

**Annual Report and Financial Statements** | For the Year Ended 31 March 2020

# Vanguard LifeStrategy® Funds ICVC

(An open-ended investment company incorporated with limited liability and registered in England and Wales under registered number IC000904.)

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# Vanguard LifeStrategy Funds ICVC Authorised Corporate Director's Commentary and Statement of Responsibilities

Year ended 31 March 2020

The Authorised Corporate Director ("ACD") of Vanguard LifeStrategy Funds ICVC (the "Company") is Vanguard Investments UK, Limited. The ACD is the sole director of the Company. The Depositary is State Street Trustees Limited and the Independent Auditors are PricewaterhouseCoopers LLP. The Company is an authorised open-ended investment company with variable capital under Regulation 14 (Authorisation) of the Open-Ended Investment Companies Regulations 2001 (as amended) (the "OEIC Regulations"), and the shareholders are not liable for the debts of the Company.

The Company is an umbrella company and currently consists of 16 sub-funds (collectively "Funds"). New Funds may be formed by the ACD subject to regulatory approval.

The Funds seek to achieve their investment objectives predominantly through investments consisting of related party ("affiliated") collective investment schemes; the Company's policy for pursuing those objectives and a review of each Fund's investment activities for the relevant year are set out in this Annual Report and Financial Statements.

## Important Events During the Year

With effect from 20 May 2019, the methodology around the application of a dilution adjustment (also known as "swing pricing") has been updated such that a dilution adjustment will only be applied when a pre-determined level (the "swing threshold") has been reached.

With effect from 7 June 2019, Nick Blake resigned as a director of Vanguard Investments UK, Limited.

With effect from 5 July 2019, Frank L. