement	856	-
Total creditors	1,678	22

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Bonds	76,243	68,078	76,364	82,232
Collective investment schemes	2,578	-	963	1,692
Trades in the year before transaction costs	78,821	68,078	77,327	83,924
Total net trades in the year after transaction costs	78,821	68,078	77,327	83,924

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.99% (2019: 0.72%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Closing shares 2020
A Accumulation shares	792,485	149,139	(516,781)	424,843
A Income shares	8,087	26	(1,108)	7,005
I Accumulation shares	5,082,117	566,237	(3,100,541)	2,547,813
I Income shares	3,155,009	535,492	(1,295,992)	2,394,509
I Gross Accumulation shares	702,770	15,628	(167,854)	550,544
I Gross Income shares	13,931,539	1,286,276	(1,275,274)	13,942,541
M Accumulation shares	100	829	-	929
M Income shares	100	853	-	953
Z Accumulation shares	35,060,143	3,198,966	(2,572,089)	35,687,020

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	-	81,154	-	441	82,068	-
Collective Investment Schemes	-	1,488	-	-	-	-
Derivatives	486	1,259	-	120	92	-
Total investment assets	486	83,901	-	561	82,160	-
Fair value of investment liabilities						
Derivatives	(405)	(1,020)	-	(200)	(1,150)	-
Total investment liabilities	(405)	(1,020)	-	(200)	(1,150)	-

13. Risk Management Policies and Disclosures

Based on the investment strategy, types of complexities of the derivatives and the proportion of the fund comprising derivatives, the method of estimating the fund's overall risk position (Global Exposure) is to use the value at risk (VaR) techniques which estimate the probability of portfolio losses based on the statistical analysis of historical price trends and volatilities. The VaR is produced on a daily basis and the fund's current VaR limit is detailed below.

Value at Risk (VaR)

Model assumptions:

System:

VaR methodology:

Confidence level:

Holding period:

Decay factor for exponential smoothing of the historical market data:

Historical observation period:

VaR limit (absolute):

VaR limit (relative):

Reference portfolio for relative VaR:

Advanced Portfolio Technologies (APT)

Parametric

99%

1 week (5 days)

Nil

180 weeks

20%

200%

-

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	0.72%	1.03%
Maximum VaR	1.82%	1.54%
Average VaR	1.28%	1.30%

VaR Table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	(1.04%)	1.51%	-	1.34%	1.81%
31 July 2019	0.07%	0.66%	-	0.32%	1.05%

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

2020	Market value £'000	Percentage of total net assets %
Investment grade securities	56,219	65.27%
Below investment grade securities	18,230	21.17%
Unrated securities	6,705	7.77%
Total Value of Securities	81,154	94.21%

2019	Market value £'000	Percentage of total net assets %
Investment grade securities	54,327	61.91%
Below investment grade securities	19,810	22.61%
Unrated securities	8,372	9.55%
Total Value of Securities	82,509	94.07%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

2020	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
Bank of America	-	-	81	-	81	-	1,944	2,025
Merrill Lynch	62	-	-	-	62	-	-	62
BNP Paribas	(269)	-	-	(80)	(349)	420	-	71
Citigroup	-	-	-	(2)	(2)	-	-	(2)
Deutsche Bank	14	-	-	647	661	-	-	661
Goldman Sachs	-	-	-	45	45	-	-	45
HSBC	-	-	-	(12)	(12)	-	-	(12)
Merrill Lynch	-	-	-	16	16	-	-	16
Morgan Stanley	-	-	-	28	28	-	-	28
RBC Dominion Securities	-	-	-	4	4	-	-	4
Royal Bank of Scotland	-	-	-	9	9	-	-	9
Standard Chartered	-	-	-	(41)	(41)	-	-	(41)
StateStreet	(116)	-	-	(66)	(182)	-	-	(182)
UBS	(309)	-	81	548	320	420	1,944	2,684
Total	(309)	-	81	548	320	420	1,944	2,684

2019	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Mark to Market Exposure		
						Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	-	13	13	-	415	428
Barclays	-	-	-	(28)	(28)	-	-	(28)
BNP Paribas	-	-	-	(5)	(5)	-	-	(5)
Citigroup	(25)	-	-	(2)	(27)	-	-	(27)
HSBC	-	-	-	(303)	(303)	-	-	(303)
JP Morgan	(104)	-	-	-	(104)	120	-	16
Morgan Stanley	-	-	-	50	50	-	-	50
Royal Bank of Canada	-	-	-	(13)	(13)	-	-	(13)
StateStreet	-	-	-	(597)	(597)	-	-	(597)
UBS	-	-	-	1	1	-	-	1
Total	(129)	-	-	(884)	(1,013)	120	415	(478)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(1,425)	-	-	(1,425)
Non-derivatives					
Other creditors	-	(1,678)	-	-	(1,678)
Distribution payable	-	(129)	-	-	(129)
Total financial liabilities	-	(3,232)	-	-	(3,232)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(1,305)	-	-	(1,305)
Non-derivatives					
Other creditors	-	(22)	-	-	(22)
Distribution payable	-	(150)	-	-	(150)
Total financial liabilities	-	(1,477)	-	-	(1,477)

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £2,396,000 (2019: £Nil). 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 31 July 2020 is £2,625,000 (2019: £Nil).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Barclays	1,658	-
Credit Suisse	738	-
Total securities on loan	2,396	-

Collateral held	2020 £'000	2019 £'000
Government Bond	2,625	-
Total collateral held	2,625	-

The gross earnings and fees paid for the year are £2,000 (2019: £7,000) and £Nil (2019: £1,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 4.6% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

First interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 October 2019

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
A Accumulation shares				
Group 1	1.0669	-	1.0669	1.0587
Group 2	0.6518	0.4151	1.0669	1.0587
A Income shares				
Group 1	0.8068	-	0.8068	0.8273
Group 2	0.8068	-	0.8068	0.8273
I Accumulation shares				
Group 1	1.2980	-	1.2980	1.2979
Group 2	0.8063	0.4917	1.2980	1.2979
I Income shares				
Group 1	0.9412	-	0.9412	0.9756
Group 2	0.1489	0.7923	0.9412	0.9756
I Gross Accumulation shares				
Group 1	1.0187	-	1.0187	1.0203
Group 2	0.2472	0.7715	1.0187	1.0203
I Gross Income shares				
Group 1	0.8192	-	0.8192	0.8507
Group 2	0.4475	0.3717	0.8192	0.8507
M Accumulation shares				
Group 1	0.5897	-	0.5897	-
Group 2	0.0497	0.5400	0.5897	-
M Income shares				
Group 1	0.5780	-	0.5780	-
Group 2	0.0480	0.5300	0.5780	-
Z Accumulation shares				
Group 1	1.5743	-	1.5743	1.5576
Group 2	1.5743	-	1.5743	1.5576

Second interim interest distribution

Group 1 - shares purchased prior to 1 November 2019

Group 2 - shares purchased between 1 November 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	1.0131	-	1.0131	1.2782
Group 2	0.7761	0.2370	1.0131	1.2782
A Income shares				
Group 1	0.7616	-	0.7616	0.8349
Group 2	0.7213	0.0403	0.7616	0.8349
I Accumulation shares				
Group 1	1.2483	-	1.2483	1.4792
Group 2	0.7175	0.5308	1.2483	1.4792
I Income shares				
Group 1	0.8965	-	0.8965	1.1416
Group 2	0.1787	0.7178	0.8965	1.1416
I Gross Accumulation shares				
Group 1	0.9777	-	0.9777	1.1965
Group 2	0.5751	0.4026	0.9777	1.1965
I Gross Income shares				
Group 1	0.7802	-	0.7802	0.9914
Group 2	0.3421	0.4381	0.7802	0.9914
M Accumulation shares				
Group 1	0.8308	-	0.8308	0.8100
Group 2	0.8308	-	0.8308	0.8100
M Income shares				
Group 1	0.8004	-	0.8004	0.8100
Group 2	0.8004	-	0.8004	0.8100
Z Accumulation shares				
Group 1	1.5250	-	1.5250	1.7965
Group 2	0.4808	1.0442	1.5250	1.7965

Third interim interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 30 April 2020

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
A Accumulation shares				
Group 1	0.9450	-	0.9450	1.2518
Group 2	0.5346	0.4104	0.9450	1.2518
A Income shares				
Group 1	0.7104	-	0.7104	0.9641
Group 2	0.6656	0.0448	0.7104	0.9641
I Accumulation shares				
Group 1	1.1691	-	1.1691	1.4744
Group 2	0.6181	0.5510	1.1691	1.4744
I Income shares				
Group 1	0.8349	-	0.8349	1.0882
Group 2	0.3565	0.4784	0.8349	1.0882
I Gross Accumulation shares				
Group 1	0.9176	-	0.9176	1.1573
Group 2	0.4519	0.4657	0.9176	1.1573
I Gross Income shares				
Group 1	0.7267	-	0.7267	0.9471
Group 2	0.3595	0.3672	0.7267	0.9471
M Accumulation shares				
Group 1	0.8050	-	0.8050	1.1100
Group 2	0.8050	-	0.8050	1.1100
M Income shares				
Group 1	0.7721	-	0.7721	1.1100
Group 2	0.7721	-	0.7721	1.1100
Z Accumulation shares				
Group 1	1.4382	-	1.4382	1.7396
Group 2	0.8576	0.5806	1.4382	1.7396

Final interest distribution

Group 1 - shares purchased prior to 1 May 2020

Group 2 - shares purchased between 1 May 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	1.0238	-	1.0238	1.1110
Group 2	0.7802	0.2436	1.0238	1.1110
A Income shares				
Group 1	0.7599	-	0.7599	0.8487
Group 2	0.7233	0.0366	0.7599	0.8487
I Accumulation shares				
Group 1	1.2547	-	1.2547	1.3395
Group 2	0.5231	0.7316	1.2547	1.3395
I Income shares				
Group 1	0.8896	-	0.8896	0.9795
Group 2	0.3404	0.5492	0.8896	0.9795
I Gross Accumulation shares				
Group 1	0.9847	-	0.9847	1.0512
Group 2	0.6806	0.3041	0.9847	1.0512
I Gross Income shares				
Group 1	0.7742	-	0.7742	0.8526
Group 2	0.3473	0.4269	0.7742	0.8526
M Accumulation shares				
Group 1	0.8631	-	0.8631	1.0100
Group 2	0.8631	-	0.8631	1.0100
M Income shares				
Group 1	0.8277	-	0.8277	0.9600
Group 2	0.8277	-	0.8277	0.9600
Z Accumulation shares				
Group 1	1.5371	-	1.5371	1.6121
Group 2	0.8757	0.6614	1.5371	1.6121

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI Target Return Bond Fund

For the year ended 31 July 2020

Investment Objective

To generate a positive return over rolling 12-month periods in all market conditions by investing in government and corporate bonds issued anywhere in the world. Invested capital is however at risk and there is no guarantee that this positive return will be attained over any time period.

Performance target: To exceed the return of the 3 Month GBP LIBOR plus 3% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

3 Month GBP LIBOR has been chosen as a proxy for the return on cash deposits.

Investment Policy

Portfolio securities

- The fund will invest directly or indirectly via derivatives, in fixed income markets and bonds issued anywhere in the world by governments, sub-sovereigns and corporations, as well as money-market instruments and cash.
- The fund may invest in investment grade, high yield, inflation-linked, convertible, asset backed and mortgage-backed bonds.
- The fund has flexibility to seek returns from currencies.
- The fund may invest in other funds (including those managed by Aberdeen Standard Investments).
- In some instances, up to 100% of the fund may at any time consist of money-market instruments and cash.

Management process

- The management team use their discretion (active management) to identify bonds and derivatives based on analysis of global economic and market conditions (for example, interest rates and inflation), analysis of a company's prospects and creditworthiness compared to that of the market and make flexible allocations across bond, derivatives and currencies.
- The team also seek to reduce the risk of losses and the expected change (as measured by annual volatility) in the value of the fund, is not ordinarily expected to exceed 7.50%.
- Please Note: The fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and techniques

- The fund will make extensive use of derivatives to reduce risk, reduce cost and/or generate extra income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

- Derivatives can be used to generate growth, consistent with the fund's risk profile, if market prices are expected to rise ("long positions") or fall ("short positions"). Leverage in the fund arises as a result of the use of derivatives.

Performance Review

For the year ended 31 July 2020, the value of ASI Target Return Bond Fund - A Accumulation Shares increased by 2.67% compared to an increase of 0.60% in the performance target, the 3 Month GBP LIBOR.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

The review period was dominated by the coronavirus pandemic, which in March 2020 resulted in a sell-off of historic proportions for global risk assets, including corporate bond markets.

However, with the pandemic largely being brought under control and economies expected to bounce back strongly, there was a progressive recovery from April onwards.

Portfolio Activity

The fund outperformed its benchmark over the 12-month review period. In terms of local management, the biggest positive driver was yield curve positioning. In terms of asset groups, the leading return contributors included inflation positioning and holdings in the consumer, banking and insurance sectors. On the negative side, return detractors included positioning in credit default swaps and holdings in the energy and real estate sectors.

Portfolio Outlook and Strategy

We continue to have a constructive view on the outlook for global credit as we see a sequentially improving economy, supported by fiscal stimulus, central bank easing and likely progress in the race for a coronavirus vaccine. We think this balances the risks of a second wave of virus infections and increased tensions between China and the US. Crucially, the timelines for a potential vaccine seem to have moved forward as a number of candidates have entered final clinical trial stages and production capacity is simultaneously being ramped up in several countries.

However given that valuations have already normalised further, increasing geopolitical tensions, the risk of wider virus outbreaks requiring the reversion to stricter social distancing measures and a tailing off of the economic rebound may cause some volatility in the months ahead.

Global IG and Aggregate Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 2 because of the extent to which the following risk factors apply:

- The fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	120.71	119.86	118.84
Return before operating charges*	4.56	2.14	2.35
Operating charges	(1.30)	(1.29)	(1.33)
Return after operating charges*	3.26	0.85	1.02
Distributions	(1.39)	(1.51)	(1.19)
Retained distributions on accumulation shares	1.39	1.51	1.19
Closing net asset value per share	123.97	120.71	119.86
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	2.70%	0.71%	0.86%
Other information			
Closing net asset value (£'000)	1,204	1,376	1,479
Closing number of shares	971,432	1,140,057	1,233,542
Operating charges	1.06%	1.08%	1.12%
Direct transaction costs	-	-	-
Prices			
Highest share price	125.4	121.0	120.3
Lowest share price	116.6	117.4	117.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	97.34	97.90	98.04
Return before operating charges*	3.66	1.74	1.94
Operating charges	(1.04)	(1.05)	(1.10)
Return after operating charges*	2.62	0.69	0.84
Distributions	(1.11)	(1.25)	(0.98)
Closing net asset value per share	98.85	97.34	97.90
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	2.70%	0.70%	0.86%
Other information			
Closing net asset value (£'000)	7	7	8
Closing number of shares	7,297	7,277	8,376
Operating charges	1.06%	1.08%	1.12%
Direct transaction costs	-	-	-
Prices			
Highest share price	100.5	98.42	98.84
Lowest share price	93.46	95.87	97.08

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Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	108.21	106.95	105.50
Return before operating charges*	4.10	1.91	2.11
Operating charges	(0.67)	(0.65)	(0.66)
Return after operating charges*	3.43	1.26	1.45
Distributions	(1.74)	(1.85)	(1.57)
Retained distributions on accumulation shares	1.74	1.85	1.57
Closing net asset value per share	111.64	108.21	106.95
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.17%	1.18%	1.37%
Other information			
Closing net asset value (£'000)	7,844	7,280	8,473
Closing number of shares	7,026,012	6,728,023	7,922,608
Operating charges	0.61%	0.61%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price	112.7	108.5	107.2
Lowest share price	104.9	104.9	104.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	95.76	96.31	96.42
Return before operating charges*	3.72	1.71	1.92
Operating charges	(0.59)	(0.59)	(0.60)
Return after operating charges*	3.13	1.12	1.32
Distributions	(1.66)	(1.67)	(1.43)
Closing net asset value per share	97.36	95.76	96.31
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.27%	1.16%	1.38%
Other information			
Closing net asset value (£'000)	1,238	2,221	3,073
Closing number of shares	1,272,729	2,318,924	3,190,752
Operating charges	0.61%	0.61%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price	98.99	96.87	97.39
Lowest share price	92.12	94.51	95.54

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Gross Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	124.30	122.85	121.17
Return before operating charges*	4.67	2.30	2.44
Operating charges	(0.76)	(0.85)	(0.76)
Return after operating charges*	3.91	1.45	1.68
Distributions	(1.98)	(2.12)	(1.81)
Retained distributions on accumulation shares	1.98	2.12	1.81
Closing net asset value per share	128.21	124.30	122.85
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.15%	1.18%	1.39%
Other information			
Closing net asset value (£'000)	136	46	17,221
Closing number of shares	105,769	37,266	14,017,903
Operating charges	0.61%	0.61%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price	129.4	124.6	123.1
Lowest share price	120.4	120.6	120.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Gross Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	95.02	95.57	95.68
Return before operating charges*	3.56	1.69	1.91
Operating charges	(0.58)	(0.58)	(0.60)
Return after operating charges*	2.98	1.11	1.31
Distributions	(1.52)	(1.66)	(1.42)
Closing net asset value per share	96.48	95.02	95.57
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.14%	1.16%	1.37%
Other information			
Closing net asset value (£'000)	35	101	110
Closing number of shares	36,125	106,125	115,303
Operating charges	0.61%	0.61%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price	98.11	96.12	96.64
Lowest share price	91.29	93.78	94.79

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	105.93	104.65	103.20
Return before operating charges*	4.02	1.86	2.04
Operating charges	(0.60)	(0.58)	(0.59)
Return after operating charges*	3.42	1.28	1.45
Distributions	(1.76)	(1.87)	(1.60)
Retained distributions on accumulation shares	1.76	1.87	1.60
Closing net asset value per share	109.35	105.93	104.65
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.23%	1.22%	1.41%
Other information			
Closing net asset value (£'000)	433	23	25
Closing number of shares	395,645	21,576	24,044
Operating charges	0.56%	0.56%	0.57%
Direct transaction costs	-	-	-
Prices			
Highest share price	110.4	106.2	104.9
Lowest share price	102.7	102.7	102.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	102.29	100.00 ^B
Return before operating charges*	4.13	2.73
Operating charges	(0.69)	(0.44)
Return after operating charges*	3.44	2.29
Distributions	(1.46)	(1.65)
Retained distributions on accumulation shares	1.46	1.65
Closing net asset value per share	105.73	102.29
* after direct transaction costs of:	-	-
Performance		
Return after charges	3.36%	2.29%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	965	100
Operating charges	0.66%	0.66%
Direct transaction costs	-	-
Prices		
Highest share price	106.7	102.5
Lowest share price	99.26	98.62

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 29 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	100.40	100.00 ^B
Return before operating charges*	3.97	2.50
Operating charges	(0.67)	(0.44)
Return after operating charges*	3.30	2.06
Distributions	(1.41)	(1.66)
Closing net asset value per share	102.29	100.40
* after direct transaction costs of:	-	-
Performance		
Return after charges	3.29%	2.06%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	982	100
Operating charges	0.66%	0.66%
Direct transaction costs	-	-
Prices		
Highest share price	104.0	101.7
Lowest share price	96.77	98.62

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 29 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	134.77	132.54	130.10
Return before operating charges*	5.12	2.38	2.60
Operating charges	(0.15)	(0.15)	(0.16)
Return after operating charges*	4.97	2.23	2.44
Distributions	(2.86)	(2.96)	(2.60)
Retained distributions on accumulation shares	2.86	2.96	2.60
Closing net asset value per share	139.74	134.77	132.54
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.69%	1.68%	1.88%
Other information			
Closing net asset value (£'000)	24,753	149,053	145,066
Closing number of shares	17,713,598	110,597,786	109,450,425
Operating charges	0.11%	0.11%	0.12%
Direct transaction costs	-	-	-
Prices			
Highest share price	140.8	135.1	132.8
Lowest share price	131.1	130.3	129.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Bonds (96.59%)		31,308	87.82
Australian Dollar Denominated Bonds (0.36%)		-	-
Corporate Bonds (0.36%)		-	-
Euro Denominated Bonds (28.92%)		10,853	30.44
Corporate Bonds (28.25%)		10,853	30.44
less than 5 years to maturity			
100,000	Amadeus IT FRN 2022	88	0.25
100,000	Annington Funding 1.65% 2024	93	0.26
200,000	Arion Banki 1% 2023	179	0.50
114,000	AT&T FRN 2023	102	0.29
779,000	Athene Global Funding 1.875% 2023	721	2.02
200,000	Bayer 0.375% 2024	181	0.51
100,000	BBVA 0.75% 2022	91	0.26
300,000	Bharti Airtel 3.375% 2021	272	0.76
200,000	CaixaBank 2.375% 2024	190	0.53
200,000	Cemex 2.75% 2024	169	0.47
200,000	China National Chemical 1.75% 2022	181	0.51
100,000	Chubb INA 0.3% 2024	90	0.25
300,000	CK Hutchison 0.375% 2023	270	0.76
100,000	CRH Finland Services 0.875% 2023	92	0.26
404,000	Danske Bank 0.875% 2023	366	1.03
423,000	Dell Bank International 0.625% 2022	378	1.06
100,000	Digital Dutch 0.125% 2022	90	0.25
200,000	Digital Dutch 0.625% 2025	180	0.51
100,000	FCA Bank 0.25% 2023	89	0.25
100,000	Fiat Chrysler Automobiles 3.375% 2023	93	0.26
300,000	Fidelity National Information Services 0.75% 2023	275	0.77
100,000	Ford Motor Credit 1.744% 2024	85	0.24
214,000	Fresenius Medical Care 0.25% 2023	193	0.54
300,000	General Motors Financial FRN 2021	267	0.75
100,000	Informa 1.5% 2023	89	0.25
100,000	International Game Technology 3.5% 2024	88	0.25
200,000	Islandsbanki 1.125% 2022	181	0.51
200,000	Mitsubishi UFJ Financial 0.339% 2024	181	0.51
200,000	NE Property 2.625% 2023	182	0.51
300,000	Nykredit Realkredit 0.25% 2023	269	0.75

			Market Value £'000	Percentage of total net assets
Holding	Investment			
200,000	Orange 1.125% 2024		187	0.52
100,000	PACCAR Financial Europe 0.125% 2022		90	0.25
100,000	RCI Banque 1.25% 2022		90	0.25
100,000	RELX 0% 2024		90	0.25
400,000	SELP Finance 1.25% 2023		365	1.02
222,000	Takeda Pharmaceutical FRN 2022		202	0.56
200,000	Thermo Fisher Scientific 2.15% 2022		187	0.52
100,000	TLG Immobilien 0.375% 2022		89	0.25
100,000	Transport et Infrastructures Gaz France 4.339% 2021		93	0.26
200,000	Vesteda Finance 2.5% 2022		187	0.52
141,000	Volkswagen Leasing 0.5% 2022		127	0.36
between 5 and 10 years to maturity				
200,000	Banco Bilbao Vizcaya Argentaria 1% fixed to floating 2030		170	0.48
249,000	Barclays 2% 2028		224	0.63
100,000	CaixaBank 2.75% 2028		92	0.26
300,000	Rabobank 2.5% 2026		273	0.76
200,000	UniCredit 4.375% 2027		185	0.52
200,000	Zuercher Kantonalbank 2.625% 2027		184	0.52
between 15 and 25 years to maturity				
100,000	Aviva 6.125% 2043		102	0.29
100,000	NN Group FRN 2044		100	0.28
greater than 25 years to maturity				
111,000	Merck 2.625% 2074		101	0.28
100,000	Orsted 1.75% fixed to floating 3019		89	0.25
Perpetual				
100,000	BP Capital Markets 3.25% fixed to floating Perpetual		92	0.26
100,000	Credit Agricole 6.5% Perpetual		92	0.26
200,000	Engie 1.625% fixed to floating Perpetual		179	0.50
200,000	Solvay 5.118% Perpetual		184	0.52
800,000	Telefonica FRN Perpetual		712	2.00
200,000	TOTAL 1.75% fixed to floating Perpetual		180	0.51
100,000	TOTAL 2.25% Perpetual		90	0.25
200,000	UBS 5.75% Perpetual		186	0.52
200,000	Vonovia Finance 4% fixed to floating Perpetual		186	0.52

Holding	Investment	Market Value £'000	Percentage of total net assets
Government Bonds (0.67%)		-	-
Sterling Denominated Bonds (29.77%)		8,688	24.37
Corporate Bonds (29.77%)		8,587	24.09
less than 5 years to maturity			
150,000	Anheuser-Busch InBev 9.75% 2024	203	0.57
100,000	Arrow Global 5.125% 2024	94	0.26
200,000	Barclays 2.375% 2023	204	0.57
333,000	Barclays 10% 2021	356	1.00
100,000	BUPA 3.375% 2021	102	0.29
200,000	CPUK 4.25% 2022	195	0.55
300,000	Deutsche Bank 1.75% 2021	300	0.84
100,000	Deutsche Bank 2.625% 2024	102	0.28
400,000	FCA Capital Ireland 1.625% 2021	397	1.11
200,000	First Abu Dhabi Bank 1.375% 2023	201	0.56
90,000	General Electric 5.5% 2021	93	0.26
200,000	HSBC 2.175% 2023	203	0.57
530,000	Industrial & Commercial Bank of China (London) 1.5% 2022	534	1.50
300,000	Lend Lease Europe 6.125% 2021	312	0.88
200,000	MPT Operating Partnership 2.55% 2023	200	0.56
400,000	NatWest 6.5% 2021	420	1.18
350,000	New York Life Global Funding 1.625% 2023	361	1.01
160,000	Petróleos Mexicanos 8.25% 2022	164	0.46
300,000	Phoenix 5.75% 2021	311	0.87
222,000	Tesco 6.125% 2022	239	0.67
400,000	Volkswagen Financial Services 1.875% 2021	402	1.13
200,000	Wells Fargo 1.375% 2022	201	0.58
between 5 and 10 years to maturity			
100,000	Credit Suisse FRN 2025	103	0.29
100,000	CYBG 5% 2026	97	0.27
100,000	Hammerson 3.5% 2025	90	0.25
200,000	Lloyds Banking 1.875% fixed to floating 2026	203	0.57
100,000	Westfield Stratford City Finance 1.642% 2026	101	0.28
between 15 and 25 years to maturity			
300,000	Aviva 6.625% fixed to floating 2041	311	0.87
300,000	Legal & General 10% 2041	325	0.91
300,000	QBE Insurance 6.115% 2042	317	0.89
400,000	SLM Student Loan Trust 5.15% 2039	372	1.05

Holding	Investment	Market Value £'000	Percentage of total net assets
greater than 25 years to maturity			
200,000	America Movil 6.375% fixed to floating 2073	200	0.56
Perpetual			
100,000	Bank of Scotland 7.281% Perpetual	115	0.32
100,000	HBOS 7.881% fixed to floating Perpetual	153	0.43
400,000	SSE 3.875% fixed to floating Perpetual	400	1.12
188,000	Zurich FRN Perpetual	206	0.58
Government Bonds (0.00%)		101	0.28
less than 5 years to maturity			
100,000	China Development Bank 1.25% 2023	101	0.28
US Dollar Denominated Bonds (37.54%)		11,767	33.01
Corporate Bonds (37.33%)		11,767	33.01
less than 5 years to maturity			
200,000	AbbVie 2.6% 2024	163	0.46
200,000	Alfa 5.25% 2024	165	0.46
164,000	Altria 2.35% 2025	133	0.37
200,000	Ball 5% 2022	160	0.45
300,000	Bank of America FRN 2022	231	0.65
150,000	BBVA Bancomer 6.5% 2021	117	0.33
150,000	BBVA Bancomer 6.75% 2022	124	0.35
200,000	Blue Cube Spinco 9.75% 2023	158	0.44
200,000	BMW US Capital 3.8% 2023	164	0.46
200,000	BNP Paribas 2.95% 2022	158	0.44
300,000	BPCE 4.625% 2024	252	0.71
450,000	Broadcom 2.25% 2023	356	1.00
300,000	Cardinal Health FRN 2022	229	0.64
300,000	Carrier Global 2.242% 2025	239	0.67
200,000	Cenovus Energy 3% 2022	154	0.43
150,000	Centene 4.75% 2025	119	0.33
260,000	Cheniere Christi Corpus 7% 2024	228	0.64
200,000	China Oil & Gas 5.5% 2023	154	0.43
400,000	Citigroup FRN 2023	309	0.87
200,000	CNH Industrial Capital 4.2% 2024	164	0.46
133,000	Continental Resources 4.5% 2023	101	0.28
200,000	Country Garden Holdings 8% 2024	166	0.46
200,000	Danske Bank 5% 2022	161	0.45

		Market Value £'000	Percentage of total net assets
Holding	Investment		
152,000	DTE Energy 2.6% 2022	120	0.34
100,000	Energy Transfer Operating 4.25% 2023	80	0.23
100,000	ENI 4.15% 2020	76	0.21
261,000	Equifax 2.6% 2024	212	0.60
300,000	Equinix 1.25% 2025	233	0.65
141,000	General Motors Financial 5.2% 2023	117	0.33
52,000	Halliburton 3.5% 2023	42	0.12
422,000	Intesa Sanpaolo 6.5% 2021	331	0.93
200,000	Intuit 0.95% 2025	154	0.43
350,000	JPMorgan Chase FRN 2023	271	0.76
244,000	Lennar 4.75% 2021	188	0.53
294,000	Lukoil International Finance 4.563% 2023	238	0.67
200,000	Mexichem 4.875% 2022	160	0.45
48,000	Mylan 3.75% 2020	37	0.10
115,000	NatWest 6.1% 2023	97	0.27
200,000	NTPC 5.625% 2021	157	0.44
550,000	Occidental Petroleum 4.85% 2021	420	1.18
150,000	Occidental Petroleum FRN 2022	107	0.30
64,000	Owens-Brockway Glass Container 5% 2022	49	0.14
222,000	Penske Truck Leasing 3.375% 2022	175	0.49
200,000	Sabine Pass Liquefaction 6.25% 2022	163	0.46
200,000	Saudi Arabian Oil 2.75% 2022	157	0.44
400,000	SBA Tower Trust 2.836% 2025	319	0.89
182,000	Sealed Air 5.25% 2023	148	0.41
200,000	Shimao Property 6.125% 2024	161	0.45
200,000	Sprint 7.875% 2023	177	0.50
200,000	Upjohn 1.65% 2025	157	0.44
400,000	Vodafone 3.75% 2024	334	0.94
300,000	Welltower 3.75% 2023	242	0.68
125,000	Western Midstream Operating 4% 2022	98	0.28
between 5 and 10 years to maturity			
200,000	ABN Amro FRN 2028	160	0.45
200,000	Adani Transmission 4% 2026	154	0.43
200,000	Bausch Health 5.75% 2027	166	0.47
200,000	BNP Paribas 2.819% fixed to floating 2025	162	0.45
200,000	Country Garden Holdings 5.125% 2027	156	0.44
200,000	CSC Holdings 10.875% 2025	163	0.46
200,000	ING FRN 2028	162	0.45
200,000	JBS Investments II 7% 2026	164	0.46

Holding	Investment	Market Value £'000	Percentage of total net assets
greater than 25 years to maturity			
1,410,000	JP Morgan Mortgage Trust 2018-6 3.5% 2048	291	0.82
237,153	JP Morgan Mortgage Trust 2018-9 4% 2049	78	0.22
1,379,171	Sequoia Mortgage Trust 2018-6 4% 2048	207	0.58
Perpetual			
200,000	BNP Paribas 6.625% fixed to floating Perpetual	158	0.44
200,000	Credit Suisse 6.25% Perpetual	162	0.45
200,000	NatWest 8.625% Perpetual	159	0.45
Government Bonds (0.21%)		-	-
Collective Investment Schemes (1.88%)		1,065	2.98
1,065	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z3 Inc ⁺	1,065	2.98
Derivatives (-2.10%)		720	2.02
Credit Default Swaps (-0.97%)		(136)	(0.38)
USD 9,000,000	Buy CDX Investment Grade Series 33 20/12/2024 1%	(104)	(0.29)
EUR 394,668	Buy iTraxx Series 117 Series 20/06/2024 5%	(16)	(0.05)
USD 501,422	Buy iTraxx Series 119 20/06/2024 5%	(16)	(0.04)
Forward Currency Contracts (-1.61%)		712	2.00
	Buy AUD 128,000 Sell GBP 70,747 19/08/2020	(1)	-
	Buy AUD 250,000 Sell GBP 136,277 19/08/2020	-	-
	Buy AUD 2,511,000 Sell GBP 1,324,947 19/08/2020	47	0.13
	Buy AUD 4,362,000 Sell GBP 2,417,611 19/08/2020	(34)	(0.10)
	Buy AUD 38,000 Sell GBP 20,816 27/08/2020	-	-
	Buy AUD 663,000 Sell GBP 367,473 27/08/2020	(5)	(0.01)
	Buy AUD 1,128,000 Sell GBP 620,601 27/08/2020	(4)	(0.01)
	Buy AUD 2,987,000 Sell USD 2,048,275 19/08/2020	72	0.20
	Buy AUD 8,975,000 Sell USD 6,218,104 19/08/2020	167	0.47
	Buy BRL 3,744,000 Sell USD 717,708 19/08/2020	1	-
	Buy CAD 234,000 Sell GBP 135,031 19/08/2020	(2)	(0.01)
	Buy CAD 239,000 Sell GBP 141,825 19/08/2020	(6)	(0.02)
	Buy CAD 7,299,000 Sell GBP 4,238,549 19/08/2020	(87)	(0.24)
	Buy CHF 638,000 Sell GBP 538,672 19/08/2020	(4)	(0.01)
	Buy EUR 3,608,795 Sell AUD 5,874,000 19/08/2020	43	0.12

Holding	Investment	Market Value £'000	Percentage of total net assets
	Buy EUR 128,000 Sell GBP 115,517 19/08/2020	-	-
	Buy EUR 366,000 Sell GBP 331,683 19/08/2020	(2)	(0.01)
	Buy EUR 907,000 Sell GBP 818,004 19/08/2020	(1)	-
	Buy EUR 1,833,000 Sell GBP 1,648,933 19/08/2020	3	0.01
	Buy EUR 408,000 Sell GBP 369,820 27/08/2020	(2)	(0.01)
	Buy EUR 4,803,000 Sell GBP 4,388,299 27/08/2020	(59)	(0.17)
	Buy EUR 40,394,000 Sell GBP 36,682,756 27/08/2020	(274)	(0.77)
	Buy EUR 3,623,000 Sell ILS 14,162,451 19/08/2020	93	0.26
	Buy EUR 70,000 Sell JPY 8,664,810 26/10/2020	1	-
	Buy EUR 2,717,000 Sell USD 3,031,807 19/08/2020	139	0.39
	Buy GBP 55,563 Sell AUD 101,000 19/08/2020	-	-
	Buy GBP 80,226 Sell AUD 146,000 19/08/2020	-	-
	Buy GBP 126,088 Sell AUD 226,000 19/08/2020	3	0.01
	Buy GBP 196,158 Sell AUD 356,000 19/08/2020	2	-
	Buy GBP 724,351 Sell AUD 1,295,000 27/08/2020	17	0.05
	Buy GBP 98,096 Sell CAD 168,000 19/08/2020	2	0.01
	Buy GBP 142,297 Sell CAD 243,000 19/08/2020	4	0.01
	Buy GBP 2,437,456 Sell CAD 4,204,000 19/08/2020	46	0.13
	Buy GBP 87,759 Sell EUR 98,000 19/08/2020	(1)	-
	Buy GBP 88,834 Sell EUR 99,000 19/08/2020	-	-
	Buy GBP 90,773 Sell EUR 101,000 19/08/2020	-	-
	Buy GBP 97,432 Sell EUR 109,000 19/08/2020	(1)	-
	Buy GBP 97,953 Sell EUR 108,000 19/08/2020	1	-
	Buy GBP 104,054 Sell EUR 114,000 19/08/2020	1	-
	Buy GBP 107,459 Sell EUR 118,000 19/08/2020	1	-
	Buy GBP 153,705 Sell EUR 172,000 19/08/2020	(1)	-
	Buy GBP 8,047,456 Sell EUR 9,097,000 19/08/2020	(151)	(0.42)
	Buy GBP 27,262 Sell EUR 30,000 27/08/2020	-	-
	Buy GBP 59,336 Sell EUR 65,000 27/08/2020	1	-
	Buy GBP 61,514 Sell EUR 68,000 27/08/2020	-	-
	Buy GBP 52,512,430 Sell EUR 57,627,000 27/08/2020	570	1.60
	Buy GBP 99,235 Sell JPY 13,190,000 19/08/2020	4	0.01
	Buy GBP 331,331 Sell JPY 43,890,000 19/08/2020	15	0.04
	Buy GBP 5,968,725 Sell JPY 809,030,000 19/08/2020	138	0.39
	Buy GBP 127,000 Sell JPY 17,204,260 26/10/2020	3	0.01
	Buy GBP 614,990 Sell MXN 17,551,000 19/08/2020	14	0.04
	Buy GBP 141,603 Sell NOK 1,693,000 19/08/2020	(1)	-
	Buy GBP 2,491,516 Sell NOK 29,192,000 19/08/2020	42	0.12
	Buy GBP 4,913,316 Sell NZD 10,029,000 19/08/2020	(176)	(0.50)
	Buy GBP 85,066 Sell USD 107,000 19/08/2020	3	0.01
	Buy GBP 99,964 Sell USD 127,000 19/08/2020	3	0.01

Holding	Investment	Market Value £'000	Percentage of total net assets
	Buy GBP 124,931 Sell USD 153,000 19/08/2020	8	0.02
	Buy GBP 139,416 Sell USD 175,000 19/08/2020	6	0.02
	Buy GBP 162,016 Sell USD 204,000 19/08/2020	7	0.02
	Buy GBP 162,777 Sell USD 201,000 19/08/2020	10	0.03
	Buy GBP 526,066 Sell USD 642,000 19/08/2020	37	0.10
	Buy GBP 1,223,842 Sell USD 1,573,511 19/08/2020	25	0.07
	Buy GBP 89,439 Sell USD 115,000 27/08/2020	2	0.01
	Buy GBP 173,967 Sell USD 221,000 27/08/2020	6	0.02
	Buy GBP 62,681,650 Sell USD 79,538,000 27/08/2020	2,091	5.86
	Buy GBP 823,451 Sell ZAR 18,791,000 19/08/2020	(15)	(0.04)
	Buy ILS 13,332,000 Sell EUR 3,364,360 19/08/2020	(46)	(0.13)
	Buy ILS 802,000 Sell GBP 188,019 19/08/2020	(8)	(0.02)
	Buy JPY 26,810,000 Sell GBP 196,705 19/08/2020	(3)	(0.01)
	Buy JPY 35,750,000 Sell GBP 256,973 19/08/2020	1	-
	Buy JPY 856,294,000 Sell GBP 6,516,880 19/08/2020	(346)	(0.97)
	Buy JPY 216,570,000 Sell USD 2,021,940 19/08/2020	20	0.06
	Buy MXN 23,360,000 Sell GBP 776,238 19/08/2020	24	0.07
	Buy MXN 22,717,000 Sell USD 1,012,114 19/08/2020	7	0.02
	Buy NOK 39,319,250 Sell SEK 38,569,000 19/08/2020	(61)	(0.17)
	Buy NZD 4,532,226 Sell AUD 4,269,000 19/08/2020	(32)	(0.09)
	Buy NZD 4,575,000 Sell AUD 4,275,365 19/08/2020	(14)	(0.04)
	Buy NZD 424,000 Sell GBP 220,944 19/08/2020	(6)	(0.02)
	Buy NZD 507,000 Sell GBP 259,437 19/08/2020	(2)	(0.01)
	Buy SEK 2,530,000 Sell GBP 220,162 19/08/2020	-	-
	Buy SEK 27,928,000 Sell GBP 2,479,855 19/08/2020	(46)	(0.13)
	Buy USD 998,701 Sell AUD 1,522,000 19/08/2020	(71)	(0.20)
	Buy USD 3,069,193 Sell AUD 4,443,000 19/08/2020	(89)	(0.25)
	Buy USD 838,673 Sell BRL 4,935,000 19/08/2020	(83)	(0.23)
	Buy USD 3,981,293 Sell CAD 5,420,000 19/08/2020	(50)	(0.14)
	Buy USD 698,422 Sell EUR 593,000 19/08/2020	(2)	(0.01)
	Buy USD 111,000 Sell GBP 85,683 19/08/2020	(1)	-
	Buy USD 117,000 Sell GBP 93,188 19/08/2020	(4)	(0.01)
	Buy USD 123,000 Sell GBP 98,613 19/08/2020	(5)	(0.01)
	Buy USD 143,000 Sell GBP 115,642 19/08/2020	(7)	(0.02)
	Buy USD 205,000 Sell GBP 161,634 19/08/2020	(6)	(0.02)
	Buy USD 297,000 Sell GBP 228,922 19/08/2020	(3)	(0.01)
	Buy USD 320,000 Sell GBP 250,924 19/08/2020	(7)	(0.02)
	Buy USD 6,558,000 Sell GBP 5,333,797 19/08/2020	(338)	(0.95)
	Buy USD 528,000 Sell GBP 406,213 27/08/2020	(4)	(0.01)
	Buy USD 1,626,000 Sell GBP 1,239,462 27/08/2020	(1)	-
	Buy USD 6,110,000 Sell GBP 4,709,591 27/08/2020	(55)	(0.15)

Holding	Investment	Market Value £'000	Percentage of total net assets
	Buy USD 15,883,000 Sell GBP 12,316,255 27/08/2020	(217)	(0.61)
	Buy USD 40,743,000 Sell GBP 31,525,579 27/08/2020	(488)	(1.37)
	Buy USD 1,024,743 Sell MXN 23,263,000 19/08/2020	(16)	(0.04)
	Buy USD 988,683 Sell ZAR 18,211,000 19/08/2020	(60)	(0.17)
	Buy ZAR 2,074,000 Sell GBP 96,154 19/08/2020	(4)	(0.01)
	Buy ZAR 27,161,000 Sell GBP 1,278,501 19/08/2020	(66)	(0.18)
Futures (-0.19%)		(80)	(0.23)
24	Long Australia 10 Year Bond Future 15/09/2020	34	0.09
15	Long US 10 Year Note Future 21/09/2020	10	0.04
7	Long US 10 Year Ultra Future 21/09/2020	9	0.02
8	Long US 2 Year Note (CBT) Future 30/09/2020	1	-
9	Long US 5 Year Note Future 30/09/2020	2	0.01
(5)	Short Australia 3 Year Bond Future 15/09/2020	-	-
(22)	Short Canadian 10 Year Bond Future 21/09/2020	(15)	(0.04)
(3)	Short Euro Bond Future 08/09/2020	(9)	(0.04)
(80)	Short Euro Schatz Future 08/09/2020	(7)	(0.02)
(20)	Short Euro-Bobl Future 08/09/2020	(12)	(0.03)
(11)	Short Euro-BTP Bond Future 08/09/2020	(69)	(0.19)
(6)	Short Euro-Oat Future 08/09/2020	(18)	(0.05)
(13)	Short Long Gilt Future 28/09/2020	(6)	(0.02)
Inflation Swaps (0.03%)		648	1.82
GBP 5,670,000	Pay floating UKRPI receive fixed 3.805% 21/08/2024	324	0.91
GBP 5,670,000	Pay floating UKRPI receive fixed 3.805% 21/08/2024	324	0.91
Interest Rate Swaps (0.64%)		(424)	(1.19)
GBP 63,290,000	Pay fixed -0.073% receive floating GBP-LIBOR 14/07/2023	(36)	(0.10)
USD 2,500,000	Pay fixed 1.347% receive floating USD-LIBOR 10/11/2022	(56)	(0.16)
USD 1,650,000	Pay fixed 1.056% receive floating USD-LIBOR 07/12/2022	(37)	(0.10)
USD 1,730,000	Pay fixed 1.056% receive floating USD-LIBOR 07/12/2022	(39)	(0.11)
EUR 11,400,000	Pay floating EURIBOR receive fixed -0.535% 05/09/2025	3	0.01
GBP 32,270,000	Pay floating GBP-LIBOR receive fixed -0.013% 21/07/2021	21	0.06
AUD 2,154,000	Pay floating AUD-BBSW receive fixed 0.60% 01/05/2024	20	0.06
AUD 15,796,000	Pay floating AUD-BBSW receive fixed 0.60% 01/05/2024	21	0.06

Holding	Investment	Market Value £'000	Percentage of total net assets
AUD 15,796,000	Pay floating AUD-BBSW receive fixed 0.60% 01/05/2024	17	0.05
AUD 15,796,000	Pay floating AUD-BBSW receive fixed 0.60% 01/05/2024	(9)	(0.04)
CAD 34,400,000	Pay floating CAD-BA receive fixed 0.9075% 07/07/2024	4	0.01
USD 6,370,000	Pay floating USD-LIBOR receive fixed 0.486% 03/07/2025	10	0.03
USD 5,000,000	Pay floating USD-LIBOR receive fixed 2.002% 17/05/2023	(207)	(0.58)
USD 2,400,000	Pay floating USD-LIBOR receive fixed 2.079% 17/05/2024	(136)	(0.38)
Total investment assets and liabilities		33,093	92.82
Net other assets		2,560	7.18
Total Net Assets		35,653	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

* Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	1	1,656	(1,181)
Revenue	2	3,997	4,858
Expenses	3	(234)	(279)
Interest payable and similar charges	4	(454)	(1,034)
Net revenue before taxation		3,309	3,545
Taxation	5	-	(7)
Net revenue after taxation		3,309	3,538
Total return before distributions		4,965	2,357
Distributions	6	(3,309)	(3,538)
Change in net assets attributable to shareholders from investment activities		1,656	(1,181)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	160,107	175,455
Amounts receivable on the issue of shares	10,515	6,766
Amounts payable on the cancellation of shares	(138,948)	(24,358)
	(128,433)	(17,592)
Dilution adjustment	279	27
Change in net assets attributable to shareholders from investment activities (see above)	1,656	(1,181)
Retained distribution on accumulation shares	2,044	3,398
Closing net assets attributable to shareholders	35,653	160,107

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		36,853	163,817
Current assets:			
Debtors	7	326	3,116
Cash and bank balances	8	2,608	2,976
		2,934	6,092
Total assets		39,787	169,909
Liabilities:			
Investment liabilities		(3,760)	(9,529)
Creditors	9	(95)	(260)
Bank Overdrafts	8	(270)	-
Distribution payable		(9)	(13)
		(374)	(273)
Total liabilities		(4,134)	(9,802)
Net assets attributable to shareholders		35,653	160,107

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	(2,680)	6,216
Derivative contracts	1,752	(1,809)
Forward currency contracts	3,174	(5,087)
Other losses	(590)	(501)
Net capital gains/(losses)	1,656	(1,181)

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	45	15
Income from Overseas Collective Investment Schemes		
Unfranked income	-	32
Interest on debt securities	3,946	4,808
Stocklending revenue	6	3
Total revenue	3,997	4,858

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	58	99
Operating, administrative and servicing fees	176	180
Total expenses	234	279

Irrecoverable VAT is included in the above expenses where relevant.

4. Interest Payable and Similar Charges

	2020 £'000	2019 £'000
Derivative expense	451	1,022
Interest payable	3	12
Total interest payable & similar charges	454	1,034

5. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	-	7
Total taxation	-	7

(b)

Factors affecting current tax charge for the year

The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:

	2020 £'000	2019 £'000
Net revenue before taxation	3,309	3,545
Corporation tax at 20% (2019: 20%)	662	709
Effects of:		
Overseas taxes	-	7
Overseas tax expensed	-	(1)
Distributions treated as tax deductible	(662)	(708)
Total tax charge for year (note 5a)	-	7

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Factors that may affect future tax charge

At the year end there are no surplus expenses and therefore no deferred tax asset in the current or prior year.

6. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	1,759	2,206
Final distribution	311	1,235
	2,070	3,441
Add: Income deducted on cancellation of shares	1,276	160
Deduct: Income received on issue of shares	(36)	(63)
Net distribution for the year	3,310	3,538

Details of the distribution per share are set out in this fund's distribution tables.

7. Debtors

	2020 £'000	2019 £'000
Accrued revenue	324	2,364
Amounts receivable from the ACD for the issue of shares	2	4
Sales awaiting settlement	-	748
Total debtors	326	3,116

8. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	1,573	1,499
Cash at broker	565	1,477
Collateral cash pledged to counterparties ⁻	470	-
	2,608	2,976
Bank overdrafts		
Collateral cash pledged by counterparties [^]	(270)	-
	(270)	-
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	1,065	3,005
Net Liquidity	3,403	5,981

⁻ This reflects cash the fund retains beneficial ownership of however which is currently being used to manage bilateral counterparty exposure on out of the money derivative positions.

^{*} Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

[^] This reflects cash the fund has taken receipt of to support in the money derivative positions and mitigate counterparty risk to the fund.

9. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	5	20
Amounts payable to the ACD for cancellation of shares	76	83
Other accrued expenses	14	-
Purchases awaiting settlement	-	157
Total creditors	95	260

10. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 7 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 9.

11. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Bonds	76,186	92,599	195,623	110,851
Collective investment schemes	86,700	59,897	88,640	59,994
Trades in the year before transaction costs	162,886	152,496	284,263	170,845
Total net trades in the year after transaction costs	162,886	152,496	284,263	170,845

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.47% (2019: 0.37%), this is representative of the average spread on the assets held during the year.

12. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	1,140,057	107,783	(276,408)	-	971,432
A Income shares	7,277	41	(21)	-	7,297
I Accumulation shares	6,728,023	2,841,203	(2,540,534)	(2,680)	7,026,012
I Income shares	2,318,924	101,154	(1,147,349)	-	1,272,729
I Gross Accumulation shares	37,266	184,926	(116,423)	-	105,769
I Gross Income shares	106,125	-	(70,000)	-	36,125
K Accumulation shares	21,576	505,197	(133,865)	2,737	395,645
M Accumulation shares	100	865	-	-	965
M Income shares	100	882	-	-	982
Z Accumulation shares	110,597,786	4,856,026	(97,740,214)	-	17,713,598

13. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	-	31,309	-	339	154,294	-
Collective Investment Schemes	-	1,064	-	-	3,005	-
Derivatives	56	4,424	-	776	5,403	-
Total investment assets	56	36,797	-	1,115	162,702	-
Fair value of investment liabilities						
Derivatives	(136)	(3,624)	-	(1,074)	(8,455)	-
Total investment liabilities	(136)	(3,624)	-	(1,074)	(8,455)	-

14. Risk Management Policies and Disclosures

Based on the investment strategy, types of complexities of the derivatives and the proportion of the fund comprising derivatives, the method of estimating the fund's overall risk position (Global Exposure) is to use the value at risk (VaR) techniques which estimate the probability of portfolio losses based on the statistical analysis of historical price trends and volatilities. The VaR is produced on a daily basis and the fund's current VaR limit is detailed below.

Value at Risk (VaR)

Model assumptions:

System:	Advanced Portfolio Technologies (APT)
VaR methodology:	Parametric
Confidence level:	99%
Holding period:	1 week (5 days)
Decay factor for exponential smoothing of the historical market data:	Nil
Historical observation period:	180 weeks
VaR limit (absolute):	20%
VaR limit (relative):	200%
Reference portfolio for relative VaR:	-

The table below indicates the VaR of the fund's financial instruments, measured as the potential 5 day loss in value from adverse changes in equity prices, interest rates, inflation rates and foreign currency exchange rates, with a 99 percent confidence level. Calculated on this basis, the table indicates that the net value of the fund's financial assets and liabilities could be expected to change by more than the stated amount on only two days out of 200, in response to either price, interest rate, inflation or foreign currency exchange rate changes.

The VAR measures of the fund are detailed below:

	2020 %	2019 %
Minimum VaR	0.26%	0.45%
Maximum VaR	1.03%	0.90%
Average VaR	0.47%	0.59%

VaR Table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2020	(1.65%)	0.47%	-	1.77%	0.59%
31 July 2019	(1.85%)	0.42%	-	2.07%	0.64%

Counterparty risk

Credit quality of debt security investment assets

The following table shows the credit quality of the part of the investment portfolio that is invested in debt securities, reflecting the impact of derivative positions.

	Market value £'000	Percentage of total net assets %
2020		
Investment grade securities	22,118	62.04%
Below investment grade securities	5,498	15.43%
Unrated securities	3,693	10.35%
Total Value of Securities	31,309	87.82%

2019	Market value £'000	Percentage of total net assets %
Investment grade securities	118,069	73.76%
Below investment grade securities	24,623	15.37%
Unrated securities	11,941	7.47%
Total Value of Securities	154,633	96.60%

Investment grade information used in the above table is based on credit ratings issued by market vendors.

Financial derivatives instrument risk

These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the fund's prospectus.

At the balance sheet date the fund had the following exposures:

2020	Mark to Market Exposure							
	Swaps £'000	Options £'000	Futures £'000	Forward Currency Contracts £'000	Total £'000	Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Total by Counter- party £'000
Counterparty or clearer								
Bank of America	-	-	(80)	-	(80)	-	565	485
Merrill Lynch	(626)	-	-	(231)	(857)	470	-	(387)
Barclays	41	-	-	(217)	(176)	-	-	(176)
BNP Paribas	648	-	-	(28)	620	(270)	-	350
Citigroup	-	-	-	247	247	-	-	247
Deutsche Bank	(10)	-	-	(62)	(72)	-	-	(72)
Goldman Sachs	-	-	-	(139)	(139)	-	-	(139)
HSBC	(16)	-	-	-	(16)	-	-	(16)
JP Morgan	-	-	-	(359)	(359)	-	-	(359)
Morgan Stanley	-	-	-	(63)	(63)	-	-	(63)
Royal Bank of Canada	-	-	-	8	8	-	-	8
Societe Generale	-	-	-	13	13	-	-	13
Standard Chartered	-	-	-	11	11	-	-	11
StateStreet	-	-	-	(770)	(770)	-	-	(770)
UBS	51	-	-	2,302	2,353	-	-	2,353
Total	88	-	(80)	712	720	200	565	1,485

						Mark to Market Exposure		
	Swaps	Options	Futures	Forward Currency Contracts	Total	Collateral (held)/ pledged	Margin at clearing broker	Total by Counter- party
2019	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Counterparty or clearer								
Bank of America Merrill Lynch	-	-	(298)	(673)	(971)	-	1,887	916
Barclays	(522)	-	-	172	(350)	-	-	(350)
BNP Paribas	(293)	-	-	173	(120)	-	-	(120)
Citigroup	378	-	-	493	871	(410)	-	461
Deutsche Bank	292	-	-	5	297	-	-	297
Goldman Sachs	(301)	-	-	89	(212)	-	-	(212)
HSBC	80	-	-	(327)	(247)	-	-	(247)
JP Morgan	(527)	-	-	-	(527)	-	-	(527)
Morgan Stanley	-	-	-	(957)	(957)	-	-	(957)
Royal Bank of Canada	-	-	-	(41)	(41)	-	-	(41)
StateStreet	-	-	-	(1,147)	(1,147)	-	-	(1,147)
UBS	413	-	-	(359)	54	-	-	54
Total	(480)	-	(298)	(2,572)	(3,350)	(410)	1,887	(1,873)

The total mark to market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Margin exchanged and collateral held or pledged is in the form of high quality assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities on a contractual basis.

2020	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	(3,104)	(656)	-	(3,760)
Non-derivatives					
Other creditors	-	(95)	-	-	(95)
Distribution payable	-	(11)	-	-	(11)
Total financial liabilities	-	(3,210)	(656)	-	(3,866)

2019	On demand £'000	Up to one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
Derivatives					
Investment liabilities	-	-	(9,529)	-	(9,529)
Non-derivatives					
Other creditors	-	(260)	-	-	(260)
Distribution payable	-	(13)	-	-	(13)
Total financial liabilities	-	(273)	(9,529)	-	(9,802)

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 1.2% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim interest distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.7807	-	0.7807	1.1192
Group 2	0.5891	0.1916	0.7807	1.1192
A Income shares				
Group 1	0.6278	-	0.6278	0.9153
Group 2	0.2393	0.3885	0.6278	0.9153
I Accumulation shares				
Group 1	0.9491	-	0.9491	1.2594
Group 2	0.4693	0.4798	0.9491	1.2594
I Income shares				
Group 1	0.8369	-	0.8369	1.1342
Group 2	0.4996	0.3373	0.8369	1.1342
I Gross Accumulation shares				
Group 1	1.0689	-	1.0689	1.4403
Group 2	1.0689	-	1.0689	1.4403
I Gross Income shares				
Group 1	0.8300	-	0.8300	1.1261
Group 2	0.8300	-	0.8300	1.1261
K Accumulation shares				
Group 1	0.9575	-	0.9575	1.2660
Group 2	0.2156	0.7419	0.9575	1.2660
M Accumulation shares				
Group 1	0.6458	-	0.6458	0.6500
Group 2	0.4158	0.2300	0.6458	0.6500
M Income shares				
Group 1	0.6142	-	0.6142	0.6500
Group 2	0.4042	0.2100	0.6142	0.6500
Z Accumulation shares				
Group 1	1.5278	-	1.5278	1.8984
Group 2	0.2972	1.2306	1.5278	1.8984

Final interest distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.6078	-	0.6078	0.3932
Group 2	0.2794	0.3284	0.6078	0.3932
A Income shares				
Group 1	0.4845	-	0.4845	0.3298
Group 2	0.2150	0.2695	0.4845	0.3298
I Accumulation shares				
Group 1	0.7915	-	0.7915	0.5908
Group 2	0.4433	0.3482	0.7915	0.5908
I Income shares				
Group 1	0.6976	-	0.6976	0.5347
Group 2	0.2719	0.4257	0.6976	0.5347
I Gross Accumulation shares				
Group 1	0.9072	-	0.9072	0.6787
Group 2	0.6386	0.2686	0.9072	0.6787
I Gross Income shares				
Group 1	0.6912	-	0.6912	0.5305
Group 2	0.6912	-	0.6912	0.5305
K Accumulation shares				
Group 1	0.7995	-	0.7995	0.6044
Group 2	0.4697	0.3298	0.7995	0.6044
M Accumulation shares				
Group 1	0.8168	-	0.8168	1.0000
Group 2	0.8168	-	0.8168	1.0000
M Income shares				
Group 1	0.7996	-	0.7996	1.0100
Group 2	0.7996	-	0.7996	1.0100
Z Accumulation shares				
Group 1	1.3317	-	1.3317	1.0648
Group 2	0.8727	0.4590	1.3317	1.0648

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI UK Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in UK equities (company shares).

Performance target: To achieve the return of the FTSE All-Share Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the FTSE All-Share Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI UK Equity Fund – A Income Shares decreased by 7.04% compared to a decrease of 17.76% in the performance target, the FTSE All Share Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

UK equities dropped by double-digits in the 12 months under review, alongside global stockmarkets that faltered amid COVID-19 fears. Initially, the market trajectory was shaped by trade friction between the world's two largest economies that sparked fears of a global recession, whereas tortuous Brexit discussions seemed to have only a muted impact on stock prices. Competitive currency devaluation had triggered an early global selloff but shares stabilised as the US and China reached a truce, while monetary easing by major central banks provided some measure of support. The Conservatives' sweeping win in the December general elections added to the buoyant mood. However, this was short-lived as the pandemic took root and fears over a looming recession worsened as widespread lockdowns forced global trade and travel to grind to a halt. Adding further gloom, oil prices slumped as output talks between Saudi Arabia and Russia collapsed. Share prices tried to rebound, amid attempts by some governments to reopen their economies as well as on news of progress in potential vaccines and a rebound in the oil price. But a resurgence of fresh infections and heightened geopolitical risks dented sentiment.

Portfolio Activity

For the year to end-July, the portfolio outperformed the benchmark. Contributing to the performance were not holding Royal Dutch Shell and lender HSBC. Our lack of exposure to the oil major was a positive as its shares fell in tandem with the energy sector on the back of the slump in oil prices on oversupply fears. For HSBC, its shares were dampened in tandem with most other lenders, given the likely protracted low interest-rate environment stemming from widespread monetary policy loosening to combat the pandemic. Meanwhile, Just Eat Takeaway's shares were buoyed by its successful merger at the beginning of the year, and further boosted by results that showed a surge in order growth as both consumers and restaurants rely more on this platform during unprecedented times. This all enhances its network effect, which positions the company attractively for the longer term.

Capping gains were WH Smith and Hunting. WH Smith detracted as the lockdown forced the closure of its estate and would likely hurt this year's profits. After its capital raise, we're confident that it has sufficient liquidity and should emerge from the pandemic stronger, given its robust business model and competitiveness. Hunting suffered from poor demand in its end markets where the continued negativity around oil price dynamics,

temporary pipeline capacity restrictions and lower capex spend is particularly unhelpful. Despite having higher qualities relative to peers, we subsequently exited this name to invest in opportunities that we believe to be more compelling over the medium term. Not holding Reckitt Benckiser cost the fund as its shares did well, with demand for its products, particularly in hygiene, remaining elevated on the back of the current pandemic.

Portfolio Outlook and Strategy

Looking ahead, we see further scope for markets to recover and continue their rebound. This is predicated on our view that the summer will be the trough for economic activity and that stimulus will largely offset the economic shock resulting from lockdowns. The scale of monetary and fiscal policy intervention is certainly supportive of asset prices. However the risk of spikes in new infections and potential for further localised lockdowns suggest that volatility may return. It is also our view that economic reopening should not be conflated with a full recovery, as lasting damage seems likely, regardless of support from policymakers. As a result, the earnings outlook remains weak and uneven.

In contrast, we have confidence that the portfolio can once again deliver significantly better earnings and cash flow performance than the market in 2020 and beyond, thanks to our clear focus on high quality companies. In longer term, our best guess is that the post COVID-19 world will intensify many of the existing trends that were already powerful drivers for our portfolio. Therefore, with a low growth, low interest rate, low inflation world likely becoming even lower for longer. These market conditions are set to remain well suited to our approach. Certainly the operational performance of the vast majority of our holdings has been reassuringly resilient thus far. We expect this resilience to be increasingly evident, as the full financial impact of lockdown is revealed and companies begin to incorporate COVID-19 into their longer-term outlooks.

UK Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	219.23	210.24	193.04
Return before operating charges*	(14.63)	11.81	20.35
Operating charges	(2.75)	(2.82)	(3.15)
Return after operating charges*	(17.38)	8.99	17.20
Distributions	(1.22)	(2.08)	(2.03)
Retained distributions on accumulation shares	1.22	2.08	2.03
Closing net asset value per share	201.85	219.23	210.24
* after direct transaction costs of:	1.13	0.32	0.45
Performance			
Return after charges	(7.93%)	4.28%	8.91%
Other information			
Closing net asset value (£'000)	76,542	86,801	90,261
Closing number of shares	37,920,768	39,593,142	42,932,985
Operating charges	1.30%	1.40%	1.60%
Direct transaction costs	0.53%	0.16%	0.23%
Prices			
Highest share price	238.1	222.0	212.2
Lowest share price	157.8	177.0	183.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	171.61	166.23	154.15
Return before operating charges*	(11.39)	9.24	16.21
Operating charges	(2.15)	(2.22)	(2.51)
Return after operating charges*	(13.54)	7.02	13.70
Distributions	(0.95)	(1.64)	(1.62)
Closing net asset value per share	157.12	171.61	166.23
* after direct transaction costs of:	0.88	0.25	0.36
Performance			
Return after charges	(7.89%)	4.22%	8.89%
Other information			
Closing net asset value (£'000)	28,796	32,912	33,985
Closing number of shares	18,327,350	19,177,938	20,444,361
Operating charges	1.30%	1.40%	1.60%
Direct transaction costs	0.53%	0.16%	0.23%
Prices			
Highest share price	186.4	174.7	168.9
Lowest share price	123.1	140.0	146.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	238.88	227.82	207.62
Return before operating charges*	(16.02)	12.92	22.00
Operating charges	(1.93)	(1.86)	(1.80)
Return after operating charges*	(17.95)	11.06	20.20
Distributions	(2.37)	(3.46)	(3.79)
Retained distributions on accumulation shares	2.37	3.46	3.79
Closing net asset value per share	220.93	238.88	227.82
* after direct transaction costs of:	1.21	0.35	0.49
Performance			
Return after charges	(7.51%)	4.85%	9.73%
Other information			
Closing net asset value (£'000)	288,014	53,973	83,232
Closing number of shares	130,364,641	22,593,871	36,533,621
Operating charges	0.85%	0.85%	0.85%
Direct transaction costs	0.53%	0.16%	0.23%
Prices			
Highest share price	260.0	241.9	229.9
Lowest share price	172.4	192.4	198.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	171.49	166.10	154.00
Return before operating charges*	(11.36)	9.25	16.23
Operating charges	(1.41)	(1.35)	(1.33)
Return after operating charges*	(12.77)	7.90	14.90
Distributions	(1.70)	(2.51)	(2.80)
Closing net asset value per share	157.02	171.49	166.10
* after direct transaction costs of:	0.88	0.25	0.36
Performance			
Return after charges	(7.45%)	4.76%	9.68%
Other information			
Closing net asset value (£'000)	9,853	11,143	11,185
Closing number of shares	6,275,169	6,497,753	6,734,196
Operating charges	0.85%	0.85%	0.85%
Direct transaction costs	0.53%	0.16%	0.23%
Prices			
Highest share price	186.7	175.0	169.3
Lowest share price	123.1	140.3	146.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	143.37	136.63	124.42
Return before operating charges*	(9.59)	7.76	13.21
Operating charges	(1.08)	(1.02)	(1.00)
Return after operating charges*	(10.67)	6.74	12.21
Distributions	(1.53)	(2.17)	(2.37)
Retained distributions on accumulation shares	1.53	2.17	2.37
Closing net asset value per share	132.70	143.37	136.63
* after direct transaction costs of:	0.74	0.21	0.29
Performance			
Return after charges	(7.44%)	4.93%	9.81%
Other information			
Closing net asset value (£'000)	922	857	887
Closing number of shares	694,467	597,718	648,935
Operating charges	0.78%	0.78%	0.78%
Direct transaction costs	0.53%	0.16%	0.23%
Prices			
Highest share price	156.1	145.2	137.9
Lowest share price	103.5	115.4	119.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

L Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	129.53	123.23	111.69
Return before operating charges*	(8.68)	7.01	11.85
Operating charges	(0.75)	(0.71)	(0.31)
Return after operating charges*	(9.43)	6.30	11.54
Distributions	(1.60)	(2.17)	(2.66)
Retained distributions on accumulation shares	1.60	2.17	2.66
Closing net asset value per share	120.10	129.53	123.23
* after direct transaction costs of:	0.67	0.19	0.26
Performance			
Return after charges	(7.28%)	5.11%	10.33%
Other information			
Closing net asset value (£'000)	140	170	193
Closing number of shares	116,576	131,176	156,700
Operating charges	0.60%	0.60%	0.27%
Direct transaction costs	0.53%	0.16%	0.23%
Prices			
Highest share price	141.2	131.2	124.4
Lowest share price	93.63	104.2	107.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

L Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	121.79	117.95	109.34
Return before operating charges*	(8.05)	6.58	11.50
Operating charges	(0.71)	(0.67)	(0.30)
Return after operating charges*	(8.76)	5.91	11.20
Distributions	(1.50)	(2.07)	(2.59)
Closing net asset value per share	111.53	121.79	117.95
* after direct transaction costs of:	0.63	0.18	0.25
Performance			
Return after charges	(7.19%)	5.01%	10.24%
Other information			
Closing net asset value (£'000)	35	38	44
Closing number of shares	31,267	31,267	37,300
Operating charges	0.60%	0.60%	0.27%
Direct transaction costs	0.53%	0.16%	0.23%
Prices			
Highest share price	132.7	124.4	120.4
Lowest share price	87.44	99.71	104.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	117.35	100.00 ^B
Return before operating charges*	(7.73)	17.93
Operating charges	(0.96)	(0.58)
Return after operating charges*	(8.69)	17.35
Distributions	(1.08)	(1.32)
Retained distributions on accumulation shares	1.08	1.32
Closing net asset value per share	108.66	117.35
* after direct transaction costs of:	0.57	0.10
Performance		
Return after charges	(7.41%)	17.35%
Other information		
Closing net asset value (£'000)	281	-
Closing number of shares	258,664	100
Operating charges	0.90%	0.90%
Direct transaction costs	0.53%	0.16%
Prices		
Highest share price	127.9	118.8
Lowest share price	84.81	94.32

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	116.01	100.00 ^B
Return before operating charges*	(7.58)	17.91
Operating charges	(0.95)	(0.58)
Return after operating charges*	(8.53)	17.33
Distributions	(1.07)	(1.32)
Closing net asset value per share	106.41	116.01
* after direct transaction costs of:	0.56	0.10
Performance		
Return after charges	(7.35%)	17.33%
Other information		
Closing net asset value (£'000)	29	-
Closing number of shares	26,985	100
Operating charges	0.90%	0.90%
Direct transaction costs	0.53%	0.16%
Prices		
Highest share price	126.4	118.6
Lowest share price	83.43	94.32

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (98.08%)		385,167	95.19
UK Equities (98.08%)		385,167	95.19
Basic Materials (5.51%)		13,948	3.45
243,500	Croda	13,948	3.45
Consumer Goods (17.53%)		66,394	16.41
433,500	British American Tobacco	10,942	2.70
446,500	Coca-Cola HBC	8,939	2.21
3,631,146	Countryside Properties	10,283	2.54
616,500	Diageo	17,265	4.27
448,400	Fever Tree Drinks ⁺⁺	9,816	2.43
200,100	Unilever	9,149	2.26
Consumer Services (17.49%)		71,345	17.63
1,723,800	Auto Trader	9,246	2.29
1,057,000	Euromoney Institutional Investor	8,382	2.07
146,000	Just Eat Takeaway.Com	12,042	2.98
3,776,500	Pets at Home	11,752	2.90
870,140	RELX	14,048	3.47
1,558,800	Rightmove	8,620	2.13
772,250	WH Smith	7,255	1.79
Financials (21.15%)		84,237	20.82
3,173,600	Ashmore	12,383	3.06
983,900	Close Brothers	10,774	2.66
1,894,500	Epic Brand Investments ^Ω	-	-
6,075	HIE Ventures ^Ω	-	-
487,405	Intermediate Capital	6,561	1.62
2,412,700	John Laing	7,117	1.76
154,950	London Stock Exchange	13,143	3.25
1,378,000	Prudential	15,227	3.76
2,555,500	Standard Chartered	9,857	2.44
496,600	Standard Life UK Smaller Companies Trust ⁺	2,473	0.61
714,099	Unite	6,702	1.66

Holding	Investment	Market Value £'000	Percentage of total net assets
Health Care (11.22%)		75,076	18.55
932,100	Abcam ^{**}	11,968	2.96
330,700	AstraZeneca	28,205	6.97
353,200	Dechra Pharmaceuticals	10,080	2.49
393,300	Genus	13,364	3.30
755,400	Smith & Nephew	11,459	2.83
Industrials (19.35%)		49,611	12.26
1,362,800	Bodycote	7,666	1.90
331,000	Experian	8,858	2.19
1,201,200	Marshalls	7,135	1.76
1,612,400	Rentokil	8,610	2.13
84,100	Spirax-Sarco Engineering	8,667	2.14
725,300	Weir	8,675	2.14
Oil & Gas (1.88%)		-	-
Technology (3.95%)		16,974	4.20
409,500	AVEVA	16,974	4.20
Telecommunications (0.00%)		7,582	1.87
566,700	Telecom Plus	7,582	1.87
Total investment assets		385,167	95.19
Net other assets		19,445	4.81
Total Net Assets		404,612	100.00

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules.
The percentage figures in brackets show the comparative holding as at 31 July 2019.

* Managed by subsidiaries of Standard Life Aberdeen plc.

** AIM listed.

^a Unapproved/unquoted security.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(34,737)	4,625
Revenue	2	5,454	4,810
Expenses	3	(3,110)	(2,294)
Net revenue before taxation		2,344	2,516
Taxation	4	(6)	-
Net revenue after taxation		2,338	2,516
Total return before distributions		(32,399)	7,141
Distributions	5	(2,338)	(2,516)
Change in net assets attributable to shareholders from investment activities		(34,737)	4,625

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	185,894	219,787
Amounts receivable on the issue of shares	274,656	4,483
Amounts payable on the cancellation of shares	(25,662)	(44,866)
	248,994	(40,383)
Dilution adjustment	1,383	-
Change in net assets attributable to shareholders from investment activities (see above)	(34,737)	4,625
Retained distribution on accumulation shares	3,047	1,838
Unclaimed distributions	31	27
Closing net assets attributable to shareholders	404,612	185,894

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		385,167	182,327
Current assets:			
Debtors	6	612	248
Cash and bank balances		20,782	3,933
		21,394	4,181
Total assets		406,561	186,508
Liabilities:			
Creditors	7	(1,838)	(345)
Distribution payable		(111)	(269)
		(1,949)	(614)
Total liabilities		(1,949)	(614)
Net assets attributable to shareholders		404,612	185,894

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(34,736)	4,620
Other (losses)/gains	(1)	5
Net capital (losses)/gains	(34,737)	4,625

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	1	3
Overseas dividends	210	-
Stocklending revenue	-	5
UK dividends	5,243	4,802
Total revenue	5,454	4,810

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	2,803	2,098
Operating, administrative and servicing fees	307	196
Total expenses	3,110	2,294

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	6	-
Total taxation (note 4b)	6	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	2,344	2,516
Corporation tax at 20% (2019: 20%)	469	503
Effects of:		
Revenue not subject to taxation	(1,091)	(960)
Overseas taxes	6	-
Excess allowable expenses	622	457
Total tax charge for year (note 4a)	6	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £18,390,000 (2019: £17,768,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	1,726	1,152
Final distribution	1,605	1,171
	3,331	2,323
Add: Income deducted on cancellation of shares	73	214
Deduct: Income received on issue of shares	(1,066)	(21)
Net distribution for the year	2,338	2,516

Details of the distribution per share are set out in this fund's distribution tables.

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	546	248
Amounts receivable from the ACD for the issue of shares	21	-
Overseas withholding tax recoverable	45	-
Total debtors	612	248

7. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	303	179
Amounts payable to the ACD for cancellation of shares	33	166
Other accrued expenses	35	-
Purchases awaiting settlement	1,467	-
Total creditors	1,838	345

8. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 7.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 7.

9. Portfolio Transaction Costs

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	334,266	46,605	98,309	89,044
Trades in the year before transaction costs	334,266	46,605	98,309	89,044
Commissions				
Equities	127	86	(57)	(70)
Total commissions	127	86	(57)	(70)
Taxes				
Equities	1,443	157	-	-
Total taxes	1,443	157	-	-
Total transaction costs	1,570	243	(57)	(70)
Total net trades in the year after transaction costs	335,836	46,848	98,252	88,974

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.04	0.18	0.06	0.08
Taxes				
Equities	0.43	0.34	-	-

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.06	0.08
Taxes	0.47	0.08

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.13% (2019: 0.12%), this is representative of the average spread on the assets held during the year.

10. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	39,593,142	881,886	(2,253,630)	(300,630)	37,920,768
A Income shares	19,177,938	108,154	(884,945)	(73,797)	18,327,350
I Accumulation shares	22,593,871	115,826,121	(8,156,555)	101,204	130,364,641
I Income shares	6,497,753	256,929	(541,849)	62,336	6,275,169
K Accumulation shares	597,718	91,038	(16,724)	22,435	694,467
L Accumulation shares	131,176	-	(14,600)	-	116,576
L Income shares	31,267	-	-	-	31,267
M Accumulation shares	100	1,990	(69,934)	326,508	258,664
M Income shares	100	9,980	(30)	16,935	26,985

11. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	385,167	-	-	182,327	-	-
Total investment assets	385,167	-	-	182,327	-	-

12. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

The income and capital value of the fund's investments are mainly denominated in Sterling, the fund's functional currency; therefore, the financial statements are not subject to any significant risk of currency movements. This is consistent with the exposure during the prior year.

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £19,258,000 (2019: £9,116,000).

Counterparty risk

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £1,949,000 (2019: £614,000).

13. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 12.5% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.7567	-	0.7567	0.8687
Group 2	0.1250	0.6317	0.7567	0.8687
A Income shares				
Group 1	0.5923	-	0.5923	0.6868
Group 2	0.1156	0.4767	0.5923	0.6868
I Accumulation shares				
Group 1	1.3688	-	1.3688	1.6326
Group 2	0.1226	1.2462	1.3688	1.6326
I Income shares				
Group 1	0.9827	-	0.9827	1.1903
Group 2	0.3567	0.6260	0.9827	1.1903
K Accumulation shares				
Group 1	0.8761	-	0.8761	1.0265
Group 2	0.8761	-	0.8761	1.0265
L Accumulation shares				
Group 1	0.9065	-	0.9065	1.0265
Group 2	0.9065	-	0.9065	1.0265
L Income shares				
Group 1	0.8526	-	0.8526	0.9822
Group 2	0.8526	-	0.8526	0.9822
M Accumulation shares				
Group 1	0.5788	-	0.5788	0.2200
Group 2	0.1293	0.4495	0.5788	0.2200
M Income shares				
Group 1	0.5729	-	0.5729	0.2200
Group 2	0.2729	0.3000	0.5729	0.2200

Final dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.4649	-	0.4649	1.2137
Group 2	0.2065	0.2584	0.4649	1.2137
A Income shares				
Group 1	0.3609	-	0.3609	0.9553
Group 2	0.0768	0.2841	0.3609	0.9553
I Accumulation shares				
Group 1	1.0053	-	1.0053	1.8276
Group 2	0.5972	0.4081	1.0053	1.8276
I Income shares				
Group 1	0.7165	-	0.7165	1.3222
Group 2	0.2799	0.4366	0.7165	1.3222
K Accumulation shares				
Group 1	0.6530	-	0.6530	1.1473
Group 2	0.1510	0.5020	0.6530	1.1473
L Accumulation shares				
Group 1	0.6954	-	0.6954	1.1426
Group 2	0.6954	-	0.6954	1.1426
L Income shares				
Group 1	0.6493	-	0.6493	1.0839
Group 2	0.6493	-	0.6493	1.0839
M Accumulation shares				
Group 1	0.4984	-	0.4984	1.1000
Group 2	0.1741	0.3243	0.4984	1.1000
M Income shares				
Group 1	0.4984	-	0.4984	1.1000
Group 2	0.0206	0.4778	0.4984	1.1000

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI UK Income Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some capital over the long term (5 years or more) by investing in UK equities (company shares).

Performance target: To achieve the return of the FTSE All-Share Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- The fund may also invest up to 10% in bonds (loans to companies).
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- The average yield on assets in the fund is expected to be in line with or higher than the broad equity market.
- In seeking to achieve the Performance Target, the FTSE All-Share Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited.

Performance Review

For the year ended 31 July 2020, the value of ASI UK Income Equity Fund – A Accumulation Shares decreased by 8.15% compared to a decrease of 17.76% in the performance target, the FTSE All Share Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

UK equities dropped by double-digits in the 12 months under review, alongside global stockmarkets that faltered amid COVID-19 fears. Initially, the market trajectory was shaped by trade friction between the world's two largest economies that sparked fears of a global recession, whereas tortuous Brexit discussions seemed to have only a muted impact on stock prices. Competitive currency devaluation had triggered an early global selloff but shares stabilised as the US and China reached a truce, while monetary easing by major central banks provided some measure of support. The Conservatives' sweeping win in the December general elections added to the buoyant mood. However, this was short-lived as the pandemic took root and fears over a looming recession worsened as widespread lockdowns forced global trade and travel to grind to a halt. Adding further gloom, oil prices slumped as output talks between Saudi Arabia and Russia collapsed. Share prices tried to rebound, amid attempts by some governments to reopen their economies as well as on news of progress in potential vaccines and a rebound in the oil price. But a resurgence of fresh infections and heightened geopolitical risks dented sentiment.

Portfolio Activity

For the year to end-July, the portfolio outperformed the benchmark. Contributing to the performance were not holding Royal Dutch Shell and lender HSBC. Our lack of exposure to the oil major was a positive as its shares fell in tandem with the energy sector on the back of the slump in oil prices on oversupply fears. For HSBC, its shares were dampened in tandem with most other lenders, given the likely protracted low interest-rate environment stemming from widespread monetary policy loosening to combat the pandemic. Meanwhile, Assura's shares were buoyed by the market's continued confidence in its safe, government-backed rental income which provides stability in a less certain market backdrop.

Capping gains were a lack of exposure to Reckitt Benckiser, as well as our holdings in AstraZeneca and National Express. Reckitt Benckiser did well with demand for its products, particularly in hygiene, remaining elevated on the back of the current pandemic. In comparison, the smaller-than-benchmark exposure to AstraZeneca cost the fund as its shares did well for

most of the year despite giving up some of its gains recently. We are still very positive on the long term potential of the stock, where its attractive pipeline is not fully reflected at its current valuation. Last, National Express also proved costly as market expectations have become more pessimistic on the pace at which the travel sector recovers. This is particularly so for National Express's UK coach business, which is only serving a quarter of usual passenger volumes without clear signs of recovery, as well as its US school-bus business, since schools are reopening slowly and it might not be able to recoup all extra costs of transporting students safely.

Portfolio Outlook and Strategy

Looking ahead, we see further scope for markets to recover and continue their rebound. This is predicated on our view that the summer will be the trough for economic activity and that stimulus will largely offset the economic shock resulting from lockdowns. The scale of monetary and fiscal policy intervention is certainly supportive of asset prices. However the risk of spikes in new infections and potential for further localised lockdowns suggest that volatility may return. It is also our view that economic reopening should not be conflated with a full recovery, as lasting damage seems likely, regardless of support from policymakers. As a result, the earnings outlook remains weak and uneven.

In contrast, we have confidence that the portfolio can once again deliver significantly better earnings and cash flow performance than the market in 2020 and beyond, thanks to our clear focus on high quality companies. In longer term, our best guess is that the post COVID-19 world will intensify many of the existing trends that were already powerful drivers for our portfolio. Therefore, with a low growth, low interest rate, low inflation world likely becoming even lower for longer. These market conditions are set to remain well suited to our approach. Certainly the operational performance of the vast majority of our holdings has been reassuringly resilient thus far. We expect this resilience to be increasingly evident, as the full financial impact of lockdown is revealed and companies begin to incorporate COVID-19 into their longer-term outlooks.

UK Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund's investments are concentrated in a particular country or sector.
- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	1,286.23	1,241.95	1,188.73
Return before operating charges*	(100.01)	61.03	72.29
Operating charges	(16.30)	(16.75)	(19.07)
Return after operating charges*	(116.31)	44.28	53.22
Distributions	(49.07)	(51.09)	(45.73)
Retained distributions on accumulation shares	49.07	51.09	45.73
Closing net asset value per share	1,169.92	1,286.23	1,241.95
* after direct transaction costs of:	1.58	1.55	1.17
Performance			
Return after charges	(9.04%)	3.57%	4.48%
Other information			
Closing net asset value (£'000)	50,026	58,855	61,988
Closing number of shares	4,275,993	4,575,770	4,991,225
Operating charges	1.30%	1.41%	1.61%
Direct transaction costs	0.13%	0.13%	0.10%
Prices			
Highest share price	1,417	1,303	1,242
Lowest share price	950.30	1,084	1,102

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	378.58	381.24	378.91
Return before operating charges*	(28.43)	17.95	22.82
Operating charges	(4.76)	(5.09)	(6.04)
Return after operating charges*	(33.19)	12.86	16.78
Distributions	(14.32)	(15.52)	(14.45)
Closing net asset value per share	331.07	378.58	381.24
* after direct transaction costs of:	0.46	0.47	0.37
Performance			
Return after charges	(8.77%)	3.37%	4.43%
Other information			
Closing net asset value (£'000)	50,825	60,471	64,833
Closing number of shares	15,351,430	15,973,007	17,005,887
Operating charges	1.30%	1.41%	1.61%
Direct transaction costs	0.13%	0.13%	0.10%
Prices			
Highest share price	417.1	393.0	392.3
Lowest share price	275.1	332.6	346.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	1,420.98	1,364.53	1,296.25
Return before operating charges*	(110.88)	67.64	79.43
Operating charges	(11.81)	(11.19)	(11.15)
Return after operating charges*	(122.69)	56.45	68.28
Distributions	(54.33)	(56.31)	(50.05)
Retained distributions on accumulation shares	54.33	56.31	50.05
Closing net asset value per share	1,298.29	1,420.98	1,364.53
* after direct transaction costs of:	1.75	1.71	1.28
Performance			
Return after charges	(8.63%)	4.14%	5.27%
Other information			
Closing net asset value (£'000)	22,114	21,567	18,651
Closing number of shares	1,703,296	1,517,773	1,366,818
Operating charges	0.85%	0.85%	0.86%
Direct transaction costs	0.13%	0.13%	0.10%
Prices			
Highest share price	1,569	1,439	1,365
Lowest share price	1,053	1,194	1,208

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	420.59	421.19	415.44
Return before operating charges*	(31.69)	20.03	25.20
Operating charges	(3.47)	(3.43)	(3.55)
Return after operating charges*	(35.16)	16.60	21.65
Distributions	(15.94)	(17.20)	(15.90)
Closing net asset value per share	369.49	420.59	421.19
* after direct transaction costs of:	0.51	0.52	0.41
Performance			
Return after charges	(8.36%)	3.94%	5.21%
Other information			
Closing net asset value (£'000)	13,008	14,890	16,579
Closing number of shares	3,520,669	3,540,194	3,936,318
Operating charges	0.85%	0.85%	0.86%
Direct transaction costs	0.13%	0.13%	0.10%
Prices			
Highest share price	464.3	436.6	431.5
Lowest share price	306.5	368.5	381.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	116.94	117.03	114.96
Return before operating charges*	(8.86)	5.56	7.37
Operating charges	(0.85)	(0.87)	(0.90)
Return after operating charges*	(9.71)	4.69	6.47
Distributions	(4.43)	(4.78)	(4.40)
Closing net asset value per share	102.80	116.94	117.03
* after direct transaction costs of:	0.14	0.15	0.11
Performance			
Return after charges	(8.30%)	4.01%	5.63%
Other information			
Closing net asset value (£'000)	355	35	22
Closing number of shares	345,248	29,770	18,404
Operating charges	0.78%	0.78%	0.79%
Direct transaction costs	0.13%	0.13%	0.10%
Prices			
Highest share price	129.1	121.4	119.9
Lowest share price	85.26	102.4	106.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	113.28	100.00 ^B
Return before operating charges*	(8.75)	13.91
Operating charges	(0.93)	(0.63)
Return after operating charges*	(9.68)	13.28
Distributions	(3.57)	(2.75)
Retained distributions on accumulation shares	3.57	2.75
Closing net asset value per share	103.60	113.28
* after direct transaction costs of:	0.13	0.09
Performance		
Return after charges	(8.55%)	13.28%
Other information		
Closing net asset value (£'000)	34	-
Closing number of shares	33,625	100
Operating charges	0.90%	0.90%
Direct transaction costs	0.13%	0.13%
Prices		
Highest share price	125.2	114.7
Lowest share price	84.01	95.00

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	110.50	100.00 ^B
Return before operating charges*	(8.35)	13.86
Operating charges	(0.91)	(0.63)
Return after operating charges*	(9.26)	13.23
Distributions	(3.40)	(2.73)
Closing net asset value per share	97.84	110.50
* after direct transaction costs of:	0.13	0.09
Performance		
Return after charges	(8.38%)	13.23%
Other information		
Closing net asset value (£'000)	47	-
Closing number of shares	48,554	100
Operating charges	0.90%	0.90%
Direct transaction costs	0.13%	0.13%
Prices		
Highest share price	122.1	114.5
Lowest share price	80.89	95.00

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	1,508.90	1,422.73
Return before operating charges*	(58.18)	87.73
Operating charges	(1.65)	(1.56)
Return after operating charges*	(59.83)	86.17
Distributions	-	(55.26)
Retained distributions on accumulation share	-	55.26
Redemption value at 14 September 2018	(1,449.07)	-
Closing net asset value per share	-	1,508.90
* after direct transaction costs of:	-	1.41
Performance +		
Return after charges	-	6.06%
Other information		
Closing net asset value (£'000)	-	2
Closing number of shares	-	132
Operating charges	0.11%	0.11%
Direct transaction costs	-	0.10%
Prices		
Highest share price	-	1,508.90
Lowest share price	-	1,332.31

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Z Accumulation share class closed on 14 September 2018.

Z Income shares ^A	2020 pence per share
Change in net assets per share	
Opening net asset value per share	100.00 ^B
Return before operating charges*	0.67
Operating charges	(0.03)
Return after operating charges*	0.64
Distributions	(1.02)
Closing net asset value per share	99.62
* after direct transaction costs of:	0.03
Performance	
Return after charges	0.64%
Other information	
Closing net asset value (£'000)	7,233
Closing number of shares	7,260,428
Operating charges	0.10%
Direct transaction costs	0.13%
Prices	
Highest share price	105.7
Lowest share price	95.94

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Z Income share class was launched on 29 April 2020.

^B The opening net asset value stated is the share class launch price.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (97.09%)		139,738	97.28
UK Equities (97.09%)		139,738	97.28
Basic Materials (6.62%)		15,038	10.47
304,000	BHP	5,031	3.50
47,500	Croda	2,721	1.90
185,900	Mondi	2,533	1.76
103,000	Rio Tinto	4,753	3.31
Consumer Goods (18.80%)		23,915	16.65
24,300	Associated British Foods	429	0.30
165,000	British American Tobacco	4,165	2.90
120,400	Coca-Cola HBC	2,410	1.68
671,000	Countryside Properties	1,900	1.32
183,400	Diageo	5,136	3.57
49,800	Fever Tree Drinks ⁺⁺	1,090	0.76
62,700	Mowi	862	0.60
26,000	Nestle	2,354	1.64
121,800	Unilever	5,569	3.88
Consumer Services (7.54%)		8,652	6.02
299,000	Euromoney Institutional Investor	2,371	1.65
236,300	Howdens Joinery	1,158	0.81
430,000	National Express	651	0.45
277,000	RELX	4,472	3.11
Financials (22.06%)		33,375	23.23
627,600	Ashmore	2,449	1.70
5,053,000	Assura	3,987	2.77
128,200	Big Yellow	1,305	0.91
474,800	Chesnara	1,348	0.94
288,000	Close Brothers	3,154	2.20
636,400	Direct Line	1,886	1.31
382,400	John Laing	1,128	0.79
1,078,747	LondonMetric Property	2,490	1.73
1,689,100	M&G	2,712	1.89
244,800	Prudential	2,705	1.88

			Market Value £'000	Percentage of total net assets
Holding	Investment			
148,600	Safestore		1,135	0.79
107,200	Sanne		674	0.47
2,036,200	Sirius Real Estate		1,495	1.04
529,800	Standard Chartered		2,043	1.42
400,000	Standard Life UK Smaller Companies Trust ⁺		1,992	1.39
1,519,290	Stenprop		1,785	1.24
115,870	Unite		1,087	0.76
Health Care (11.25%)			21,297	14.83
74,500	AstraZeneca		6,354	4.42
816,200	ConvaTec		1,659	1.15
40,500	Dechra Pharmaceuticals		1,156	0.81
345,000	GlaxoSmithKline		5,277	3.67
29,900	Novo Nordisk		1,506	1.05
12,300	Roche		3,256	2.27
137,700	Smith & Nephew		2,089	1.46
Industrials (12.58%)			16,426	11.44
247,000	Bodycote		1,389	0.97
15,900	Experian		426	0.30
533,953	Inchcape		2,291	1.60
40,064	Kone		2,427	1.69
218,008	Marshalls		1,295	0.90
295,909	Polypipe		1,197	0.83
425,100	Rentokil		2,270	1.58
12,700	VAT		1,844	1.28
169,985	Weir		2,033	1.42
33,000	XP Power		1,254	0.87
Oil & Gas (6.98%)			4,793	3.34
600,600	BP		1,652	1.15
111,368	TOTAL		3,141	2.19
Technology (2.92%)			3,971	2.76
95,800	AVEVA		3,971	2.76

Holding	Investment	Market Value £'000	Percentage of total net assets
Telecommunications (3.79%)		4,237	2.95
140,000	Telecom Plus	1,873	1.30
200,000	Telenor	2,364	1.65
Utilities (4.55%)		8,034	5.59
479,000	National Grid	4,312	3.00
286,232	SSE	3,722	2.59
Collective Investment Schemes (0.48%)		1	-
1	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc ⁺	1	-
Total investment assets		139,739	97.28
Net other assets		3,903	2.72
Total Net Assets		143,642	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺ Managed by subsidiaries of Standard Life Aberdeen plc.

⁺⁺ AIM listed.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(17,849)	301
Revenue	2	6,296	6,757
Expenses	3	(1,770)	(1,918)
Interest payable and similar charges		(1)	-
Net revenue before taxation		4,525	4,839
Taxation	4	(124)	(106)
Net revenue after taxation		4,401	4,733
Total return before distributions		(13,448)	5,034
Distributions	5	(5,875)	(6,402)
Change in net assets attributable to shareholders from investment activities		(19,323)	(1,368)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	155,818	162,075
Amounts receivable on the issue of shares	18,671	6,383
Amounts payable on the cancellation of shares	(14,630)	(14,499)
	4,041	(8,116)
Dilution adjustment	38	-
Change in net assets attributable to shareholders from investment activities (see above)	(19,323)	(1,368)
Retained distribution on accumulation shares	3,021	3,188
Unclaimed distributions	47	39
Closing net assets attributable to shareholders	143,642	155,818

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		139,739	152,028
Current assets:			
Debtors	6	964	789
Cash and bank balances	7	4,738	5,095
		5,702	5,884
Total assets		145,441	157,912
Liabilities:			
Creditors	8	(201)	(212)
Bank overdrafts	7	(30)	-
Distribution payable		(1,568)	(1,882)
		(1,799)	(2,094)
Total liabilities		(1,799)	(2,094)
Net assets attributable to shareholders		143,642	155,818

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(18,135)	243
Derivative contracts	321	35
Forward currency contracts	(16)	-
Other (losses)/gains	(16)	24
Transaction charges	(3)	(1)
Net capital (losses)/gains	(17,849)	301

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	9	10
Derivative revenue	649	404
Overseas dividends	804	813
Stocklending revenue	-	2
UK dividends	4,613	5,300
UK REIT	221	228
Total revenue	6,296	6,757

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,620	1,768
Operating, administrative and servicing fees	150	150
Total expenses	1,770	1,918

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	124	106
Total taxation	124	106

(b)

	2020 £'000	2019 £'000
Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	4,525	4,839
Corporation tax at 20% (2019: 20%)	905	968
Effects of:		
Revenue not subject to taxation	(1,084)	(1,223)
Overseas taxes	124	106
Excess allowable expenses	179	255
Total tax charge for year (note 4a)	124	106

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £18,095,000 (2019: £17,916,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5.

Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	2,684	2,485
Final distribution	3,208	3,841
	5,892	6,326
Add: Income deducted on cancellation of shares	145	178
Deduct: Income received on issue of shares	(162)	(102)
Net distribution for the year	5,875	6,402
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	4,401	4,733
Capitalised fees	1,620	1,768
Tax relief on capitalised fees	(146)	(99)
Total distributions	5,875	6,402

6.

Debtors

	2020 £'000	2019 £'000
Accrued revenue	635	624
Amounts receivable from the ACD for the issue of shares	157	33
Overseas withholding tax recoverable	172	132
Total debtors	964	789

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	4,738	4,912
Cash at broker	-	183
	4,738	5,095
Bank overdrafts		
Overdraft at broker	(30)	-
	(30)	-
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	1	-
Net Liquidity	4,709	5,095

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	130	159
Amounts payable to the ACD for cancellation of shares	27	53
Other accrued expenses	13	-
Purchases awaiting settlement	31	-
Total creditors	201	212

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	46,601	32,483	38,548	40,285
Collective investment schemes	800	1,300	1,550	550
Corporate actions	-	-	1,640	1,000
Trades in the year before transaction costs	47,401	33,783	41,738	41,835

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Commissions				
Equities	26	59	(17)	(27)
Total commissions	26	59	(17)	(27)
Taxes				
Equities	151	107	-	-
Total taxes	151	107	-	-
Total transaction costs	177	166	(17)	(27)
Total net trades in the year after transaction costs	47,578	33,949	41,721	41,808

Total transaction costs expressed as a percentage of asset type cost	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	0.06	0.18	0.04	0.07
Taxes				
Equities	0.32	0.33	-	-

Total transaction costs expressed as a percentage of net asset value	2020 %	2019 %
Commissions	0.03	0.06
Taxes	0.10	0.07

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.12% (2019: 0.12%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	4,575,770	51,076	(322,219)	(28,634)	4,275,993
A Income shares	15,973,007	491,743	(1,086,719)	(26,601)	15,351,430
I Accumulation shares	1,517,773	571,058	(408,821)	23,286	1,703,296
I Income shares	3,540,194	331,704	(362,647)	11,418	3,520,669
K Income shares	29,770	322,921	(7,443)	-	345,248
M Accumulation shares	100	1,092	(43)	32,476	33,625
M Income shares	100	1,184	(62)	47,332	48,554
Z Income shares	-	7,260,428	-	-	7,260,428

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	139,738	-	-	151,278	-	-
Collective Investment Schemes	-	1	-	-	750	-
Total investment assets	139,738	1	-	151,278	750	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Danish Krone	1,590	90
Euro	5,764	213
Norwegian Krone	3,227	-
Swiss Franc	7,454	25
Total	18,035	328

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £902,000 (2019: £16,400).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £6,987,000 (2019: £7,601,000).

Counterparty risk

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £1,799,000 (2019: £2,094,000).

14 Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 8.8% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	22.4717	-	22.4717	19.7574
Group 2	8.0250	14.4467	22.4717	19.7574
A Income shares				
Group 1	6.6142	-	6.6142	6.0648
Group 2	2.9065	3.7077	6.6142	6.0648
I Accumulation shares				
Group 1	24.8475	-	24.8475	21.7392
Group 2	7.0591	17.7884	24.8475	21.7392
I Income shares				
Group 1	7.3547	-	7.3547	6.7102
Group 2	2.7379	4.6168	7.3547	6.7102
K Income shares				
Group 1	2.0438	-	2.0438	1.8642
Group 2	0.0779	1.9659	2.0438	1.8642
M Accumulation shares				
Group 1	1.5421	-	1.5421	0.2000
Group 2	0.6721	0.8700	1.5421	0.2000
M Income shares				
Group 1	1.4645	-	1.4645	0.2000
Group 2	0.5528	0.9117	1.4645	0.2000

Final dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	26.6010	-	26.6010	31.3358
Group 2	13.7268	12.8742	26.6010	31.3358
A Income shares				
Group 1	7.7009	-	7.7009	9.4532
Group 2	2.9578	4.7431	7.7009	9.4532
I Accumulation shares				
Group 1	29.4861	-	29.4861	34.5752
Group 2	14.5868	14.8993	29.4861	34.5752
I Income shares				
Group 1	8.5840	-	8.5840	10.4887
Group 2	3.2197	5.3643	8.5840	10.4887
K Income shares				
Group 1	2.3896	-	2.3896	2.9146
Group 2	0.5430	1.8466	2.3896	2.9146
M Accumulation shares				
Group 1	2.0229	-	2.0229	2.5500
Group 2	0.6355	1.3874	2.0229	2.5500
M Income shares				
Group 1	1.9383	-	1.9383	2.5300
Group 2	0.5783	1.3600	1.9383	2.5300
Z Income shares				
Group 1 ^A	1.0210	-	1.0210	-
Group 2 ^B	0.7240	0.2970	1.0210	-

^A Shares created for the initial seeding of the share class prior to 29 April 2020.^B Shares purchased between 29 April 2020 and 31 July 2020.**Equalisation**

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI UK Mid-Cap Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in UK mid-capitalisation equities (company shares).

Performance target: To achieve the return of the FTSE 250 (ex Investment Trusts) Index plus 3% per annum over rolling three years (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 60% in mid-capitalisation equities and equity related securities of companies listed, incorporated or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- Mid capitalisation companies are defined as any stock included in the FTSE 250 (ex Investment Trusts) Index or, if not included within the index, any stock having a market capitalisation smaller than that of the stock with the largest market capitalisation in such index.
- The fund may also invest in smaller and larger capitalisation companies listed, incorporated or domiciled in the UK.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using the management team's quality, growth and momentum approach. It aims to identify companies that show a range of high quality characteristics, operate in growing markets and display positive business momentum.
- In seeking to achieve the Performance Target, the FTSE 250 (ex Investment Trusts) Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index.

Please note: The fund's ability to buy and sell small and mid-capitalisation shares and the associated costs can be affected during periods of market stress. In certain circumstances investors in the fund may not be able to sell their investment when they want to.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management"). Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI UK Mid-Cap Equity Fund – A Accumulation Shares increased by 1.51% compared to a decrease of 15.10% in the performance target, the FTSE 250 (ex Investment Trusts) Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

The UK stock market was among the poorer developed markets, ending lower over the 12 months. During a period of considerable political upheaval, investors grappled with Brexit-related uncertainty and the economic fallout from the coronavirus pandemic. Smaller domestic companies outperformed large London-listed companies, which includes many global commodity firms. In May 2019, Prime Minister Theresa May resigned after failing to find political support for the deal she had agreed with the EU. The ensuing party leadership contest was won comfortably by pro-Brexit candidate Boris Johnson. An unprecedented period of political stalemate culminated in a three-month extension to Brexit, the approval of Boris Johnson's Withdrawal Act and a December election. The market rose steeply when the Conservatives won a resounding victory.

In February, UK stocks tumbled in line with their global peers, as the economic fallout from the coronavirus pandemic became clear. Income investors were particularly hard hit as hundreds of firms halted or slashed dividend payouts to boost cash buffers. Falls accelerated until late March, when the UK government and Bank of England took action to minimise corporate defaults and job losses, cutting interest rates and announcing a record spending package.

Stocks rallied in April and made further gains in May and June as the economy began to reopen after months of economic lockdown. But there has been divergence in June – with smaller companies outperforming larger stocks. The winding down of the UK furlough scheme, which had helped pay the wages of over nine million workers during the lockdown, also stoked employment concerns, adding to the uncertain climate.

Portfolio Activity

Looking at individual holdings, Kainos Group, the Belfast-based software company, was our top performer. It released an upbeat trading statement for the year, indicating that earnings would substantially beat expectations. Another strong performer is Games Workshop, which is enjoying robust demand for its games during lockdown, and we believe this will continue over the short to medium term. We also benefited from holding Gamma Communications, as the company has gained from the move towards remote working, accelerated by the COVID-19 pandemic.

On the other hand, Cineworld detracted from the portfolio, its shares were hit by balance-sheet leverage concerns, and we sold our shares when the virus threatened potential closures. Some other consumer-facing companies struggled, particularly Hollywood Bowl; as a result, we trimmed our holdings in the company.

Portfolio Outlook and Strategy

It will be interesting to see what new companies we can find that may emerge differently from the COVID-19 crisis. For some sectors, working from home will mean structural change as employees will now demand more flexibility. Companies will need to work hard to find solutions to keep employees engaged and productive.

We believe demand will reappear as confidence returns and, in the fullness of time, a vaccine is found. Our process has not changed and the pandemic will polarise winners and losers. The quality aspects of our process and long-term investment horizon means that the companies we have in the portfolio are well capitalised with sustainable growth prospects for the years ahead. Upon any market pullback, we expect our companies to lead the way out.

Smaller Companies Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund’s share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←						→
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund’s investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The shares of small and mid-cap companies may be less liquid and more volatile than those of larger companies.

All investment involves risk. This fund offers no guarantee against loss or that the fund’s objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund’s ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	255.18	243.14	221.81
Return before operating charges*	7.15	15.35	24.98
Operating charges	(3.30)	(3.31)	(3.65)
Return after operating charges*	3.85	12.04	21.33
Distributions	(1.07)	(2.20)	(1.81)
Retained distributions on accumulation shares	1.07	2.20	1.81
Closing net asset value per share	259.03	255.18	243.14
* after direct transaction costs of:	1.28	0.82	0.13
Performance			
Return after charges	1.51%	4.95%	9.62%
Other information			
Closing net asset value (£'000)	18,697	19,069	19,254
Closing number of shares	7,218,252	7,472,480	7,918,817
Operating charges	1.30%	1.40%	1.61%
Direct transaction costs	0.50%	0.35%	0.06%
Prices			
Highest share price	295.3	264.1	244.4
Lowest share price	177.1	206.6	216.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	214.21	205.94	189.28
Return before operating charges*	6.08	12.92	21.32
Operating charges	(2.77)	(2.79)	(3.12)
Return after operating charges*	3.31	10.13	18.20
Distributions	(0.90)	(1.86)	(1.54)
Closing net asset value per share	216.62	214.21	205.94
* after direct transaction costs of:	1.07	0.69	0.11
Performance			
Return after charges	1.55%	4.92%	9.62%
Other information			
Closing net asset value (£'000)	4,101	4,281	4,405
Closing number of shares	1,893,056	1,998,456	2,138,881
Operating charges	1.30%	1.40%	1.61%
Direct transaction costs	0.50%	0.35%	0.06%
Prices			
Highest share price	247.0	222.9	208.4
Lowest share price	148.1	175.0	184.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	209.10	198.14	179.40
Return before operating charges*	5.88	12.60	20.33
Operating charges	(1.77)	(1.64)	(1.59)
Return after operating charges*	4.11	10.96	18.74
Distributions	(1.62)	(2.88)	(2.86)
Retained distributions on accumulation shares	1.62	2.88	2.86
Closing net asset value per share	213.21	209.10	198.14
* after direct transaction costs of:	1.05	0.67	0.11
Performance			
Return after charges	1.97%	5.53%	10.45%
Other information			
Closing net asset value (£'000)	38,105	21,210	8,394
Closing number of shares	17,872,471	10,143,636	4,236,678
Operating charges	0.85%	0.85%	0.86%
Direct transaction costs	0.50%	0.35%	0.06%
Prices			
Highest share price	242.6	216.3	199.1
Lowest share price	145.5	168.9	175.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	185.94	178.75	164.26
Return before operating charges*	5.35	11.25	18.55
Operating charges	(1.57)	(1.48)	(1.45)
Return after operating charges*	3.78	9.77	17.10
Distributions	(1.45)	(2.58)	(2.61)
Closing net asset value per share	188.27	185.94	178.75
* after direct transaction costs of:	0.93	0.60	0.10
Performance			
Return after charges	2.03%	5.47%	10.41%
Other information			
Closing net asset value (£'000)	4,355	3,092	1,349
Closing number of shares	2,313,080	1,662,883	754,874
Operating charges	0.85%	0.85%	0.86%
Direct transaction costs	0.50%	0.35%	0.06%
Prices			
Highest share price	214.5	193.9	181.5
Lowest share price	128.6	152.4	160.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	148.95	141.03	127.59
Return before operating charges*	4.19	8.97	14.48
Operating charges	(1.14)	(1.05)	(1.04)
Return after operating charges*	3.05	7.92	13.44
Distributions	(1.28)	(2.14)	(2.14)
Retained distributions on accumulation shares	1.28	2.14	2.14
Closing net asset value per share	152.00	148.95	141.03
* after direct transaction costs of:	0.74	0.47	0.08
Performance			
Return after charges	2.05%	5.62%	10.53%
Other information			
Closing net asset value (£'000)	1,344	410	11
Closing number of shares	884,296	275,571	7,958
Operating charges	0.78%	0.78%	0.79%
Direct transaction costs	0.50%	0.35%	0.06%
Prices			
Highest share price	172.9	154.1	141.7
Lowest share price	103.7	120.2	124.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	117.48	100.00 ^B
Return before operating charges*	3.40	18.14
Operating charges	(1.01)	(0.66)
Return after operating charges*	2.39	17.48
Distributions	(0.87)	(1.39)
Retained distributions on accumulation shares	0.87	1.39
Closing net asset value per share	119.87	117.48
* after direct transaction costs of:	0.56	0.25
Performance		
Return after charges	2.03%	17.48%
Other information		
Closing net asset value (£'000)	23	-
Closing number of shares	19,118	100
Operating charges	0.90%	0.90%
Direct transaction costs	0.50%	0.35%
Prices		
Highest share price	136.4	121.5
Lowest share price	81.82	94.70

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	116.12	100.00 ^B
Return before operating charges*	3.48	18.17
Operating charges	(1.05)	(0.66)
Return after operating charges*	2.43	17.51
Distributions	(0.81)	(1.39)
Closing net asset value per share	117.74	116.12
* after direct transaction costs of:	0.59	0.25
Performance		
Return after charges	2.09%	17.51%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	885	100
Operating charges	0.90%	0.90%
Direct transaction costs	0.50%	0.35%
Prices		
Highest share price	134.2	121.3
Lowest share price	80.46	94.70

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	308.63	290.25	260.84
Return before operating charges*	8.75	18.66	29.70
Operating charges	(0.31)	(0.28)	(0.29)
Return after operating charges*	8.44	18.38	29.41
Distributions	(4.73)	(6.34)	(6.18)
Retained distributions on accumulation shares	4.73	6.34	6.18
Closing net asset value per share	317.07	308.63	290.25
* after direct transaction costs of:	1.56	0.99	0.16
Performance			
Return after charges	2.73%	6.33%	11.28%
Other information			
Closing net asset value (£'000)	59,953	7,167	5,639
Closing number of shares	18,908,573	2,322,273	1,942,876
Operating charges	0.10%	0.10%	0.11%
Direct transaction costs	0.50%	0.35%	0.06%
Prices			
Highest share price	359.6	319.1	291.6
Lowest share price	215.8	248.1	254.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
UK Equities (97.69%)		121,273	95.81
Basic Materials (1.79%)		939	0.74
50,143	Victrex	939	0.74
Consumer Goods (13.55%)		20,823	16.45
106,718	Cranswick	3,818	3.02
62,974	Games Workshop	5,526	4.37
87,340	Greggs	1,043	0.82
385,307	Hilton Food	4,238	3.35
316,897	Hotel Chocolat ⁺⁺	929	0.73
269,818	JD Sports	1,634	1.29
597,803	Team17 ⁺⁺	3,635	2.87
Consumer Services (18.55%)		17,961	14.19
29,722	4Imprint	706	0.56
296,552	Auto Trader	1,591	1.26
155,707	Dart Group ⁺⁺	1,006	0.80
204,908	Dunelm	2,518	1.99
294,096	Future	4,053	3.20
179,399	GlobalData ⁺⁺	2,727	2.15
850,412	Hollywood Bowl	1,144	0.90
535,985	Moneysupermarket.com	1,575	1.24
170,768	On the Beach	476	0.38
162,555	Rightmove	899	0.71
309,670	Trainline	1,266	1.00
Financials (17.51%)		19,778	15.63
559,703	AJ Bell	2,415	1.91
2,381,046	Assura	1,879	1.49
326,700	Draper Esprit ⁺⁺	1,712	1.35
218,077	Intermediate Capital	2,935	2.32
184,693	Liontrust Asset Management	2,272	1.80
204,369	Safestore	1,561	1.23
352,666	Sanne	2,218	1.75
3,297,615	Sirius Real Estate	2,420	1.91

Holding	Investment	Market Value £'000	Percentage of total net assets
208,641	Unite	1,958	1.55
66,418	Workspace	408	0.32
Health Care (7.48%)		5,331	4.21
90,493	Abcam ⁺⁺	1,162	0.92
47,324	Dechra Pharmaceuticals	1,351	1.07
82,924	Genus	2,818	2.22
Industrials (22.97%)		25,763	20.35
726,434	Chemring	1,733	1.37
40,681	Diploma	738	0.58
288,409	DiscoverIE	1,707	1.35
103,612	Fisher (J) & Sons	1,183	0.93
221,441	Hill & Smith	2,675	2.11
254,761	Keywords Studios ⁺⁺	4,843	3.83
457,611	Marshalls	2,718	2.15
163,375	Midwich ⁺⁺	640	0.50
384,055	Polypipe	1,554	1.23
415,274	Rotork	1,160	0.92
481,745	RWS ⁺⁺	2,900	2.29
15,608	Spirax-Sarco Engineering	1,608	1.27
96,802	Ultra Electronics	2,304	1.82
Technology (11.26%)		23,794	18.80
381,400	Avast	2,189	1.73
94,146	AVEVA	3,902	3.08
207,751	Computacenter	4,118	3.26
58,281	Craneware ⁺⁺⁺	953	0.75
170,860	FDM	1,587	1.26
550,252	Kainos	6,042	4.77
241,094	Softcat	3,038	2.40
703,116	Spirent Communications	1,965	1.55
Telecommunications (4.58%)		6,884	5.44
318,723	Gamma Communication ⁺⁺	5,020	3.97
139,309	Telecom Plus	1,864	1.47

Holding	Investment	Market Value £'000	Percentage of total net assets
Collective Investment Schemes (2.46%)		5,309	4.19
5,309	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc ⁺	5,309	4.19
Total investment assets		126,582	100.00
Net other liabilities		(3)	-
Total Net Assets		126,579	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺ Managed by subsidiaries of Standard Life Aberdeen plc.

⁺⁺ AIM listed.

^{*} A portion of this security is on loan at the year end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	1	1,166	1,943
Revenue	2	1,161	980
Expenses	3	(618)	(426)
Net revenue before taxation		543	554
Taxation	4	-	-
Net revenue after taxation		543	554
Total return before distributions		1,709	2,497
Distributions	5	(564)	(553)
Change in net assets attributable to shareholders from investment activities		1,145	1,944

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	55,229	39,052
Amounts receivable on the issue of shares	83,792	18,224
Amounts payable on the cancellation of shares	(14,797)	(4,573)
	68,995	13,651
Dilution adjustment	485	50
Change in net assets attributable to shareholders from investment activities (see above)	1,145	1,944
Retained distribution on accumulation shares	725	532
Closing net assets attributable to shareholders	126,579	55,229

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		126,582	55,310
Current assets:			
Debtors	6	1,684	339
Cash and bank balances	7	-	450
		1,684	789
Total assets		128,266	56,099
Liabilities:			
Creditors	8	(1,071)	(821)
Bank overdrafts	7	(610)	-
Distribution payable		(6)	(49)
		(1,687)	(870)
Total liabilities		(1,687)	(870)
Net assets attributable to shareholders		126,579	55,229

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	1,166	1,947
Other losses	-	(4)
Net capital gains	1,166	1,943

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	14	10
Overseas dividends	-	1
Stocklending revenue	10	1
UK dividends	1,039	860
UK REIT	98	108
Total revenue	1,161	980

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	546	385
Operating, administrative and servicing fees	72	41
Total expenses	618	426

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total taxation	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	543	554
Corporation tax at 20% (2019: 20%)	109	111
Effects of:		
Revenue not subject to taxation	(208)	(172)
Excess allowable expenses	99	64
Adjustments in respect of prior periods	-	(3)
Total tax charge for year (note 4a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) **Factors that may affect future tax charge**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £5,411,000 (2019: £5,312,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. **Distributions**

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	434	188
Final distribution	340	414
	774	602
Add: Income deducted on cancellation of shares	15	8
Deduct: Income received on issue of shares	(225)	(57)
Net distribution for the year	564	553
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	543	554
Shortfall transfer from capital to revenue	20	-
Undistributed revenue brought forward	1	-
Undistributed revenue carried forward	-	(1)
	564	553

6. **Debtors**

	2020 £'000	2019 £'000
Accrued revenue	230	119
Amounts receivable from the ACD for the issue of shares	508	220
Sales awaiting settlement	946	-
Total debtors	1,684	339

7. **Liquidity**

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	-	450
	-	450
Bank overdrafts		
Overdraft at bank	(610)	-
	(610)	-
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	5,309	1,356
Net Liquidity	4,699	1,806

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	50	44
Amounts payable to the ACD for cancellation of shares	19	23
Other accrued expenses	10	-
Purchases awaiting settlement	992	754
Total creditors	1,071	821

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	86,276	26,831	20,488	13,592
Collective investment schemes	38,480	14,813	34,526	13,551
Corporate actions	-	-	-	130
Trades in the year before transaction costs	124,756	41,644	55,014	27,273
Commissions				
Equities	53	18	(10)	(9)
Total commissions	53	18	(10)	(9)
Taxes				
Equities	300	115	-	-
Total taxes	300	115	-	-
Total transaction costs	353	133	(10)	(9)
Total net trades in the year after transaction costs	125,109	41,777	55,004	27,264

	Purchases		Sales	
Total transaction costs expressed as a percentage of asset type cost	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	0.06	0.07	0.05	0.07
Taxes				
Equities	0.35	0.43	-	-

Total transaction costs expressed as a percentage of net asset value	2020 %	2019 %
Commissions	0.09	0.07
Taxes	0.42	0.30

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.58% (2019: 0.26%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	7,472,480	518,772	(697,307)	(75,693)	7,218,252
A Income shares	1,998,456	39,791	(138,487)	(6,704)	1,893,056
I Accumulation shares	10,143,636	13,125,027	(5,466,768)	70,576	17,872,471
I Income shares	1,662,883	1,203,944	(561,454)	7,707	2,313,080
K Accumulation shares	275,571	801,685	(209,115)	16,155	884,296
M Accumulation shares	100	1,136	(25)	17,907	19,118
M Income shares	100	785	-	-	885
Z Accumulation shares	2,322,273	16,782,229	(195,929)	-	18,908,573

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	121,273	-	-	53,954	-	-
Collective Investment Schemes	-	5,309	-	-	1,356	-
Total investment assets	121,273	5,309	-	53,954	1,356	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

The income and capital value of the fund's investments are mainly denominated in Sterling, the fund's functional currency; therefore, the financial statements are not subject to any significant risk of currency movements. This is consistent with the exposure during the prior year.

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £6,329,000 (2019: £2,766,000).

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £1,687,000 (2019: £870,000).

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £1,457,000 (2019: £Nil). 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 31 July 2020 is £1,587,000 (2019: £Nil).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Citigroup	1,202	-
Credit Suisse	255	-
Total securities on loan	1,457	-

Collateral held	2020 £'000	2019 £'000
Government Bond	1,263	-
Equity	324	-
Total collateral held	1,587	-

The gross earnings and fees paid for the year are £12,000 (2019: £1,000) and £2,000 (2019: £Nil).

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 12.5% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	1.0703	-	1.0703	0.7341
Group 2	0.2755	0.7948	1.0703	0.7341
A Income shares				
Group 1	0.8984	-	0.8984	0.6218
Group 2	0.4326	0.4658	0.8984	0.6218
I Accumulation shares				
Group 1	1.3651	-	1.3651	1.2071
Group 2	0.5819	0.7832	1.3651	1.2071
I Income shares				
Group 1	1.2139	-	1.2139	1.0885
Group 2	0.5383	0.6756	1.2139	1.0885
K Accumulation shares				
Group 1	1.0287	-	1.0287	0.9098
Group 2	0.4003	0.6284	1.0287	0.9098
M Accumulation shares				
Group 1	0.6598	-	0.6598	0.2700
Group 2	0.4098	0.2500	0.6598	0.2700
M Income shares				
Group 1	0.6439	-	0.6439	0.2700
Group 2	0.4039	0.2400	0.6439	0.2700
Z Accumulation shares				
Group 1	3.2193	-	3.2193	-
Group 2	1.8859	1.3334	3.2193	-

Final dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	-	-	-	1.4698
Group 2	-	-	-	1.4698
A Income shares				
Group 1	-	-	-	1.2371
Group 2	-	-	-	1.2371
I Accumulation shares				
Group 1	0.2581	-	0.2581	1.6704
Group 2	0.2376	0.0205	0.2581	1.6704
I Income shares				
Group 1	0.2396	-	0.2396	1.4879
Group 2	0.1861	0.0535	0.2396	1.4879
K Accumulation shares				
Group 1	0.2554	-	0.2554	1.2320
Group 2	0.1822	0.0732	0.2554	1.2320
M Accumulation shares				
Group 1	0.2089	-	0.2089	1.1200
Group 2	0.1605	0.0484	0.2089	1.1200
M Income shares				
Group 1	0.1671	-	0.1671	1.1200
Group 2	0.1671	-	0.1671	1.1200
Z Accumulation shares				
Group 1	1.5148	-	1.5148	3.5444
Group 2	0.6162	0.8986	1.5148	3.5444

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI UK Real Estate Share Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in UK property-related equities (company shares) including listed closed ended real estate investment trusts ("REITs").

Performance target: To achieve the return of the FTSE 350 Real Estate Index plus 3% per annum (before charges) over rolling three year periods. The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund invests in equities and equity-related securities of companies that derive a significant proportion of their revenues or profits from real estate operations or have a significant proportion of their assets in real estate.
- At least 80% of the fund must be invested in UK listed securities, while up to 20% may be invested overseas.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.

Management process

- The management team use their discretion (active management) to maintain a concentrated asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- The FTSE 350 Real Estate Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 12%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index over the long term.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI UK Real Estate Share Fund – A Accumulation Shares increased by 2.95% compared to a decrease of 3.72% in the performance target, the FTSE 350 Real Estate Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Investors in UK property were left with negative returns for the 12-month period under review. This was the case whether measured by the return from the direct property market using the MSCI Monthly Index (-2.7% total return to the end of June – the most recent data available) or the listed property return as measured by the fund's benchmark the FTSE 350 Real Estate Index (-3.7%). These modest losses were at least markedly better than the -17.7% return from the FTSE All Share.

Politics and the coronavirus pandemic explained both the direction and volatility of markets over the period. There was uncertainty over Brexit, then market exuberance following the decisive victory by Boris Johnson and the Conservative Party at the December 2019 general election. Market buoyancy was brief, though, with equity markets tumbling in February and March as the impact of coronavirus took hold and the UK economy entered its worst recession in over 100 years. Although the downturn prompted hundreds of listed equities to halt or suspend dividend payouts, it also prompted extensive government support. There was a record spending package by the government, together with interest rate cuts and borrowing support from the Bank of England. This ensured that the start of lockdown in mid-March also coincided with the market nadir, as equities then rebounded to recoup part of the initial losses.

In the direct property market, it was another year of divergence between the winners and losers of e-commerce – a structural trend accelerated by coronavirus. Online retail jumped from 19% in February to 30% in April, according to the Office for National Statistics. Falling rents and values left retail owners nursing a negative return of 13%, whereas the industrial sector saw a positive 4% return. The usually more cyclical office market initially proved resilient, with growth in rents and values through much of the period. This only turned negative in the final months of the year as valuers grappled with the challenge of assessing how the economic downturn and potentially the enduring trend of working from home will affect values.

The listed property market showed similar trends to the direct market, with retail headwinds amplified in many cases by significant financial leverage. This sent shopping-centre owner Intu Properties into administration. Other retail specialists, such as Hammerson and NewRiver REIT, lost over half their value. By contrast, the more defensive healthcare and residential segments had investor support. Investors cheered-on well-subscribed equity raisings at healthy premiums to book value for GP landlords Assura and Primary Health Properties, and residential specialist Grainger. Industrial real estate investment trusts (REITs), such as SEGRO and LondonMetric Property, also performed extremely well. They were supported by robust results and investor enthusiasm. Both raised equity to take advantage of buoyant tenant demand and development opportunities.

Portfolio Activity

The fund delivered another year of strong relative performance. Stock picking within the benchmark was particularly positive, followed by gains from the overseas holdings. In contrast to prior years, the fund's unconventional property holdings detracted from performance.

Stock picking within the benchmark was particularly helped by our continued caution regarding retail landlords, specifically our not owning Hammerson, Intu Properties, British Land and Landsec. Deploying capital in the more robust self-storage, logistics, and healthcare segments proved to be a far better position. Healthy takeover premiums for Hansteen and Daejan Holdings also delivered meaningful gains. The only holding in this segment that significantly detracted was industrial specialist SEGRO. Despite being one of the fund's largest single positions, the even larger position of the stock in the benchmark means that when it performs well (as was the case this year), this results in relative underperformance for the fund.

The fund's overseas allocation aided performance. The German residential landlords LEG Immobilien and Deutsche Wohnen provided the fund with exposure to a relative safe haven during recent market volatility. The holdings in industrial specialists Catena and Shurgard Self-Storage also helped, and more than offset the weak performance by Irish housebuilder Cairn Homes.

The fund's flexibility to invest in companies not classified as property, but where the majority of their revenues or assets derive from real estate, detracted from performance. The bulk of this exposure comprised our holdings in housebuilders Countryside Properties, Bellway, and developer Watkin Jones. The initial market excitement around the Conservative Party's general election victory at the end of 2019 reversed sharply as these holdings bore the brunt of lockdown triggered by coronavirus. Similarly, the position in pub operator and freehold owner Fuller Smith & Turner lagged alongside other pub companies, when its entire estate was forced to close through much of the March-to-June period.

This was a busier year than normal for fund activity, mainly because a number of the fund's positions were acquired. This meant the departure of industrial REIT Mucklow and Millennium & Copthorne Hotels just prior to the start of the year under review. More recently, we accepted takeover bids for Hansteen and Daejan. We also sold a number of small positions: Hufvudstaden, because of concerns over its retail exposure;

Cairn Homes, in order to prioritise the capital on better-positioned housebuilders in the UK; and office landlord Helical, after significant share price appreciation. This resulted in significant capital to redeploy and we were pleased to find a number of names that brought similar exposures. These included industrial landlord Catena, multi-led industrial owner Stenprop, student and residential developer Watkin Jones, and office landlord CLS Holdings. Towards the end of the period, we used a well-priced equity raising to introduce Primary Health Properties, a holding that helps maintain our overweight position in the desirable and very defensive GP market. We also responded to buying opportunities created by coronavirus by introducing new positions in Whitbread and International Workplace Group (IWG). Whitbread owns the freehold properties for the majority of its portfolio of Premier Inn branded hotels. Trading in the near term is very depressed, but the company has a very robust balance sheet following a recent rights issue and is well-positioned to expand its portfolio in the UK and Germany. IWG provides flexible office space around the world and similarly trades at a very discounted valuation for those willing to take a longer-term view. In common with Whitbread, it also raised fresh equity during the period to ensure it has the balance-sheet strength to not only survive but to expand the portfolio at attractive rates of return in the coming years. Both help diversify the fund's exposure by sector and geography, and we anticipate that they will be attractive investments to own over the next cycle.

Portfolio Outlook and Strategy

At the start of 2020, we viewed the economic outlook as weak but with signs of improvement. This was driven by increased confidence among consumers and companies following the decisive result of the December 2019 general election. Then COVID-19 struck and the economy contracted by over 20% in the second quarter of 2020. While the economic repercussions of the virus and lockdown are likely to be long-lasting, it is certainly my hope that, relative to the scale of the second-quarter decline, we are now in the early stages of recovery.

In terms of sector preferences, the pandemic has reinforced rather than changed them. The fund remains underweight in retail and offices, and overweight in residential, self-storage, and healthcare.

We are not entirely against taking cyclical risk and, indeed, we have found some of the best investment opportunities in the hard-hit hotel and flexible-workplace segments. What was crucial to us, however, was having confidence that the new positions in Whitbread and IWG offer the balance-sheet strength to, not only survive the current difficult environment, but to then thrive by expanding their portfolios at attractive rates of return in subsequent years.

With the steady flow of new and potential holdings, the fund benefits from the ability to offer a very diverse mix of property sector exposures and also from a high level of competition for capital. This gives us confidence in its position for the coming years.

UK Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- Dividend payment policies of the REITs in which the fund invests are not representative of the dividend payment policy of the fund.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	128.52	126.10	114.07
Return before operating charges*	6.14	4.15	13.96
Operating charges	(1.81)	(1.73)	(1.93)
Return after operating charges*	4.33	2.42	12.03
Distributions	(1.83)	(2.30)	(1.96)
Retained distributions on accumulation shares	1.83	2.30	1.96
Closing net asset value per share	132.85	128.52	126.10
* after direct transaction costs of:	0.12	0.14	0.01
Performance			
Return after charges	3.37%	1.92%	10.55%
Other information			
Closing net asset value (£'000)	81,197	94,510	104,437
Closing number of shares	61,118,713	73,536,431	82,818,208
Operating charges	1.30%	1.41%	1.61%
Direct transaction costs	0.08%	0.11%	0.01%
Prices			
Highest share price	163.5	132.4	127.7
Lowest share price	104.2	111.7	112.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	217.10	212.85	192.05
Return before operating charges*	9.57	6.02	22.54
Operating charges	(2.00)	(1.77)	(1.74)
Return after operating charges*	7.57	4.25	20.80
Distributions	(3.47)	(4.04)	(4.04)
Retained distributions on accumulation shares	3.47	4.04	4.04
Closing net asset value per share	224.67	217.10	212.85
* after direct transaction costs of:	0.20	0.24	0.03
Performance			
Return after charges	3.49%	2.00%	10.83%
Other information			
Closing net asset value (£'000)	237,326	266,221	305,616
Closing number of shares	105,634,038	122,624,294	143,582,729
Operating charges	0.85%	0.85%	0.86%
Direct transaction costs	0.08%	0.11%	0.01%
Prices			
Highest share price	276.8	223.5	215.2
Lowest share price	176.0	188.8	189.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

K Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	127.66	125.09	112.80
Return before operating charges*	5.60	3.53	13.23
Operating charges	(1.07)	(0.96)	(0.94)
Return after operating charges*	4.53	2.57	12.29
Distributions	(2.12)	(2.45)	(2.45)
Retained distributions on accumulation shares	2.12	2.45	2.45
Closing net asset value per share	132.19	127.66	125.09
* after direct transaction costs of:	0.12	0.14	0.01
Performance			
Return after charges	3.55%	2.05%	10.90%
Other information			
Closing net asset value (£'000)	14,345	8,460	11,450
Closing number of shares	10,851,905	6,626,444	9,153,552
Operating charges	0.78%	0.78%	0.79%
Direct transaction costs	0.08%	0.11%	0.01%
Prices			
Highest share price	162.8	131.4	126.5
Lowest share price	103.5	111.0	111.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	108.49	100.00 ^B
Return before operating charges*	4.88	9.12
Operating charges	(1.00)	(0.63)
Return after operating charges*	3.88	8.49
Distributions	(2.43)	(2.19)
Retained distributions on accumulation shares	2.43	2.19
Closing net asset value per share	112.37	108.49
* after direct transaction costs of:	0.09	0.08
Performance		
Return after charges	3.58%	8.49%
Other information		
Closing net asset value (£'000)	38	-
Closing number of shares	33,723	100
Operating charges	0.90%	0.90%
Direct transaction costs	0.08%	0.11%
Prices		
Highest share price	138.5	111.8
Lowest share price	88.04	94.40

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV. Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (97.05%)		328,671	98.73
European Equities (17.37%)		62,282	18.71
Austria (1.86%)		5,958	1.79
250,000	CA Immo	5,958	1.79
Belgium (1.92%)		7,211	2.17
240,000	Shurgard Self Storage*	7,211	2.17
Germany (8.85%)		33,578	10.09
203,000	Deutsche Wohnen	7,541	2.26
104,000	LEG Immobilien	11,071	3.33
20,389,000	Sirius Real Estate	14,966	4.50
Ireland (1.83%)		-	-
Sweden (2.91%)		9,632	2.89
168,000	Castellum	2,740	0.82
220,000	Catena	6,892	2.07
Switzerland (0.00%)		5,903	1.77
2,559,977	IWG	5,903	1.77
UK Equities (79.68%)		266,389	80.02
Consumer Goods (4.58%)		20,341	6.11
252,000	Bellway	6,413	1.93
3,860,000	Countryside Properties	10,932	3.28
2,171,000	Watkin Jones**	2,996	0.90
Consumer Services (5.97%)		18,436	5.54
730,130	Fuller Smith & Turner	4,293	1.29
1,734,000	Rightmove	9,589	2.88
209,000	Whitbread	4,554	1.37

Holding	Investment	Market Value £'000	Percentage of total net assets
Financials (69.13%)		227,612	68.37
30,121,000	Assura	23,765	7.14
1,590,000	Big Yellow	16,186	4.86
9,475,000	Capital & Counties Properties	13,246	3.98
2,135,158	CLS	4,164	1.25
295,000	Derwent Valley	8,478	2.55
3,954,000	Grainger	11,467	3.44
715,000	Great Portland Estates	4,214	1.27
9,241,000	LondonMetric Property	21,328	6.41
4,600,000	Primary Health Properties	7,066	2.12
1,797,000	Safestore	13,729	4.12
600,000	Savills	4,485	1.35
3,281,000	Segro	31,793	9.55
1,428,000	Shaftesbury	7,326	2.20
2,730,000	St Modwen Properties	8,395	2.52
6,573,000	Stenprop	7,723	2.32
8,944,000	Supermarket Income REIT	9,816	2.95
2,612,621	Unite	24,519	7.36
1,613,000	Workspace	9,912	2.98
Collective Investment Schemes (2.87%)		2,002	0.60
2,002	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc ⁺	2,002	0.60
Total investment assets		330,673	99.33
Net other assets		2,233	0.67
Total Net Assets		332,906	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 31 July 2019.

⁺ Managed by subsidiaries of Standard Life Aberdeen plc.

^{**} AIM listed.

^{*} A portion of this security is on loan at the period end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	1	5,571	(1,865)
Revenue	2	9,116	10,892
Expenses	3	(3,646)	(3,745)
Interest payable and similar charges		-	(1)
Net revenue before taxation		5,470	7,146
Taxation	4	(25)	6
Net revenue after taxation		5,445	7,152
Total return before distributions		11,016	5,287
Distributions	5	(5,445)	(7,152)
Change in net assets attributable to shareholders from investment activities		5,571	(1,865)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	369,191	421,503
Amounts receivable on the issue of shares	53,798	40,027
Amounts payable on the cancellation of shares	(100,909)	(97,598)
	(47,111)	(57,571)
Dilution adjustment	-	150
Change in net assets attributable to shareholders from investment activities (see above)	5,571	(1,865)
Retained distribution on accumulation shares	5,255	6,974
Closing net assets attributable to shareholders	332,906	369,191

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		330,673	368,894
Current assets:			
Debtors	6	1,712	1,060
Cash and bank balances	7	1,700	1,713
		3,412	2,773
Total assets		334,085	371,667
Liabilities:			
Creditors	8	(1,179)	(2,476)
		(1,179)	(2,476)
Total liabilities		(1,179)	(2,476)
Net assets attributable to shareholders		332,906	369,191

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	5,567	(1,845)
Forward currency contracts	-	2
Other gains/(losses)	4	(22)
Net capital gains/(losses)	5,571	(1,865)

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	73	34
Interest on debt securities	-	9
Overseas dividends	735	1,191
Stocklending revenue	5	7
UK dividends	3,799	4,179
UK REIT	4,504	5,441
Underwriting commission	-	31
Total revenue	9,116	10,892

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	3,266	3,367
Operating, administrative and servicing fees	380	378
Total expenses	3,646	3,745

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	25	(6)
Total taxation	25	(6)

(b)

Factors affecting current tax charge for the year

The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:

	2020 £'000	2019 £'000
Net revenue before taxation	5,470	7,146
Corporation tax at 20% (2019: 20%)	1,094	1,429
Effects of:		
Revenue not subject to taxation	(906)	(1,074)
Overseas taxes	25	(6)
Excess allowable expenses	(188)	(355)
Total tax charge for year (note 4a)	25	(6)

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £3,023,000 (2019: £3,211,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5.

Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	2,633	2,287
Final distribution	2,622	4,687
	5,255	6,974
Add: Income deducted on cancellation of shares	327	426
Deduct: Income received on issue of shares	(137)	(248)
Net distribution for the year	5,445	7,152

Details of the distribution per share are set out in this fund's distribution tables.

6.

Debtors

	2020 £'000	2019 £'000
Accrued revenue	1,539	1,003
Amounts receivable from the ACD for the issue of shares	161	31
Overseas withholding tax recoverable	12	12
United Kingdom income tax recoverable	-	14
Total debtors	1,712	1,060

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	1,700	1,713
	1,700	1,713
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	2,002	10,595
Net Liquidity	3,702	12,308

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	250	307
Amounts payable to the ACD for cancellation of shares	900	1,401
Other accrued expenses	29	-
Purchases awaiting settlement	-	768
Total creditors	1,179	2,476

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	89,436	79,287	116,744	130,798
Collective investment schemes	85,900	102,958	94,493	93,899
Corporate actions	-	3,610	8,204	1,910
Trades in the year before transaction costs	175,336	185,855	219,441	226,607
Commissions				
Equities	54	135	(55)	(123)
Total commissions	54	135	(55)	(123)
Taxes				
Equities	206	173	-	-
Total taxes	206	173	-	-
Total transaction costs	260	308	(55)	(123)
Total net trades in the year after transaction costs	175,596	186,163	219,386	226,484

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.06	0.17	0.05	0.09
Taxes				
Equities	0.23	0.22	-	-

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.03	0.07
Taxes	0.05	0.05

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.30% (2019: 0.24%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	73,536,431	3,501,668	(15,820,202)	(99,184)	61,118,713
I Accumulation shares	122,624,294	16,369,776	(33,343,299)	(16,733)	105,634,038
K Accumulation shares	6,626,444	6,685,877	(2,559,829)	99,413	10,851,905
M Accumulation shares	100	3,482	(3,681)	33,822	33,723

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	328,671	-	-	358,299	-	-
Collective Investment Schemes	-	2,002	-	-	10,595	-
Total investment assets	328,671	2,002	-	358,299	10,595	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

	Net foreign currency exposure 2020 £'000	Net foreign currency exposure 2019 £'000
Currency		
Euro	32,139	40,806
Swedish Krona	9,632	10,761
Total	41,771	51,567

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £2,089,000 (2019: £2,578,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £16,534,000 (2019: £18,445,000).

Counterparty risk

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £1,179,000 (2019: £2,476,000).

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £4,002,000 (2019: £Nil). 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 31 July 2020 is £4,305,000 (2019: £Nil).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Goldman Sachs	4,002	-
Total securities on loan	4,002	-

Collateral held	2020 £'000	2019 £'000
Government Bond	4,305	-
Total collateral held	4,305	-

The gross earnings and fees paid for the year are £6,000 (2019: £8,000) and £1,000 (2019: £1,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 10.1% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.7749	-	0.7749	0.6332
Group 2	0.4275	0.3474	0.7749	0.6332
I Accumulation shares				
Group 1	1.7059	-	1.7059	1.3077
Group 2	0.9121	0.7938	1.7059	1.3077
K Accumulation shares				
Group 1	1.0454	-	1.0454	0.8025
Group 2	0.5872	0.4582	1.0454	0.8025
M Accumulation shares				
Group 1	1.2294	-	1.2294	0.5100
Group 2	0.7194	0.5100	1.2294	0.5100

Final dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	1.0553	-	1.0553	1.6701
Group 2	0.7986	0.2567	1.0553	1.6701
I Accumulation shares				
Group 1	1.7605	-	1.7605	2.7319
Group 2	1.2185	0.5420	1.7605	2.7319
K Accumulation shares				
Group 1	1.0773	-	1.0773	1.6455
Group 2	0.7618	0.3155	1.0773	1.6455
M Accumulation shares				
Group 1	1.1970	-	1.1970	1.6800
Group 2	0.7431	0.4539	1.1970	1.6800

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI UK Responsible Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate growth over the long term (5 years or more) by investing in UK equities (company shares), which meet the fund's environmental, social and governance screening criteria.

Performance target: To achieve the return of the FTSE All-Share Index plus 3% per annum over rolling five year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments and cash.
- All investments will comply with the fund's ethical screening criteria, which looks to exclude investing in companies that operate to a degree in certain areas, including but not limited to those deriving revenue from animal testing, tobacco, pornography and weaponry.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the performance target, the FTSE All-Share Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 7.5%. Due to the responsible nature of the management process, there are a material number of stocks and sectors in the FTSE All-Share Index that the fund is unable to invest, which means the fund's performance profile may deviate significantly from that of the FTSE All-Share Index.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").

- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI UK Responsible Equity Fund – A Accumulation Shares decreased by 7.25% compared to a decrease of 17.76% in the performance target, the FTSE All Share Index.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

UK equities dropped by double-digits in the 12 months under review, alongside global stockmarkets that faltered amid COVID-19 fears. Initially, the market trajectory was shaped by trade friction between the world's two largest economies that sparked fears of a global recession, whereas tortuous Brexit discussions seemed to have only a muted impact on stock prices. Competitive currency devaluation had triggered an early global selloff but shares stabilised as the US and China reached a truce, while monetary easing by major central banks provided some measure of support. The Conservatives' sweeping win in the December general elections added to the buoyant mood. However, this was short-lived as the pandemic took root and fears over a looming recession worsened as widespread lockdowns forced global trade and travel to grind to a halt. Adding further gloom, oil prices slumped as output talks between Saudi Arabia and Russia collapsed. Share prices tried to rebound, amid attempts by some governments to reopen their economies as well as on news of progress in potential vaccines and a rebound in the oil price. But a resurgence of fresh infections and heightened geopolitical risks dented sentiment.

Portfolio Activity

For the year to end-July, the portfolio outperformed the benchmark. Contributing to the performance were not holding Royal Dutch Shell and lender HSBC. Our lack of exposure to the oil major was a positive as its shares fell in tandem with the energy sector on the back of the slump in oil prices on oversupply fears. For HSBC, its shares were dampened in tandem with most other lenders, given the likely protracted low interest-rate environment stemming from widespread monetary policy loosening to combat the pandemic. Meanwhile, Avast's shares were lifted by the re-rating in the broader sector, alongside positive earnings revisions, as the shift to working from home drives better-than-expected consumer desktop demand.

Capping gains were a lack of exposure to both Reckitt Benckiser and AstraZeneca, and a smaller-than-benchmark position in John Wood Group. Not holding AstraZeneca proved costly. Its shares did well during the period along with its peers amid the pandemic. The smaller-than-benchmark holding in John Wood Group cost the fund as its shares rose on the back of its robust half-year results. Despite the tough environment, its earnings and cash were in line with expectations and a reduction in net debt while its backlog looks solid and should support this year's numbers. A lack of exposure to Reckitt Benckiser capped performance as its shares did well with demand for its products, particularly in hygiene, remaining elevated on the back of the current pandemic.

Portfolio Outlook and Strategy

Looking ahead, we see further scope for markets to recover and continue their rebound. This is predicated on our view that the summer will be the trough for economic activity and that stimulus will largely offset the economic shock resulting from lockdowns. The scale of monetary and fiscal policy intervention is certainly supportive of asset prices. However the risk of spikes in new infections and potential for further localised lockdowns suggest that volatility may return. It is also our view that economic reopening should not be conflated with a full recovery, as lasting damage seems likely, regardless of support from policymakers. As a result, the earnings outlook remains weak and uneven.

In contrast, we have confidence that the portfolio can once again deliver significantly better earnings and cash flow performance than the market in 2020 and beyond, thanks to our clear focus on high quality companies. In longer term, our best guess is that the post COVID-19 world will intensify many of the existing trends that were already powerful drivers for our portfolio. Therefore, with a low growth, low interest rate, low inflation world likely becoming even lower for longer. These market conditions are set to remain well suited to our approach. Certainly the operational performance of the vast majority of our holdings has been reassuringly resilient thus far. We expect this resilience to be increasingly evident, as the full financial impact of lockdown is revealed and companies begin to incorporate COVID-19 into their longer-term outlooks.

UK Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	207.76	195.45	176.06
Return before operating charges*	(14.44)	14.99	22.35
Operating charges	(2.68)	(2.68)	(2.96)
Return after operating charges*	(17.12)	12.31	19.39
Distributions	(1.89)	(2.31)	(1.75)
Retained distributions on accumulation shares	1.89	2.31	1.75
Closing net asset value per share	190.64	207.76	195.45
* after direct transaction costs of:	0.42	0.42	0.28
Performance			
Return after charges	(8.24%)	6.30%	11.01%
Other information			
Closing net asset value (£'000)	18,193	20,081	19,632
Closing number of shares	9,543,219	9,665,145	10,044,508
Operating charges	1.32%	1.42%	1.63%
Direct transaction costs	0.21%	0.22%	0.15%
Prices			
Highest share price	231.3	210.6	196.1
Lowest share price	149.6	168.1	170.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	161.93	154.13	140.11
Return before operating charges*	(11.15)	11.74	17.75
Operating charges	(2.08)	(2.12)	(2.34)
Return after operating charges*	(13.23)	9.62	15.41
Distributions	(1.47)	(1.82)	(1.39)
Closing net asset value per share	147.23	161.93	154.13
* after direct transaction costs of:	0.33	0.34	0.22
Performance			
Return after charges	(8.17%)	6.24%	11.00%
Other information			
Closing net asset value (£'000)	68	61	75
Closing number of shares	46,291	37,718	48,494
Operating charges	1.32%	1.42%	1.63%
Direct transaction costs	0.21%	0.22%	0.15%
Prices			
Highest share price	179.5	165.4	155.7
Lowest share price	116.1	132.6	135.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	181.08	169.41	151.47
Return before operating charges*	(12.65)	13.11	19.32
Operating charges	(1.54)	(1.44)	(1.38)
Return after operating charges*	(14.19)	11.67	17.94
Distributions	(2.45)	(2.92)	(2.68)
Retained distributions on accumulation shares	2.45	2.92	2.68
Closing net asset value per share	166.89	181.08	169.41
* after direct transaction costs of:	0.37	0.37	0.24
Performance			
Return after charges	(7.84%)	6.89%	11.84%
Other information			
Closing net asset value (£'000)	15,370	11,355	5,478
Closing number of shares	9,209,455	6,270,910	3,233,495
Operating charges	0.87%	0.87%	0.88%
Direct transaction costs	0.21%	0.22%	0.15%
Prices			
Highest share price	202.0	183.6	170.0
Lowest share price	130.7	146.2	147.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	155.28	147.79	134.31
Return before operating charges*	(10.67)	11.28	17.07
Operating charges	(1.31)	(1.25)	(1.22)
Return after operating charges*	(11.98)	10.03	15.85
Distributions	(2.10)	(2.54)	(2.37)
Closing net asset value per share	141.20	155.28	147.79
* after direct transaction costs of:	0.31	0.32	0.21
Performance			
Return after charges	(7.72%)	6.79%	11.80%
Other information			
Closing net asset value (£'000)	4,182	1,549	908
Closing number of shares	2,962,049	997,588	614,229
Operating charges	0.87%	0.87%	0.88%
Direct transaction costs	0.21%	0.22%	0.15%
Prices			
Highest share price	172.3	158.9	149.8
Lowest share price	111.4	127.5	130.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	117.57	100.00 ^B
Return before operating charges*	(8.05)	18.23
Operating charges	(1.06)	(0.66)
Return after operating charges*	(9.11)	17.57
Distributions	(1.48)	(1.54)
Retained distributions on accumulation shares	1.48	1.54
Closing net asset value per share	108.46	117.57
* after direct transaction costs of:	0.24	0.16
Performance		
Return after charges	(7.75%)	17.57%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	881	100
Operating charges	0.92%	0.92%
Direct transaction costs	0.21%	0.22%
Prices		
Highest share price	131.3	119.2
Lowest share price	84.95	94.72

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 28 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	116.01	100.00 ^B
Return before operating charges*	(7.86)	18.20
Operating charges	(1.04)	(0.66)
Return after operating charges*	(8.90)	17.54
Distributions	(1.42)	(1.53)
Closing net asset value per share	105.69	116.01
* after direct transaction costs of:	0.24	0.16
Performance		
Return after charges	(7.67%)	17.54%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	892	100
Operating charges	0.92%	0.92%
Direct transaction costs	0.21%	0.22%
Prices		
Highest share price	128.8	118.9
Lowest share price	83.37	94.72

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 28 November 2018.

^B The opening net asset value stated is the share class launch price.

Z Income shares ^A	2018 pence per share
Change in net assets per share	
Opening net asset value per share	215.20
Return before operating charges*	19.54
Operating charges	(0.22)
Return after operating charges*	19.32
Distributions	(2.22)
Redemption value as at 11 May 2018	(232.20)
Closing net asset value per share	-
* after direct transaction costs of:	0.34
Performance	
Return after charges	8.98%
Other information	
Closing net asset value (£'000)	-
Closing number of shares	-
Operating charges	0.13%
Direct transaction costs	0.15%
Prices	
Highest share price	232.3
Lowest share price	209.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Z Income share class closed on 11 May 2018.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
UK Equities (95.83%)		35,867	94.85
Basic Materials (6.25%)		1,840	4.87
23,591	BHP	390	1.03
61,700	Mondi	841	2.23
13,200	Rio Tinto	609	1.61
Consumer Goods (10.03%)		3,466	9.17
24,400	Associated British Foods	431	1.14
33,770	Bellway	859	2.27
37,000	Coca-Cola HBC	741	1.96
263,579	Countryside Properties	746	1.98
31,480	Fever Tree Drinks**	689	1.82
Consumer Services (17.83%)		5,345	14.14
31,300	Compass	329	0.87
91,000	Euromoney Institutional Investor	722	1.91
141,110	Inchcape	605	1.60
15,300	Just Eat Takeaway.Com	1,262	3.34
76,540	RELX	1,236	3.27
150,000	Rightmove	829	2.19
38,512	WH Smith	362	0.96
Financials (19.67%)		9,095	24.05
306,500	Ashmore	1,196	3.16
106,000	Close Brothers	1,161	3.07
34,800	Hiscox	272	0.72
38,361	Intermediate Capital	516	1.37
240,000	John Laing Group	708	1.87
16,480	London Stock Exchange	1,398	3.70
115,980	Prudential	1,282	3.39
18,700	Schroders (Non Voting)	383	1.01
70,300	St James's Place	662	1.75
248,000	Standard Chartered	956	2.53
59,741	Unite	561	1.48

Holding	Investment	Market Value £'000	Percentage of total net assets
Health Care (7.58%)		1,498	3.96
24,620	Dechra Pharmaceuticals	703	1.86
23,400	Genus	795	2.10
Industrials (23.73%)		8,536	22.57
153,000	Bodycote	861	2.28
144,650	Electrocomponents	948	2.51
38,000	Experian	1,017	2.69
132,510	Grafton	852	2.25
34,500	Halma	751	1.98
157,000	Howdens Joinery	770	2.04
11,200	Intertek	602	1.59
397,630	Melrose Industries	339	0.90
46,800	Oxford Instruments	629	1.66
151,600	Rentokil	810	2.14
6,400	Spirax-Sarco Engineering	659	1.74
24,913	Weir	298	0.79
Oil & Gas (3.60%)		-	-
Technology (5.15%)		2,671	7.06
216,250	Avast	1,241	3.28
34,500	AVEVA	1,430	3.78
Telecommunications (0.00%)		749	1.98
56,000	Telecom Plus	749	1.98
Utilities (1.99%)		2,667	7.05
118,000	National Grid	1,062	2.81
62,500	SSE	813	2.15
88,000	United Utilities	792	2.09

Holding	Investment	Market Value £'000	Percentage of total net assets
Collective Investment Schemes (3.79%)		1,882	4.98
1,882	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund Z1 Inc*	1,882	4.98
Total investment assets		37,749	99.83
Net other assets		66	0.17
Total Net Assets		37,815	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.
The percentage figures in brackets show the comparative holding as at 31 July 2019.

* Managed by subsidiaries of Standard Life Aberdeen plc.

** AIM listed.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(3,575)	1,636
Revenue	2	817	698
Expenses	3	(405)	(334)
Net revenue before taxation		412	364
Taxation	4	(2)	-
Net revenue after taxation		410	364
Total return before distributions		(3,165)	2,000
Distributions	5	(410)	(364)
Change in net assets attributable to shareholders from investment activities		(3,575)	1,636

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	33,046	26,093
Amounts receivable on the issue of shares	11,189	7,121
Amounts payable on the cancellation of shares	(3,253)	(2,181)
	7,936	4,940
Dilution adjustment	13	-
Change in net assets attributable to shareholders from investment activities (see above)	(3,575)	1,636
Retained distribution on accumulation shares	395	377
Closing net assets attributable to shareholders	37,815	33,046

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		37,749	32,922
Current assets:			
Debtors	6	219	64
Cash and bank balances	7	140	110
		359	174
Total assets		38,108	33,096
Liabilities:			
Creditors	8	(262)	(35)
Distribution payable		(31)	(15)
		(293)	(50)
Total liabilities		(293)	(50)
Net assets attributable to shareholders		37,815	33,046

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(3,571)	1,635
Other (losses)/gains	(4)	1
Net capital (losses)/gains	(3,575)	1,636

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	10	6
Overseas dividends	20	-
Stocklending revenue	-	1
UK dividends	787	691
Total revenue	817	698

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	361	302
Operating, administrative and servicing fees	44	32
Total expenses	405	334

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	2	-
Total taxation	2	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	412	364
Corporation tax at 20% (2019: 20%)	82	73
Effects of:		
Revenue not subject to taxation	(161)	(138)
Overseas taxes	2	-
Excess allowable expenses	79	65
Total tax charge for year (note 4a)	2	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) **Factors that may affect future tax charge**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £722,000 (2019: £643,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. **Distributions**

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	213	128
Final distribution	232	271
	445	399
Add: Income deducted on cancellation of shares	12	12
Deduct: Income received on issue of shares	(47)	(47)
Net distribution for the year	410	364

Details of the distribution per share are set out in this fund's distribution tables.

6. **Debtors**

	2020 £'000	2019 £'000
Accrued revenue	119	10
Amounts receivable from the ACD for the issue of shares	96	54
Overseas withholding tax recoverable	4	-
Total debtors	219	64

7. **Liquidity**

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	140	110
	140	110
Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund*	1,882	1,253
Net Liquidity	2,022	1,363

* Although reflected in the investment assets figure, liquidity funds are used by the fund as a liquidity vehicle and commonly reflects collateral held by the fund. Therefore, the ACD considers the net liquidity position of the fund as the aggregate of cash at bank and in hand, bank overdrafts, cash equivalents and liquidity fund positions.

8. **Creditors**

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	32	31
Amounts payable to the ACD for cancellation of shares	11	4
Other accrued expenses	4	-
Purchases awaiting settlement	215	-
Total creditors	262	35

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution levy which is applied from time to time.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	14,395	9,787	6,703	5,394
Collective investment schemes	7,638	6,071	7,009	5,174
Trades in the year before transaction costs	22,033	15,858	13,712	10,568
Commissions				
Equities	6	13	(4)	(4)
Total commissions	6	13	(4)	(4)
Taxes				
Equities	66	43	-	-
Total taxes	66	43	-	-
Total transaction costs	72	56	(4)	(4)
Total net trades in the year after transaction costs	22,105	15,914	13,708	10,564

Total transaction costs expressed as a percentage of asset type cost	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Commissions				
Equities	0.04	0.13	0.05	0.07
Taxes				
Equities	0.46	0.44	-	-

Total transaction costs expressed as a percentage of net asset value	2020 %	2019 %
Commissions	0.03	0.06
Taxes	0.18	0.16

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.09% (2019: 0.09%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	9,665,145	248,681	(393,960)	23,353	9,543,219
A Income shares	37,718	14,562	(5,989)	-	46,291
I Accumulation shares	6,270,910	4,136,362	(1,171,037)	(26,780)	9,209,455
I Income shares	997,588	2,200,094	(235,633)	-	2,962,049
M Accumulation shares	100	781	-	-	881
M Income shares	100	792	-	-	892

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	35,867	-	-	31,669	-	-
Collective Investment Schemes	-	1,882	-	-	1,253	-
Total investment assets	35,867	1,882	-	31,669	1,253	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

The income and capital value of the fund's investments are mainly denominated in Sterling, the fund's functional currency; therefore, the financial statements are not subject to any significant risk of currency movements. This is consistent with the exposure during the prior year.

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £1,887,000 (2019: £1,646,000).

Counterparty risk

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £293,000 (2019: £50,000).

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £Nil (2019: £370,000). 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 31 July 2020 is £Nil (2019: £433,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Bank of Nova Scotia	-	433
Total securities on loan	-	433

Collateral held	2020 £'000	2019 £'000
Equities	-	433
Total collateral held	-	433

The gross earnings and fees paid for the year are £Nil (2019: £1,000) and £Nil (2019: £Nil).

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 15.7% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

Interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	0.9511	-	0.9511	0.7829
Group 2	0.0047	0.9464	0.9511	0.7829
A Income shares				
Group 1	0.7414	-	0.7414	0.6172
Group 2	0.1819	0.5595	0.7414	0.6172
I Accumulation shares				
Group 1	1.2459	-	1.2459	1.2002
Group 2	0.2617	0.9842	1.2459	1.2002
I Income shares				
Group 1	1.0686	-	1.0686	1.0493
Group 2	0.3409	0.7277	1.0686	1.0493
M Accumulation shares				
Group 1	0.6901	-	0.6901	0.2100
Group 2	0.2201	0.4700	0.6901	0.2100
M Income shares				
Group 1	0.6483	-	0.6483	0.2100
Group 2	0.2183	0.4300	0.6483	0.2100

Final dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	0.9407	-	0.9407	1.5290
Group 2	0.5504	0.3903	0.9407	1.5290
A Income shares				
Group 1	0.7279	-	0.7279	1.2003
Group 2	0.4199	0.3080	0.7279	1.2003
I Accumulation shares				
Group 1	1.2035	-	1.2035	1.7149
Group 2	0.6523	0.5512	1.2035	1.7149
I Income shares				
Group 1	1.0286	-	1.0286	1.4869
Group 2	0.5851	0.4435	1.0286	1.4869
M Accumulation shares				
Group 1	0.7900	-	0.7900	1.3300
Group 2	0.7900	-	0.7900	1.3300
M Income shares				
Group 1	0.7694	-	0.7694	1.3200
Group 2	0.7694	-	0.7694	1.3200

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

ASI World Income Equity Fund

For the year ended 31 July 2020

Investment Objective

To generate income and some growth over the long term (5 years or more) by investing in equities (company shares) worldwide.

Performance target: To exceed the return of the MSCI AC World High Yield Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.

Investment Policy

Portfolio securities

- The fund will invest at least 70% in equities and equity related securities of companies listed on global stock exchanges that offer good sustainable income prospects.
- The fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the MSCI AC World High Yield Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the management process, the fund's performance profile may deviate significantly from that of the index over the long term.

Derivatives and techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

For the year ended 31 July 2020, the value of ASI World Income Fund – A Income Shares decreased by 18.86% compared to a decrease of 7.43% in the performance target, the MSCI AC World High Yield Index benchmark.

Source: Lipper, Basis: total return, published NAV to NAV, net of annual charges, UK Net income reinvested, GBP.

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Please remember that past performance is not a guide to future returns. The price of shares and the revenue from them may fall as well as rise. Investors may not get back the amount originally invested.

Market Review

Global equities faced volatility through the period under review and fell in sterling terms. Initially, a major factor driving sentiment was the ongoing trade disputes instigated by the US against its key partners, with punitive tariffs used as leverage in re-negotiations. The continued slowdown in global growth compelled major central banks, including the Federal Reserve and European Central Bank, to ease policy further, providing support to their economies. Thereafter, as the US and China reached a preliminary trade deal, markets ended 2019 on a positive note.

However, concerns over the impact of COVID-19 on growth worldwide dampened the mood in the new year. The rapid spread of the virus across the world led many countries to impose lockdowns and social-distancing measures. As a result, most businesses ground to a halt. The subsequent reopening of economies brought a new set of problems, namely, a resurgence in infections even in nations that had apparently contained the virus. Governments and central banks stepped in with more stimulus, this time to counter the effects of the pandemic on financial markets and various industries.

Portfolio Activity

At the stock level, Banco Bradesco dented returns. The Brazilian lender's shares were weighed down by political turmoil and the effects of the coronavirus during the period. Nevertheless, we believe it is in a better position compared with peers, as its robust capital position should provide buffer against more pandemic-related loan losses in the first half of the year. We were also encouraged to hear management's commitment to cut operating costs further. Meanwhile, US oilfield services provider

Schlumberger continued to feel the effects of volatile crude prices as the pandemic curbed energy demand. We exited the stock as oil price volatility raises question marks over when activity in this sector will recover, and the degree to which oilfield service businesses will be pressured on pricing. Elsewhere, Siam Commercial Bank's shares declined on concerns surrounding its asset quality amid increasing bad loans. We believe its prospects are improving, particularly after the sale of its unsecured loans and significantly lower provisions, which helped its recent results.

Conversely, holding Taiwan's TSMC aided performance. Shares of the semiconductor company surged on increased demand for electronics as more people worked from home during the pandemic. News that US rival Intel planned to outsource production of its latest chip technology due to schedule delays also lifted TSMC's stock price. Elsewhere, Swedish industrial equipment maker Atlas Copco's shares rose on increased business from semiconductor clients amid booming demand for electronics products.

In portfolio activity, we introduced American biopharmaceutical Abbvie, whose research and development efforts as well as mergers and acquisitions will help lessen the impact of the expiring Humira patent in 2023; Taiwan-based electronics components maker Hon Hai Precision on relatively cheap valuations and as profits should grow amid rising revenues and reduced operating costs; Chinese financial conglomerate Ping An and property developer China Resources Land which both have good growth and dividend yield prospects; Norwegian telco Telenor and state-owned telco Telekomunikasi Indonesia which provide attractive dividends and valuations.

Against these, apart from Schlumberger, mentioned above, we exited British American Tobacco Malaysia, Australian bottler Coca-Cola Amatil, German pharmaceutical company Bayer, Asia-focused lender Standard Chartered, and Brazilian fuel distributor Ultrapar for better opportunities elsewhere.

Portfolio Outlook and Strategy

A flare-up of infections afflicting the US and other parts of the world, as their economies reopen, is a grim reminder that the fight against the coronavirus pandemic is far from over. The fresh outbreaks could threaten the nascent global recovery, as the potential re-imposition of movement restrictions will hurt fragile consumption and business sentiment. A growing number of bankruptcies and defaults in the US and Europe demonstrates that COVID-19's economic impact is just becoming evident, while many countries in Asia and South America continue the difficult task of suppressing viral infections while resuming much-needed economic activity. Elsewhere, worsening geopolitical tensions between China and various countries bear watching. Thus, we remain cautious, even as sustained stimulus from governments and central banks should provide support.

From a portfolio perspective, we are giving serious consideration to two key aspects. Firstly, whether the businesses in our portfolios are positioned to weather this COVID-19 storm. Secondly, how normalised earnings will look like as we move forward in this crisis. In such times of uncertainty, sound bottom-up analysis and stock-picking strategies are crucial. We have the advantage of a world-class proprietary research platform, and an exceptionally well-resourced and experienced team that has navigated many past crises. We stay disciplined in putting capital to work on our best ideas: ensuring the fund's largest weights are in quality companies with the highest potential returns.

Global Equity Team

August 2020

Risk and reward profile

This indicator reflects the volatility of the fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

Risk and reward indicator table as at 31 July 2020.

The fund is rated as 3 because of the extent to which the following risk factors apply:

- The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- Due to timing differences, currency hedging may not totally eliminate differences between the fund's currency exposures and those of its benchmark. This may mean that the fund's performance deviates from that of the index it is tracking.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.
- The fund may not perform fully in line with the index which it is tracking because of factors which may include transaction costs, timing and holding mismatching, or in the event of extreme market disruption.

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.

The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.

The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative table

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	153.42	141.96	140.07
Return before operating charges*	(25.85)	13.70	4.20
Operating charges	(2.20)	(2.24)	(2.31)
Return after operating charges*	(28.05)	11.46	1.89
Distributions	(4.83)	(5.80)	(5.27)
Retained distributions on accumulation shares	4.83	5.80	5.27
Closing net asset value per share	125.37	153.42	141.96
* after direct transaction costs of:	0.06	0.07	0.03
Performance			
Return after charges	(18.28%)	8.07%	1.35%
Other information			
Closing net asset value (£'000)	3,627	4,607	4,295
Closing number of shares	2,893,441	3,002,964	3,025,883
Operating charges	1.57%	1.59%	1.64%
Direct transaction costs	0.04%	0.05%	0.02%
Prices			
Highest share price	157.3	156.0	149.2
Lowest share price	109.1	132.3	131.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	67.57	65.05	66.63
Return before operating charges*	(11.24)	6.14	1.98
Operating charges	(0.96)	(1.01)	(1.09)
Return after operating charges*	(12.20)	5.13	0.89
Distributions	(2.10)	(2.61)	(2.47)
Closing net asset value per share	53.27	67.57	65.05
* after direct transaction costs of:	0.02	0.03	0.01
Performance			
Return after charges	(18.06%)	7.89%	1.34%
Other information			
Closing net asset value (£'000)	14,071	32,181	32,124
Closing number of shares	26,414,589	47,629,147	49,382,956
Operating charges	1.57%	1.59%	1.64%
Direct transaction costs	0.04%	0.05%	0.02%
Prices			
Highest share price	68.71	69.63	70.40
Lowest share price	47.33	60.63	61.82

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	149.51	137.65	135.15
Return before operating charges*	(25.24)	13.40	4.06
Operating charges	(1.54)	(1.54)	(1.56)
Return after operating charges*	(26.78)	11.86	2.50
Distributions	(4.72)	(5.63)	(5.11)
Retained distributions on accumulation shares	4.72	5.63	5.11
Closing net asset value per share	122.73	149.51	137.65
* after direct transaction costs of:	0.05	0.07	0.02
Performance			
Return after charges	(17.91%)	8.62%	1.85%
Other information			
Closing net asset value (£'000)	1,570	2,385	2,508
Closing number of shares	1,279,270	1,595,022	1,821,803
Operating charges	1.12%	1.12%	1.14%
Direct transaction costs	0.04%	0.05%	0.02%
Prices			
Highest share price	153.6	152.1	144.3
Lowest share price	106.7	128.4	127.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	70.96	67.99	69.30
Return before operating charges*	(11.83)	6.47	2.06
Operating charges	(0.72)	(0.76)	(0.79)
Return after operating charges*	(12.55)	5.71	1.27
Distributions	(2.21)	(2.74)	(2.58)
Closing net asset value per share	56.20	70.96	67.99
* after direct transaction costs of:	0.03	0.03	0.01
Performance			
Return after charges	(17.69%)	8.40%	1.83%
Other information			
Closing net asset value (£'000)	19,572	35,536	44,243
Closing number of shares	34,825,708	50,079,475	65,068,025
Operating charges	1.12%	1.12%	1.14%
Direct transaction costs	0.04%	0.05%	0.02%
Prices			
Highest share price	72.32	73.12	73.38
Lowest share price	49.86	63.44	64.50

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

M Accumulation shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	110.76	100.00 ^B
Return before operating charges*	(18.40)	11.56
Operating charges	(1.16)	(0.80)
Return after operating charges*	(19.56)	10.76
Distributions	(3.54)	(3.24)
Retained distributions on accumulation shares	3.54	3.24
Closing net asset value per share	91.20	110.76
* after direct transaction costs of:	0.04	0.03
Performance		
Return after charges	(17.66%)	10.76%
Other information		
Closing net asset value (£'000)	1	-
Closing number of shares	936	100
Operating charges	1.17%	1.17%
Direct transaction costs	0.04%	0.05%
Prices		
Highest share price	114.0	112.7
Lowest share price	79.20	96.75

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Accumulation share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

M Income shares ^A	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	107.37	100.00 ^B
Return before operating charges*	(17.80)	11.36
Operating charges	(1.03)	(0.79)
Return after operating charges*	(18.83)	10.57
Distributions	(3.36)	(3.20)
Closing net asset value per share	85.18	107.37
* after direct transaction costs of:	0.03	0.03
Performance		
Return after charges	(17.54%)	10.57%
Other information		
Closing net asset value (£'000)	9	-
Closing number of shares	10,388	100
Operating charges	1.17%	1.17%
Direct transaction costs	0.04%	0.05%
Prices		
Highest share price	109.6	110.6
Lowest share price	75.56	96.75

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A M Income share class was launched on 30 November 2018.

^B The opening net asset value stated is the share class launch price.

Portfolio Statement

As at 31 July 2020

Holding	Investment	Market Value £'000	Percentage of total net assets
Equities (99.66%)		38,509	99.12
Emerging Market Equities (11.69%)		4,207	10.83
Brazil (8.29%)		2,855	7.35
273,164	Banco Bradesco ADR	878	2.26
156,700	Telefonica Brasil	1,205	3.10
87,100	Vale ADR	772	1.99
Chile (3.40%)		1,352	3.48
58,100	Sociedad Quimica y Minera de Chile ADR*	1,352	3.48
European Equities (11.79%)		4,762	12.26
France (1.95%)		869	2.24
30,800	TOTAL	869	2.24
Germany (0.74%)		-	-
Norway (0.00%)		810	2.08
68,500	Telenor	810	2.08
Poland (1.44%)		-	-
Sweden (3.54%)		1,184	3.05
20,800	Atlas Copco 'B'	614	1.58
54,800	Epiroc 'B'	570	1.47
Switzerland (4.12%)		1,899	4.89
9,100	Novartis	575	1.48
5,000	Roche	1,324	3.41
Japanese equities (2.74%)		-	-
North America Equities (29.84%)		12,234	31.49
Bermuda (0.93%)		455	1.17
74,157	Wilson Sons (BDR)	455	1.17

Holding	Investment	Market Value £'000	Percentage of total net assets
Canada (5.61%)		1,484	3.82
16,600	Nutrien	411	1.06
18,500	TC Energy	638	1.64
33,000	TELUS	435	1.12
United States (18.24%)		8,113	20.88
12,000	Abbvie	868	2.23
12,300	CME	1,557	4.01
28,300	Intel	1,029	2.65
5,700	Johnson & Johnson	633	1.63
14,400	PepsiCo	1,511	3.89
19,700	Philip Morris	1,153	2.97
31,100	Verizon Communications	1,362	3.50
Mexico (5.06%)		2,182	5.62
159,600	Grupo Aeroportuario del Sureste	1,214	3.13
776,200	Kimberly-Clark de Mexico	968	2.49
Pacific Basin Equities (31.65%)		14,610	37.60
Australia (1.81%)		-	-
China (0.00%)		799	2.06
99,000	Ping An Insurance 'H'	799	2.06
Hong Kong (0.00%)		800	2.06
252,000	China Resources Land	800	2.06
India (1.45%)		871	2.24
752,296	Castrol India	871	2.24
Indonesia (4.66%)		2,506	6.45
1,034,100	Indocement Tunggul Prakarsa	666	1.72
4,042,600	Telekomunikasi Indonesia 'B'	641	1.65
2,735,000	Unilever Indonesia	1,199	3.08

Holding	Investment	Market Value £'000	Percentage of total net assets
Malaysia (0.59%)		-	-
New Zealand (3.29%)		864	2.22
275,300	Auckland International Airport	864	2.22
Singapore (4.31%)		1,640	4.22
167,000	Oversea-Chinese Banking	794	2.04
614,000	Singapore Telecommunications	846	2.18
South Korea (2.14%)		1,479	3.81
1,900	Samsung Electronics	1,479	3.81
Taiwan (8.34%)		4,393	11.31
97,000	Globalwafers	1,063	2.74
284,000	Hon Hai Precision	579	1.49
450,600	Taiwan Mobile	1,231	3.17
25,300	Taiwan Semiconductor Manufacturing ADR	1,520	3.91
Thailand (5.06%)		1,258	3.23
256,900	Siam Commercial Bank (Alien Market)	421	1.08
1,957,000	Tesco Lotus Retail Growth	837	2.15
UK Equities (11.95%)		2,696	6.94
Basic Materials (1.97%)		496	1.28
30,000	BHP	496	1.28
Consumer Goods (2.72%)		1,335	3.43
52,900	British American Tobacco	1,335	3.43
Financials (1.63%)		-	-
Oil & Gas (1.96%)		415	1.07
38,400	Royal Dutch Shell 'B'	415	1.07

Holding	Investment	Market Value £'000	Percentage of total net assets
Telecommunications (3.67%)		450	1.16
389,400	Vodafone	450	1.16
Total investment assets		38,509	99.12
Net other assets		341	0.88
Total Net Assets		38,850	100.00

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 31 July 2019.

* A portion of this security is on loan at the year end.

Statement of total return

For the year ended 31 July 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital (losses)/gains	1	(13,718)	3,448
Revenue	2	2,466	3,534
Expenses	3	(851)	(1,001)
Net revenue before taxation		1,615	2,533
Taxation	4	(242)	(325)
Net revenue after taxation		1,373	2,208
Total return before distributions		(12,345)	5,656
Distributions	5	(2,129)	(3,031)
Change in net assets attributable to shareholders from investment activities		(14,474)	2,625

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	74,709	83,170
Amounts receivable on the issue of shares	2,839	2,228
Amounts payable on the cancellation of shares	(24,447)	(13,580)
	(21,608)	(11,352)
Dilution adjustment	12	-
Change in net assets attributable to shareholders from investment activities (see above)	(14,474)	2,625
Retained distribution on accumulation shares	210	265
Unclaimed distributions	1	1
Closing net assets attributable to shareholders	38,850	74,709

Balance sheet

As at 31 July 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		38,509	74,469
Current assets:			
Debtors	6	1,043	802
Cash and bank balances	7	49	557
		1,092	1,359
Total assets		39,601	75,828
Liabilities:			
Creditors	8	(104)	(211)
Bank overdrafts	7	(229)	-
Distribution payable		(418)	(908)
		(751)	(1,119)
Total liabilities		(751)	(1,119)
Net assets attributable to shareholders		38,850	74,709

Notes to the Financial Statements

For the year ended 31 July 2020

1. Net Capital (Losses)/Gains

	2020 £'000	2019 £'000
Non-derivative securities	(13,693)	3,462
Forward currency contracts	(1)	(16)
Other (losses)/gains	(24)	2
Net capital (losses)/gains	(13,718)	3,448

2. Revenue

	2020 £'000	2019 £'000
Bank and margin interest	-	2
Overseas dividends	2,101	2,738
Overseas REIT	46	37
Stocklending revenue	19	137
UK dividends	300	620
Total revenue	2,466	3,534

3. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	776	911
Operating, administrative and servicing fees	75	90
Total expenses	851	1,001

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	242	325
Total taxation	242	325

(b)

Factors affecting current tax charge for the year

The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:

	2020 £'000	2019 £'000
Net revenue before taxation	1,615	2,533
Corporation tax at 20% (2019: 20%)	323	507
Effects of:		
Revenue not subject to taxation	(455)	(589)
Overseas taxes	242	325
Overseas tax expensed	(4)	(12)
Excess allowable expenses	136	94
Total tax charge for year (note 4a)	242	325

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c)

Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £2,520,000 (2019: £2,404,000) due to surplus expenses. It is unlikely that the fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

5. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	582	604
Second interim distribution	502	569
Third interim distribution	440	806
Final distribution	482	1,001
	2,006	2,980
Add: Income deducted on cancellation of shares	140	66
Deduct: Income received on issue of shares	(17)	(15)
Net distribution for the year	2,129	3,031
Details of the distribution per share are set out in this fund's distribution tables.		
Movement between net revenue and distributions		
Net revenue after taxation	1,373	2,208
Capitalised fees	776	912
Tax charge on capitalised fees	(20)	(89)
Total distributions	2,129	3,031

6. Debtors

	2020 £'000	2019 £'000
Accrued revenue	486	495
Amounts receivable from the ACD for the issue of shares	222	102
Overseas withholding tax recoverable	56	74
Sales awaiting settlement	279	131
Total debtors	1,043	802

7. Liquidity

	2020 £'000	2019 £'000
Cash and bank balances		
Cash at bank	49	557
	49	557
Bank overdrafts		
Overdraft at bank	(229)	-
	(229)	-
Net Liquidity	(180)	557

8. Creditors

	2020 £'000	2019 £'000
Accrued expenses payable to ACD	47	87
Amounts payable to the ACD for cancellation of shares	52	124
Other accrued expenses	5	-
Total creditors	104	211

9. Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the fund.

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 from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 6 and 8.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 3 and any amounts due at the year end in note 8.

10. Portfolio Transaction Costs

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	8,544	10,081	30,835	22,539
Trades in the year before transaction costs	8,544	10,081	30,835	22,539
Commissions				
Equities	4	5	(11)	(22)
Total commissions	4	5	(11)	(22)
Taxes				
Bonds	4	4	(5)	(4)
Total taxes	4	4	(5)	(4)
Total transaction costs	8	9	(16)	(26)
Total net trades in the year after transaction costs	8,552	10,090	30,819	22,513

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.05	0.05	0.04	0.10
Taxes				
Equities	0.05	0.04	0.02	0.02

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.02	0.04
Taxes	0.01	0.01

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.28% (2019: 0.25%), this is representative of the average spread on the assets held during the year.

11. Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	3,002,964	271,575	(381,098)	-	2,893,441
A Income shares	47,629,147	3,088,418	(24,285,972)	(17,004)	26,414,589
I Accumulation shares	1,595,022	72,885	(388,637)	-	1,279,270
I Income shares	50,079,475	873,687	(16,129,310)	1,856	34,825,708
M Accumulation shares	100	836	-	-	936
M Income shares	100	875	(15)	9,428	10,388

12. Fair Value Hierarchy

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	38,509	-	-	74,469	-	-
Total investment assets	38,509	-	-	74,469	-	-

13. Risk Management Policies and Disclosures

The risks inherent in the fund's investment portfolio are as follows:

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio. The following table details the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

	Net foreign currency exposure	Net foreign currency exposure
Currency	2020 £'000	2019 £'000
Australian Dollar	-	1,350
Brazilian Real	454	692
Canadian Dollar	1,493	4,196
Euro	894	2,060
Hong Kong Dollar	1,599	-
Indian Rupee	874	1,083
Indonesian Rupiah	2,734	3,481
Japanese Yen	18	2,104
Malaysian Ringgit	-	571
Mexican Peso	2,183	3,783
New Zealand Dollar	864	2,454
Norwegian Krone	810	-
Polish Zloty	13	1,153
Singapore Dollar	1,640	3,276
Swedish Krona	1,183	2,648
Swiss Franc	1,899	3,077
Taiwan Dollar	3,023	3,371
Thai Baht	1,262	3,799
US Dollar	15,710	27,423
Total	36,653	66,521

At 31 July 2020, if the value of Sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the change in net assets attributable to shareholders from investment activities will increase or decrease by approximately £1,833,000 (2019: £3,326,000).

Interest rate risk

The majority of the fund's financial assets are in non-interest bearing assets. Therefore, the fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

The fund invests principally in equities. The value of equities is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Adviser seeks to minimise these risks by holding a diversified portfolio of investments spread across all market sectors in line with the fund objectives. In addition, the management of the fund complies with the Financial Conduct Authority's COLL sourcebook, which includes rules limiting the size of investment in any particular holding.

As at 31 July 2020, if the prices of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £1,925,000 (2019: £3,723,000).

Financial derivatives instrument risk

The fund had no exposure to derivatives as at 31 July 2020 (2019: £Nil).

Liquidity risk

All of the fund's financial liabilities are payable on demand or in less than one year, 2020 £751,000 (2019: £1,119,000).

14. Securities on loan

The aggregate value of securities on loan at 31 July 2020 is £1,351,000 (2019: £3,373,000). 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 31 July 2020 is £1,680,000 (2019: £4,207,000).

This collateral is listed in the collateral held table below.

Counterparties	2020 £'000	2019 £'000
Bank of Nova Scotia	-	714
Citigroup	-	1,151
Credit Suisse	-	1,508
Goldman Sachs	1,351	-
Total securities on loan	1,351	3,373

Collateral held	2020 £'000	2019 £'000
Equities	-	4,207
Government Bond	1,680	-
Total collateral held	1,680	4,207

The gross earnings and fees paid for the year are £22,000 (2019: £161,000) and £3,000 (2019: £24,000).

Collateral held is in the form of high quality liquid assets, such as cash or gilts.

15. Subsequent Events

Since the year end, markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share has increased by 7.5% (to 19 November 2020). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Distribution tables

For the year ended 31 July 2020 (in pence per share)

First interim dividend distribution

Group 1 - shares purchased prior to 1 August 2019

Group 2 - shares purchased between 1 August 2019 and 31 October 2019

	Revenue	Equalisation	Distribution paid 31/01/20	Distribution paid 31/01/19
A Accumulation shares				
Group 1	1.2028	-	1.2028	1.0979
Group 2	0.4952	0.7076	1.2028	1.0979
A Income shares				
Group 1	0.5295	-	0.5295	0.5031
Group 2	0.0113	0.5182	0.5295	0.5031
I Accumulation shares				
Group 1	1.1729	-	1.1729	1.0642
Group 2	0.7907	0.3822	1.1729	1.0642
I Income shares				
Group 1	0.5565	-	0.5565	0.5257
Group 2	0.1406	0.4159	0.5565	0.5257
M Accumulation shares				
Group 1	0.8623	-	0.8623	-
Group 2	0.0223	0.8400	0.8623	-
M Income shares				
Group 1	0.8511	-	0.8511	-
Group 2	0.1611	0.6900	0.8511	-

Second interim dividend distribution

Group 1 - shares purchased prior to 1 November 2019

Group 2 - shares purchased between 1 November 2019 and 31 January 2020

	Revenue	Equalisation	Distribution paid 30/04/20	Distribution paid 30/04/19
A Accumulation shares				
Group 1	1.0914	-	1.0914	1.0740
Group 2	0.7306	0.3608	1.0914	1.0740
A Income shares				
Group 1	0.4768	-	0.4768	0.4879
Group 2	0.0415	0.4353	0.4768	0.4879
I Accumulation shares				
Group 1	1.0656	-	1.0656	1.0444
Group 2	0.1861	0.8795	1.0656	1.0444
I Income shares				
Group 1	0.5017	-	0.5017	0.5100
Group 2	0.2768	0.2249	0.5017	0.5100
M Accumulation shares				
Group 1	0.8025	-	0.8025	0.6500
Group 2	0.8025	-	0.8025	0.6500
M Income shares				
Group 1	0.7711	-	0.7711	0.6500
Group 2	0.7711	-	0.7711	0.6500

Third interim dividend distribution

Group 1 - shares purchased prior to 1 February 2020

Group 2 - shares purchased between 1 February 2020 and 30 April 2020

	Revenue	Equalisation	Distribution paid 31/07/20	Distribution paid 31/07/19
A Accumulation shares				
Group 1	0.9969	-	0.9969	1.5978
Group 2	0.6308	0.3661	0.9969	1.5978
A Income shares				
Group 1	0.4323	-	0.4323	0.7149
Group 2	0.0085	0.4238	0.4323	0.7149
I Accumulation shares				
Group 1	0.9743	-	0.9743	1.5414
Group 2	0.5844	0.3899	0.9743	1.5414
I Income shares				
Group 1	0.4552	-	0.4552	0.7524
Group 2	0.2557	0.1995	0.4552	0.7524
M Accumulation shares				
Group 1	0.7405	-	0.7405	1.1400
Group 2	0.7405	-	0.7405	1.1400
M Income shares				
Group 1	0.6876	-	0.6876	1.1300
Group 2	0.6876	-	0.6876	1.1300

Final dividend distribution

Group 1 - shares purchased prior to 1 May 2020

Group 2 - shares purchased between 1 May 2020 and 31 July 2020

	Revenue	Equalisation	Distribution paid 30/10/20	Distribution paid 31/10/19
A Accumulation shares				
Group 1	1.5391	-	1.5391	2.0307
Group 2	0.6956	0.8435	1.5391	2.0307
A Income shares				
Group 1	0.6631	-	0.6631	0.9065
Group 2	0.3434	0.3197	0.6631	0.9065
I Accumulation shares				
Group 1	1.5064	-	1.5064	1.9777
Group 2	1.1428	0.3636	1.5064	1.9777
I Income shares				
Group 1	0.6982	-	0.6982	0.9517
Group 2	0.4445	0.2537	0.6982	0.9517
M Accumulation shares				
Group 1	1.1305	-	1.1305	1.4500
Group 2	1.1305	-	1.1305	1.4500
M Income shares				
Group 1	1.0499	-	1.0499	1.4200
Group 2	1.0499	-	1.0499	1.4200

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the 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 shares for capital gains tax purposes.

Remuneration

Remuneration Policy

The Standard Life Aberdeen plc Remuneration Policy applies with effect from 1 January 2018. The purpose of the Standard Life Aberdeen plc Remuneration Policy (the "Policy") is to document clearly the remuneration policies, practices and procedures of Standard Life Aberdeen. It has been approved by the Standard Life Aberdeen plc Remuneration Committee and is subject to the Remuneration Committee's annual review. The Policy applies to employees of the Standard Life Aberdeen group of companies ("SLA").

The Management Company, Aberdeen Standard Fund Managers Limited is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA") and is a wholly owned subsidiary of Standard Life Aberdeen plc.

The Remuneration Committee of Standard Life Aberdeen plc adopted a UCITS V Remuneration Policy to ensure that the requirements of the Undertakings for Collective Investment Transferrable Securities V Directive (UCITS V) are fully adhered to by the group. This policy applies to Aberdeen Standard Fund Managers Limited and the UCITS Funds it manages. This policy is available on request.

Remuneration Principles

SLA applies Group wide principles for remuneration policies, procedures and practices ensuring that remuneration design and the basis for awards will be clear, transparent and fair, in line with business strategy, objectives, culture, values and long term interests of SLA. Remuneration policies, procedures and practices should be consistent with and promote good conduct which includes sound and effective risk management and not encourage risk taking that exceeds the level of tolerated risk of SLA. Total variable remuneration will be funded through pre-agreed distribution metrics. Where SLA's financial performance is subdued or negative, total variable remuneration should generally be contracted, taking into account both current remuneration and reductions in pay-outs of amounts previously granted and having regard for SLA's long term economic viability.

In addition to applying the SLA wide principles above, Aberdeen Standard Investments ("ASI") applies a number of additional principles including the following, when determining remuneration for employees:

- a) Remuneration should be competitive and reflect both financial, non-financial and personal performance;
- b) Our remuneration design will align the interests of employees, shareholders and importantly our clients/customers;
- c) Our remuneration structure will reward delivery of results over appropriate time horizons and will include deferred variable compensation at an appropriate level for the employee's role;
- d) We will provide an appropriate level of fixed remuneration to balance risk and reward.

Governance and Regulatory Compliance

The Remuneration Committee is made up of independent non-executive directors and makes recommendations to the Board of Standard Life Aberdeen plc (the "Board") to assist it with its remuneration related duties. The Chief People Officer of Standard Life Aberdeen is responsible for ensuring the implementation of the Policy in consultation with the Remuneration Committee as well as other members of the Executive Committee ("Executive Body") (as defined by the Board), if appropriate.

Financial and non-financial criteria

Variable remuneration is based on a rounded assessment of Group, Divisional and individual performance. When assessing individual performance, financial as well as non-financial criteria are taken into account. Individual performance is based on the individual's appraisal, which includes an employee's compliance with controls and applicable company standards including the Group's Code of Ethics, including Treating Customers Fairly and Conduct Risk.

Conflicts of interest

The Conflicts of Interest Policy is designed to avoid conflicts of interest between SLA and its clients. This Policy prohibits any employee from being involved in decisions on their own remuneration. Furthermore, all employees are required to adhere to SLA's Global Code of Conduct, which encompasses conflicts of interest.

The Policy should, at all times, adhere to local legislation, regulations or other provisions. In circumstances or in jurisdictions where there is any conflict between the Policy and local legislation, regulations or other provisions, then the latter will prevail.

Remuneration Framework

Employee remuneration is composed principally of fixed and variable elements of reward as follows:

- a) Fixed reward (fixed remuneration: salary (and cash allowances, if appropriate); and Benefits (including pension).
- b) Variable reward (bonus, a proportion of which may be subject to retention or deferral depending on role and regulatory requirements) and senior employees may also be awarded a long-term incentive award).

Appropriate ratios of fixed: variable remuneration will be set to as to ensure that:

- a) Fixed and variable components of total remuneration are appropriately balanced and
- b) The fixed component is a sufficiently high proportion of total remuneration to allow Standard Life Aberdeen to operate a fully flexible policy on variable remuneration components, including paying no variable remuneration component.

Fixed Remuneration	Base salary provides a core reward for undertaking the role, where appropriate, and depending on the role, geographical or business market variances or other indicators, additional fixed cash allowances may make up a portion of fixed remuneration.
Benefits	Benefits are made up of: core benefits, which are provided to all employees; and extra voluntary benefits that may be chosen by certain employees and which may require contribution through salary sacrifice or other arrangements. Extra voluntary benefits are designed to support the health and wellbeing of employees through enabling individual selection based on lifestyle choices. Standard Life Aberdeen will ensure that the core and voluntary employee benefits policies are in line with relevant market practice, its views on managing its business risk objectives, culture and values and long-term interests and local requirements.
Pension	Standard Life Aberdeen's pension policies (which consist of defined contribution plans and legacy defined benefit plans) are in line with legislative requirements, governance structures and market practice, and reflect Standard Life Aberdeen's long-term views on risk and financial volatility, its business objectives, culture and values and long-term interests and local requirements. In certain circumstances, SLA may offer a cash allowance in lieu of any pension arrangement.
Annual Performance Bonus Awards	Employees who have been employed during a performance year (1 January to 31 December) may be eligible to be considered for an annual bonus in respect of that year. Eligibility criteria for an annual bonus are set out in the rules of the relevant bonus plan and/or contract of employment, as appropriate. The bonus plan in place is designed to reward performance in line with the business strategy, objectives, culture and values, long term interests and risk appetite of SLA. All Executive Directors are awarded bonuses under a SLA bonus plan as detailed in the Directors' Remuneration Report.
Other variable Pay Plans	Selected employees may participate in other variable pay plans, for example, performance fee share arrangements, where it is appropriate for their role or business unit. These plans operate under the overarching remuneration principles that apply across the group and, where appropriate, are also subject to specific principles governing incentives and are compliant with the requirements of any applicable regulatory standards.

Clawback/Malus

A clawback/malus principle applies to the variable pay plan. This enables the Remuneration Committee to seek to recoup the deferred amount of any unvested variable pay, in the exceptional event of misstatement or misleading representation of performance; a significant failure of risk management and control; or serious misconduct by an individual.

Guaranteed Variable Remuneration

Guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year of service.

UCITS V Identified Staff

Staff considered UCITS V Identified Staff are those categories of staff whose professional activities have a material impact on the decision making profiles of the Management Company or the UCITS Funds that the Management Company manages.

UCITS V identified staff will include; Senior Management; Decision makers, Staff engaged in control functions; and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and decision makers, and whose professional activities have a material impact on the risk profiles of the Company or the Funds that the Company manages.

Control Functions

SLA adheres to the principles and guidelines of regulations that apply to SLA in defining control functions. control functions include, but are not necessarily limited to, Risk, Compliance, Internal Audit and Actuarial functions or roles.

SLA will ensure that, as appropriate, senior employees engaged in a control function:

- a) Are independent from the Business Units they oversee;
- b) Have appropriate authority, and
- c) Their remuneration is directly overseen by the Remuneration Committee.

This is achieved by the main control functions being outside the business, and a material proportion of their annual incentives being subject to a scorecard based on the performance of the control function. Performance against the scorecard is reviewed by the relevant independent governing committee (either Risk & Capital Committee, or Audit Committee). SLA's People Function reviews the remuneration of employees in control functions and benchmarks with the external market to ensure that it is market competitive and adequately reflects employees' skills and experience.

Personal Hedging

UCITS V Identified Staff are not permitted to undermine the risk alignment effects of the UCITS V Remuneration Code. Personal hedging strategies; or remuneration-related insurance; or liability-related insurance is not permissible on remuneration.

Employee Remuneration Disclosure

The table below provides an overview of the following:

- Aggregate total remuneration paid by Aberdeen Standard Fund Managers Limited to its entire staff; and
- Aggregate total remuneration paid by Aberdeen Standard Fund Managers Limited to its 'Identified Staff'.

The 'Identified Staff' of Aberdeen Standard Fund Managers Limited are those employees who could have a material impact on the risk profile of Aberdeen Standard Fund Managers Limited or the UCITS Funds it manages, including the following UCITS funds:

Aberdeen Sterling Long Dated Corporate Bond Fund
 ASI (AAM) Sterling Government Bond Fund
 ASI (AAM) Sterling Short Dated Corporate Bond Fund
 ASI (AAM) UK Smaller Companies Fund
 ASI American Equity Fund
 ASI Asia Pacific and Japan Equity Fund
 ASI Asia Pacific Equity Fund
 ASI Corporate Bond Fund
 ASI Diversified Income Fund
 ASI Eastern European Equity Fund
 ASI Emerging Markets Bond Fund
 ASI Emerging Markets Equity Fund
 ASI Euro Corporate Bond Fund
 ASI European High Yield Bond Fund
 ASI European Real Estate Share Fund
 ASI European Smaller Companies Fund
 ASI Europe ex UK Equity Fund
 ASI Financial Equity Fund
 ASI Global Equity Fund
 ASI Global Ethical Equity Fund
 ASI Global High Yield Bond Fund
 ASI Global Opportunistic Bond Fund
 ASI Japanese Equity Fund
 ASI Latin American Equity Fund
 ASI Multi-Asset Fund
 ASI Sterling Bond Fund
 ASI Sterling Inflation-Linked Bond Fund
 ASI Sterling Long Dated Government Bond Fund
 ASI Sterling Money Market Fund
 ASI Sterling Opportunistic Corporate Bond Fund
 ASI Sterling Short Term Government Bond Fund
 ASI Strategic Bond Fund
 ASI Target Return Bond Fund
 ASI UK Equity Fund
 ASI UK Income Equity Fund
 ASI UK Mid-Cap Equity Fund
 ASI UK Real Estate Share Fund
 ASI UK Responsible Equity Fund
 ASI World Income Equity Fund

This broadly includes senior management, decision makers and control functions. For the purposes of this disclosure, 'Identified Staff' includes employees of entities to which activities have been delegated.

Amounts shown reflect payments made during the financial reporting period in question. The reporting period runs from **1 January 2019 to 31 December 2019** inclusive.

Aberdeen Sterling Long Dated Corporate Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	1
of which			
Fixed remuneration		16,642	1
Variable remuneration		7,371	0
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	1
of which			
Senior Management ³	16	1,213	0
Other 'Identified Staff'	223	10,318	1

ASI (AAM) Sterling Government Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	195
of which			
Fixed remuneration		16,642	135
Variable remuneration		7,371	60
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	94
of which			
Senior Management ³	16	1,213	10
Other 'Identified Staff'	223	10,318	84

ASI (AAM) Sterling Short Dated Corporate Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	216
of which			
Fixed remuneration		16,642	150
Variable remuneration		7,371	66
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	104
of which			
Senior Management ³	16	1,213	11
Other 'Identified Staff'	223	10,318	93

ASI (AAM) UK Smaller Companies Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	105
of which			
Fixed remuneration		16,642	73
Variable remuneration		7,371	32
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	50
of which			
Senior Management ³	16	1,213	5
Other 'Identified Staff'	223	10,318	45

ASI American Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	169
of which			
Fixed remuneration		16,642	117
Variable remuneration		7,371	52
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	81
of which			
Senior Management ³	16	1,213	9
Other 'Identified Staff'	223	10,318	72

ASI Asia Pacific and Japan Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	158
of which			
Fixed remuneration		16,642	109
Variable remuneration		7,371	49
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	76
of which			
Senior Management ³	16	1,213	8
Other 'Identified Staff'	223	10,318	68

ASI Asia Pacific Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	998
of which			
Fixed remuneration		16,642	691
Variable remuneration		7,371	307
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	479
of which			
Senior Management ³	16	1,213	50
Other 'Identified Staff'	223	10,318	429

ASI Corporate Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	1,716
of which			
Fixed remuneration		16,642	1,189
Variable remuneration		7,371	527
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	824
of which			
Senior Management ³	16	1,213	87
Other 'Identified Staff'	223	10,318	737

ASI Diversified Income Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	254
of which			
Fixed remuneration		16,642	176
Variable remuneration		7,371	78
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	122
of which			
Senior Management ³	16	1,213	13
Other 'Identified Staff'	223	10,318	109

ASI Eastern European Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	23
of which			
Fixed remuneration		16,642	16
Variable remuneration		7,371	7
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	11
of which			
Senior Management ³	16	1,213	1
Other 'Identified Staff'	223	10,318	10

ASI Emerging Markets Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	161
of which			
Fixed remuneration		16,642	112
Variable remuneration		7,371	49
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	77
of which			
Senior Management ³	16	1,213	8
Other 'Identified Staff'	223	10,318	69

ASI Emerging Markets Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	1,404
of which			
Fixed remuneration		16,642	973
Variable remuneration		7,371	431
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	674
of which			
Senior Management ³	16	1,213	71
Other 'Identified Staff'	223	10,318	603

ASI Euro Corporate Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	33
of which			
Fixed remuneration		16,642	23
Variable remuneration		7,371	10
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	16
of which			
Senior Management ³	16	1,213	2
Other 'Identified Staff'	223	10,318	14

ASI European High Yield Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	94
of which			
Fixed remuneration		16,642	65
Variable remuneration		7,371	29
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	45
of which			
Senior Management ³	16	1,213	5
Other 'Identified Staff'	223	10,318	40

ASI European Real Estate Share Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	150
of which			
Fixed remuneration		16,642	104
Variable remuneration		7,371	46
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	72
of which			
Senior Management ³	16	1,213	8
Other 'Identified Staff'	223	10,318	64

ASI European Smaller Companies Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	78
of which			
Fixed remuneration		16,642	54
Variable remuneration		7,371	24
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	37
of which			
Senior Management ³	16	1,213	4
Other 'Identified Staff'	223	10,318	33

ASI Europe ex UK Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	335
of which			
Fixed remuneration		16,642	232
Variable remuneration		7,371	103
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	161
of which			
Senior Management ³	16	1,213	17
Other 'Identified Staff'	223	10,318	144

ASI Financial Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	67
of which			
Fixed remuneration		16,642	46
Variable remuneration		7,371	21
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	32
of which			
Senior Management ³	16	1,213	3
Other 'Identified Staff'	223	10,318	29

ASI Global Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	327
of which			
Fixed remuneration		16,642	226
Variable remuneration		7,371	101
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	157
of which			
Senior Management ³	16	1,213	17
Other 'Identified Staff'	223	10,318	140

ASI Global Ethical Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	183
of which			
Fixed remuneration		16,642	127
Variable remuneration		7,371	56
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	88
of which			
Senior Management ³	16	1,213	9
Other 'Identified Staff'	223	10,318	79

ASI Global High Yield Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	902
of which			
Fixed remuneration		16,642	625
Variable remuneration		7,371	277
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	433
of which			
Senior Management ³	16	1,213	46
Other 'Identified Staff'	223	10,318	387

ASI Global Opportunistic Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	156
of which			
Fixed remuneration		16,642	108
Variable remuneration		7,371	48
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	75
of which			
Senior Management ³	16	1,213	8
Other 'Identified Staff'	223	10,318	67

ASI Japanese Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	94
of which			
Fixed remuneration		16,642	65
Variable remuneration		7,371	29
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	45
of which			
Senior Management ³	16	1,213	5
Other 'Identified Staff'	223	10,318	40

ASI Latin American Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	163
of which			
Fixed remuneration		16,642	113
Variable remuneration		7,371	50
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	78
of which			
Senior Management ³	16	1,213	8
Other 'Identified Staff'	223	10,318	70

ASI Multi-Asset Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	113
of which			
Fixed remuneration		16,642	78
Variable remuneration		7,371	35
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	54
of which			
Senior Management ³	16	1,213	6
Other 'Identified Staff'	223	10,318	48

ASI Sterling Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	191
of which			
Fixed remuneration		16,642	132
Variable remuneration		7,371	59
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	92
of which			
Senior Management ³	16	1,213	10
Other 'Identified Staff'	223	10,318	82

ASI Sterling Inflation-Linked Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	106
of which			
Fixed remuneration		16,642	73
Variable remuneration		7,371	33
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	51
of which			
Senior Management ³	16	1,213	5
Other 'Identified Staff'	223	10,318	46

ASI Sterling Long Dated Government Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	41
of which			
Fixed remuneration		16,642	28
Variable remuneration		7,371	13
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	20
of which			
Senior Management ³	16	1,213	2
Other 'Identified Staff'	223	10,318	18

ASI Sterling Money Market Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	569
of which			
Fixed remuneration		16,642	394
Variable remuneration		7,371	175
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	273
of which			
Senior Management ³	16	1,213	29
Other 'Identified Staff'	223	10,318	244

ASI Sterling Opportunistic Corporate Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	355
of which			
Fixed remuneration		16,642	246
Variable remuneration		7,371	109
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	170
of which			
Senior Management ³	16	1,213	18
Other 'Identified Staff'	223	10,318	152

ASI Sterling Short Term Government Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	108
of which			
Fixed remuneration		16,642	75
Variable remuneration		7,371	33
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	52
of which			
Senior Management ³	16	1,213	6
Other 'Identified Staff'	223	10,318	46

ASI Strategic Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	113
of which			
Fixed remuneration		16,642	78
Variable remuneration		7,371	35
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	54
of which			
Senior Management ³	16	1,213	6
Other 'Identified Staff'	223	10,318	48

ASI Target Return Bond Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	208
of which			
Fixed remuneration		16,642	144
Variable remuneration		7,371	64
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	100
of which			
Senior Management ³	16	1,213	11
Other 'Identified Staff'	223	10,318	89

ASI UK Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	275
of which			
Fixed remuneration		16,642	191
Variable remuneration		7,371	84
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	132
of which			
Senior Management ³	16	1,213	14
Other 'Identified Staff'	223	10,318	118

ASI UK Income Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	204
of which			
Fixed remuneration		16,642	141
Variable remuneration		7,371	63
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	98
of which			
Senior Management ³	16	1,213	10
Other 'Identified Staff'	223	10,318	88

ASI UK Mid-Cap Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	75
of which			
Fixed remuneration		16,642	52
Variable remuneration		7,371	23
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	36
of which			
Senior Management ³	16	1,213	4
Other 'Identified Staff'	223	10,318	32

ASI UK Real Estate Share Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	505
of which			
Fixed remuneration		16,642	350
Variable remuneration		7,371	155
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	242
of which			
Senior Management ³	16	1,213	25
Other 'Identified Staff'	223	10,318	217

ASI UK Responsible Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	43
of which			
Fixed remuneration		16,642	30
Variable remuneration		7,371	13
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	21
of which			
Senior Management ³	16	1,213	2
Other 'Identified Staff'	223	10,318	19

ASI World Income Equity Fund	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff¹	224	24,013	95
of which			
Fixed remuneration		16,642	66
Variable remuneration		7,371	29
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'²	239	11,531	46
of which			
Senior Management ³	16	1,213	5
Other 'Identified Staff'	223	10,318	41

¹ As there are a number of individuals indirectly and directly employed by Aberdeen Standard Fund Managers Limited this figure represents an apportioned amount of SLA's total remuneration fixed and variable pay, apportioned to the relevant UCITS Fund on an AUM basis, plus any carried interest paid by the UCITS Fund. The Headcount figure provided reflects the number of beneficiaries calculated on a Full Time Equivalent basis.

² The Identified Staff disclosure represents total compensation of those staff of the Management Company who are fully or partly involved in the activities of the Management Company, apportioned to the estimated time relevant to the Management Company, based on their time in role during the reporting period and the Management Company's proportion of SLA's total AUM. Across the 'Identified Staff', the average percentage of AUM allocation per individual based on work undertaken for Aberdeen Standard Fund Managers Limited as a Management Company was 18.46%.

³ Senior management are defined in this table as Management Company Directors and members of the Standard Life Aberdeen plc Board, together with its Executive Committee, Investment Management Committee and Group Product Committee.

⁴ This figure represents an apportioned amount of the total remuneration of the 'Identified staff' attributable to the UCITS Fund allocated on an AUM basis.

Securities Financing Transactions Disclosure

The Company engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Company's involvement in and exposures related to securities lending for the six months ending 30 June 2020 are detailed below:

Absolute value of assets engaged in SFTs

Fund	Market Value of securities on loan £'000	% of lendable assets	% of assets under management
ASI (AAM) Sterling Government Bond Fund	7,170	5.16	5.06
ASI Asia Pacific Equity Fund	21,250	2.20	2.15
ASI Corporate Bond Fund	14,648	1.55	1.53
ASI Emerging Markets Equity Fund	4,167	0.41	0.40
ASI European High Yield Bond Fund	5,004	9.81	9.69
ASI European Real Estate Share Fund	820	0.76	0.76
ASI European Smaller Companies Fund	1,546	2.50	2.48
ASI Financial Equity Fund	1,405	3.19	3.13
ASI Global High Yield Bond Fund	15,299	3.09	2.94
ASI Sterling Bond Fund	253	0.16	0.15
ASI Sterling Opportunistic Corporate Bond Fund	6,145	2.96	2.70
ASI Sterling Short Term Government Bond Fund	5,427	7.21	6.98
ASI Strategic Bond Fund	2,396	2.89	2.78
ASI UK Mid-Cap Equity Fund	1,457	1.15	1.15
ASI UK Real Estate Share Fund	4,002	1.21	1.20
ASI World Income Equity Fund	1,351	3.51	3.48

Top ten collateral Issuers

Issuers	Market value of collateral received £'000	Issuers	Market value of collateral received £'000	Issuers	Market value of collateral received £'000
ASI (AAM) Sterling Government Bond Fund		ASI Asia Pacific Equity Fund		ASI Corporate Bond Fund	
Denmark (Gov't of)	2,756	Equity Residential	2,130	Germany (Federal Republic of)	6,134
France (Republic of)	2,755	Mid America Apartments	2,130	France (Republic of)	6,133
United Kingdom (Gov't of)	2,755	Federal Reality Investment Trust	2,130	Netherlands (Kingdom of)	3,937
Total	8,266	Apartment	2,130	Canada (Gov't of)	700
		Crown Cast	2,130	United States Treasury Notes	440
		Public Storage	2,130	United Kingdom (Gov't of)	401
		Essex Property Trust	2,130	Total	17,745
		SBA Communications	2,130		
		American Towers	2,128		
		UDR	1,127		
		Other equity	2,709		
		Total	23,004		
ASI Emerging Markets Equity Fund		ASI European High Yield Bond Fund		ASI European Real Estate Share Fund	
Welltower	420	United Kingdom (Gov't of)	1,785	Denmark (Kingdom of)	315
Ventas	420	Germany (Federal Republic of)	1,785	United Kingdom (Gov't of)	315
Equity Residential	420	France (Republic of)	1,785	Australia (Gov't of)	314
Public Storage	420	Total	5,355	TPG Telecom	1
Avalonbay	420			Total	945
Essex Property Trust	420				
Crown Cast	420				
Apartment	420				
SBA Communications	420				
American Tower	417				
Host Hotel	339				
Total	4,536				
ASI European Smaller Companies Fund		ASI Financial Equity Fund		ASI Global High Yield Bond Fund	
Denmark (Kingdom of)	420	Ventas	150	United Kingdom (Gov't of)	5,355
Australia (Gov't of)	420	Crown Cast	150	Germany (Federal Republic of)	5,355
United Kingdom (Gov't of)	419	Equity Residential	150	France (Republic of)	5,355
Fuller Entertainment	26	SBA Communications	150	Total	16,065
Wartsila	25	Welltower	150		
Nordea Bank	25	Mid America Apartment	150		
Sampo	25	Public Storage	150		
Metseo Outotec	25	Essex Property Trust	150		
Nokio	25	Avalonbay	150		
Neles	25	American Towers	149		
Other equity	375	Exta Space Storage	121		
Total	1,810	Total	1,620		

Issuers	Market value of collateral received £'000	Issuers	Market value of collateral received £'000	Issuers	Market value of collateral received £'000
ASI Sterling Bond Fund		ASI Sterling Opportunistic Corporate Bond Fund		ASI Sterling Short Term Government Bond Fund	
United Kingdom (Gov't of)	91	France (Republic of)	2,048	France (Republic of)	1,906
Netherlands (Kingdom of)	91	Denmark (Kingdom of)	1,898	Denmark (Kingdom of)	1,905
Denmark (Kingdom of)	91	United Kingdom (Gov't of)	1,898	United Kingdom (Gov't of)	1,905
Total	273	Germany (Federal Republic of)	331	Total	5,716
		Netherlands (Kingdom of)	289		
		Australia (Gov't of)	174		
		Total	6,638		
ASI Strategic Bond Fund		ASI UK Mid-Cap Equity Fund		ASI UK Real Estate Share Fund	
France (Republic of)	875	Germany (Federal Republic of)	421	Denmark (Kingdom of)	1,435
United Kingdom (Gov't of)	875	France (Republic of)	421	Australia (Gov't of)	1,435
United States Treasury Notes	594	Netherlands (Kingdom of)	421	United Kingdom (Gov't of)	1,433
Germany (Federal Republic of)	280	Novartis	30	TPG Telecom	2
Denmark (Kingdom of)	1	Zurich Insurance	30	Total	4,305
Total	2,625	Cie Financier Richemont	30		
		Lafargeholcim	30		
		Nestle	30		
		Swiss Re	30		
		Swisscom	30		
		Other equity	114		
		Total	1,587		
ASI World Income Equity Fund					
Denmark (Kingdom of)	560				
Australia (Gov't of)	560				
United Kingdom (Gov't of)	559				
TPG Telecom	1				
Total	1,680				

Top ten counterparties per type of SFT

Counterparty	Market value of securities on loan £'000	Counterparty	Market value of securities on loan £'000	Counterparty	Market value of securities on loan £'000
ASI (AAM) Sterling Government Bond Fund		ASI Asia Pacific Equity Fund		ASI Corporate Bond Fund	
Citigroup Global Markets	7,170	UBS (London Branch)	21,250	Barclays Bank	12,307
				Credit Suisse Securities	2,341
ASI Emerging Markets Equity Fund		ASI European High Yield Bond Fund		ASI European Real Estate Share Fund	
UBS (London Branch)	4,167	Credit Suisse Securities	5,004	Goldman Sachs International	820
ASI European Smaller Companies Fund		ASI Financial Equity Fund		ASI Global High Yield Bond Fund	
Goldman Sachs International	1,260	UBS (London Branch)	1,620	Credit Suisse Securities	16,065
JP Morgan Securities	550				
ASI Sterling Bond Fund		ASI Sterling Opportunistic Corporate Bond Fund		ASI Sterling Short Term Government Bond Fund	
Citigroup Global Markets	273	BNP Paribas (London Branch)	945	Citigroup Global Markets	5,716
		Citigroup Global Markets	5,168		
		Goldman Sachs International	525		
ASI Strategic Bond Fund		ASI UK Mid-Cap Equity Fund		ASI UK Real Estate Share Fund	
Barclays Capital Securities	1,785	Citigroup Global Markets	1,263	Goldman Sachs International	4,305
Credit Suisse Securities	840	Credit Suisse Securities	324		
ASI World Income Equity Fund					
Goldman Sachs International	1,680				

Aggregate Transaction Data

Counterparty	Countries of counterparty establishment	Type	Quality	Collateral currency	Settlement and Clearing	Custodian	Market value of collateral received £'000
ASI (AAM) Sterling Government Bond Fund							
Citigroup Global Markets	United States	Government Bond	Main market listing	DKK	Tri-party	BNY Mellon	2,755
Citigroup Global Markets	United States	Government Bond	Main market listing	EUR	Tri-party	BNY Mellon	2,756
Citigroup Global Markets	United States	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	2,755
ASI Asia Pacific Equity Fund							
UBS (London Branch)	Switzerland	Equity	Main market listing	CHF	Tri-party	BNY Mellon	352
UBS (London Branch)	Switzerland	Equity	Main market listing	USD	Tri-party	BNY Mellon	22,652
ASI Corporate Bond Fund							
Barclays Bank	United Kingdom	Government Bond	Main market listing	EUR	Tri-party	Euroclear	13,125
Credit Suisse Securities	Switzerland	Government Bond	Main market listing	EUR	Tri-party	BNY Mellon	1,680
Credit Suisse Securities	Switzerland	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	401
Credit Suisse Securities	Switzerland	Government Bond	Main market listing	USD	Tri-party	BNY Mellon	439
JP Morgan Securities	United States	Government Bond	Main market listing	CAD	Tri-party	BNY Mellon	700
JP Morgan Securities	United States	Government Bond	Main market listing	EUR	Tri-party	BNY Mellon	1,400
ASI Emerging Markets Equity Fund							
UBS (London Branch)	Switzerland	Equity	Main market listing	USD	Tri-party	BNY Mellon	4,536
ASI European High Yield Bond Fund							
Credit Suisse Securities	Switzerland	Government Bond	Main market listing	EUR	Tri-party	BNY Mellon	3,570
Credit Suisse Securities	Switzerland	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	1,785
ASI European Real Estate Share Fund							
Goldman Sachs International	United States	Government Bond	Main market listing	AUD	Tri-party	BNY Mellon	314
Goldman Sachs International	United States	Government Bond	Main market listing	EUR	Tri-party	BNY Mellon	315
Goldman Sachs International	United States	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	315
Goldman Sachs International	United States	Equity	Main market listing	GBP	Tri-party	BNY Mellon	1
ASI European Smaller Companies Fund							
Goldman Sachs International	United States	Government Bond	Main market listing	AUD	Tri-party	BNY Mellon	420
Goldman Sachs International	United States	Government Bond	Main market listing	DKK	Tri-party	BNY Mellon	420
Goldman Sachs International	United States	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	419
Goldman Sachs International	United States	Equity	Main market listing	AUD	Tri-party	BNY Mellon	1
JP Morgan Securities	United States	Equity	Main market listing	EUR	Tri-party	BNY Mellon	399
JP Morgan Securities	United States	Equity	Main market listing	GBP	Tri-party	BNY Mellon	26
JP Morgan Securities	United States	Equity	Main market listing	JPY	Tri-party	BNY Mellon	75
JP Morgan Securities	United States	Equity	Main market listing	SEK	Tri-party	BNY Mellon	50

Counterparty	Countries of counterparty establishment	Type	Quality	Collateral currency	Settlement and Clearing	Custodian	Market value of collateral received £'000
ASI Financial Equity Fund							
UBS (London Branch)	Switzerland	Equity	Main market listing	USD	Tri-party	BNY Mellon	1,620
ASI Global High Yield Bond Fund							
Credit Suisse Securities	Switzerland	Government Bond	Main market listing	EUR	Tri-party	BNY Mellon	10,710
Credit Suisse Securities	Switzerland	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	5,355
ASI Sterling Bond Fund							
Citigroup Global Markets	United States	Government Bond	Main market listing	DKK	Tri-party	BNY Mellon	91
Citigroup Global Markets	United States	Government Bond	Main market listing	EUR	Tri-party	BNY Mellon	91
Citigroup Global Markets	United States	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	91
ASI Sterling Opportunistic Corporate Bond Fund							
BNP Paribas (London Branch)	France	Government Bond	Main market listing	EUR	Tri-party	Euroclear	945
Citigroup Global Markets	United States	Government Bond	Main market listing	DKK	Tri-party	BNY Mellon	1,723
Citigroup Global Markets	United States	Government Bond	Main market listing	EUR	Tri-party	BNY Mellon	1,723
Citigroup Global Markets	United States	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	1,722
Goldman Sachs International	United States	Government Bond	Main market listing	AUD	Tri-party	BNY Mellon	175
Goldman Sachs International	United States	Government Bond	Main market listing	DKK	Tri-party	BNY Mellon	175
Goldman Sachs International	United States	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	175
ASI Sterling Short Term Government Bond Fund							
Citigroup Global Markets	United States	Government Bond	Main market listing	DKK	Tri-party	BNY Mellon	1,905
Citigroup Global Markets	United States	Government Bond	Main market listing	EUR	Tri-party	BNY Mellon	1,906
Citigroup Global Markets	United States	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	1,905
ASI Strategic Bond Fund							
Barclays Capital Securities	United Kingdom	Government Bond	Main market listing	DKK	Tri-party	BNY Mellon	1
Barclays Capital Securities	United Kingdom	Government Bond	Main market listing	EUR	Tri-party	BNY Mellon	595
Barclays Capital Securities	United Kingdom	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	595
Barclays Capital Securities	United Kingdom	Government Bond	Main market listing	USD	Tri-party	BNY Mellon	594
Credit Suisse Securities	Switzerland	Government Bond	Main market listing	EUR	Tri-party	BNY Mellon	560
Credit Suisse Securities	Switzerland	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	280
ASI UK Mid-Cap Equity Fund							
Citigroup Global Markets	United States	Government Bond	Main market listing	EUR	Tri-party	BNY Mellon	1,263
Credit Suisse Securities	Switzerland	Equity	Main market listing	CHF	Tri-party	BNY Mellon	299
Credit Suisse Securities	Switzerland	Equity	Main market listing	GBP	Tri-party	BNY Mellon	25

Counterparty	Countries of counterparty establishment	Type	Quality	Collateral currency	Settlement and Clearing	Custodian	Market value of collateral received £'000
ASI UK Real Estate Share Fund							
Goldman Sachs International	United States	Government Bond	Main market listing	AUD	Tri-party	BNY Mellon	1,435
Goldman Sachs International	United States	Government Bond	Main market listing	DKK	Tri-party	BNY Mellon	1,435
Goldman Sachs International	United States	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	1,433
Goldman Sachs International	United States	Government Bond	Main market listing	AUD	Tri-party	BNY Mellon	2
ASI World Income Equity Fund							
Goldman Sachs International	United States	Government Bond	Main market listing	AUD	Tri-party	BNY Mellon	560
Goldman Sachs International	United States	Government Bond	Main market listing	DKK	Tri-party	BNY Mellon	560
Goldman Sachs International	United States	Government Bond	Main market listing	GBP	Tri-party	BNY Mellon	559
Goldman Sachs International	United States	Government Bond	Main market listing	AUD	Tri-party	BNY Mellon	1

Maturity Tenor of collateral (remaining period to maturity)	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
ASI (AAM) Sterling Government Bond Fund	-	-	-	-	-	8,266	-	8,266
ASI Asia Pacific Equity Fund	-	-	-	-	-	-	23,004	23,004
ASI Corporate Bond Fund	-	-	-	-	-	17,745	-	17,745
ASI Emerging Markets Equity Fund	-	-	-	-	-	-	4,536	4,536
ASI European High Yield Bond Fund	-	-	-	-	-	5,355	-	5,355
ASI European Real Estate Share Fund	-	-	-	-	-	944	1	945
ASI European Smaller Companies Fund	-	-	-	-	-	1,259	551	1,810
ASI Financial Equity Fund	-	-	-	-	-	-	1,620	1,620
ASI Global High Yield Bond Fund	-	-	-	-	-	16,065	-	16,065
ASI Sterling Bond Fund	-	-	-	-	-	273	-	273
ASI Sterling Opportunistic Corporate Bond Fund	-	-	-	-	-	6,638	-	6,638
ASI Sterling Short Term Government Bond Fund	-	-	-	-	-	5,716	-	5,716
ASI Strategic Bond Fund	-	-	-	-	-	2,625	-	2,625
ASI UK Mid-Cap Equity Fund	-	-	-	-	-	1,263	324	1,587
ASI UK Real Estate Share Fund	-	-	-	-	-	4,303	2	4,305
ASI World Income Equity Fund	-	-	-	-	-	1,679	1	1,680

Lending transactions operate on a rolling one day contract and can be recalled on demand.

Data on reuse of collateral

Non-cash collateral is held with a segregated account by the funds' Custodian and will not be sold, re-invested or pledged.

Safekeeping of collateral

Granted

At the year end there was no non-cash collateral posted by the funds.

Received

As at the year end date, collateral was received for stock lending transactions into a segregated account at the funds' Custodian in the form of Government bonds and main market listed equity valued at £102.2m.

Data on return and cost for each type of SFT

Fund	Total gross amount of securities lending income £'000	Direct costs deducted by securities lending agent £'000	Net amount of securities lending income £'000	Gross amount of securities lending income %	Direct costs deducted by securities lending agent %	Net Return of the Fund %
ASI (AAM) Sterling Government Bond Fund	6	1	5	100.00	(15.00)	85.00
ASI (AAM) Sterling Short Dated Corporate Bond Fund	2	-	2	100.00	(15.00)	85.00
ASI (AAM) UK Smaller Companies Fund	2	-	2	100.00	(15.00)	85.00
ASI American Equity Fund	1	-	1	100.00	(15.00)	85.00
ASI Asia Pacific and Japan Equity Fund	4	1	3	100.00	(15.00)	85.00
ASI Asia Pacific Equity Fund	39	6	33	100.00	(15.00)	85.00
ASI Corporate Bond Fund	191	29	162	100.00	(15.00)	85.00
ASI Diversified Income Fund ^A	-	-	-	100.00	(15.00)	85.00
ASI Emerging Markets Bond Fund	5	1	4	100.00	(15.00)	85.00
ASI Emerging Markets Equity Fund	28	4	24	100.00	(15.00)	85.00
ASI European High Yield Bond Fund	156	23	133	100.00	(15.00)	85.00
ASI European Real Estate Share Fund ^B	-	-	-	100.00	(15.00)	85.00
ASI European Smaller Companies Fund	14	2	12	100.00	(15.00)	85.00
ASI Financial Equity Fund ^C	-	-	-	100.00	(15.00)	85.00
ASI Global Equity Fund	1	-	1	100.00	(15.00)	85.00
ASI Global Ethical Equity Fund	2	-	2	100.00	(15.00)	85.00
ASI Global High Yield Bond Fund	740	111	629	100.00	(15.00)	85.00
ASI Global Opportunistic Bond Fund	1	-	1	100.00	(15.00)	85.00
ASI Japanese Equity Fund	13	2	11	100.00	(15.00)	85.00
ASI Multi-Asset Fund	1	-	1	100.00	(15.00)	85.00
ASI Sterling Bond Fund	1	-	1	100.00	(15.00)	85.00
ASI Sterling Opportunistic Corporate Bond Fund	16	2	14	100.00	(15.00)	85.00
ASI Sterling Short Term Government Bond Fund	4	1	3	100.00	(15.00)	85.00
ASI Strategic Bond Fund	2	-	2	100.00	(15.00)	85.00
ASI Target Return Bond Fund	7	1	6	100.00	(15.00)	85.00
ASI UK Equity Fund ^D	-	-	-	100.00	(15.00)	85.00
ASI UK Income Equity Fund ^E	-	-	-	100.00	(15.00)	85.00
ASI UK Mid-Cap Equity Fund	12	2	10	100.00	(15.00)	85.00
ASI UK Real Estate Share Fund	6	1	5	100.00	(15.00)	85.00
ASI UK Responsible Equity Fund ^F	-	-	-	100.00	(15.00)	85.00
ASI World Income Equity Fund	22	3	19	100.00	(15.00)	85.00

^A Net income from securities lending the year was £151, with direct costs of £27.^B Net income from securities lending the year was £398, with direct costs of £70.^C Net income from securities lending the year was £207, with direct costs of £37.^D Net income from securities lending the year was £78, with direct costs of £14.^E Net income from securities lending the year was £27, with direct costs of £5.^F Net income from securities lending the year was £125, with direct costs of £22.

Further Information

Constitution

Aberdeen Standard OEIC I was incorporated on 23 December 1997, incorporated under the FCA Regulations. The Company is an open-ended investment company (OEIC) with variable capital under regulation 12 (authorisation) of the OEIC Regulations.

Consumers' rights and protections, including any derived from EU legislation, are currently unaffected by the result of the UK referendum to leave the European Union and will remain unchanged unless and until the UK Government changes the applicable legislation.

Documentation

Copies of the current Prospectus and Key Investor Information Documents (KIIDs) for the Aberdeen Standard OEIC I funds, daily prices, together with the latest Annual (and if issued later the interim) Report and Accounts for any fund, are available to download at **aberdeenstandard.com**. A paper copy of the Report and Accounts is available on request from the ACD.

Notices/Correspondence

Please send any notices to Aberdeen Standard Fund Managers Limited, PO Box 12233, Chelmsford, Essex CM99 2EE. Any notice to the ACD will only be effective when actually received by the ACD. All notices will be sent to the investor at the address set out in the Application form or the latest address which the investor has notified to the ACD, and will be deemed to have been received three days after posting. Events detailed in these terms and conditions will be carried out on the dates specified, unless the dates are a non-business day, when they will be carried out on the next business day.

Complaints and Compensation

If you need to complain about any aspect of our service, you should write to the Complaints Team, Aberdeen Standard Investments, 10 Queen's Terrace, Aberdeen, AB10 1XL, who will initiate our formal complaints procedure. If you prefer, you may call the Complaints Team on 01224 404490 or email **complaints@aberdeenstandard.com** in the first instance. Alternatively if you have a complaint about the Company or Funds you can contact the Depository directly. A leaflet detailing our complaints procedure is available on request. We will endeavour to respond to your complaint as soon as possible and will notify you of our outcome within 8 weeks. If the complaint is not resolved by us to your satisfaction then you may have the right to take your complaint to the Financial Ombudsman Service (FOS). To contact the FOS Service you should write to The Financial Ombudsman Service, Exchange Tower, London, E14 9SR, email **complaint.info@financial-ombudsman.org.uk** or telephone 0800 023 4567 (free for landlines and mobiles) or 0300 123 9123 (calls cost no more than calls to 01 and 02 numbers) or +44 20 7964 0500 (available from outside the UK - calls will be charged).

We are covered by the Financial Services Compensation Scheme, which means if we become insolvent, you may be entitled to compensation. The level of compensation will depend on the type of business and the circumstances of your claim. Investments are covered up to £85,000 for claims against firms that fail on or after 1 April 2019. Details are available from the FSCS Helpline on 0800 678 1100 or 020 7741 4100 and on the FSCS website: **www.fscs.org.uk**.

UCITS

The Funds were certified under the Undertaking for Collective Investment in Transferable Securities (UCITS) directive, which allows the ACD to market the Funds in member States of the European Union subject to relevant local laws, specifically marketing laws.

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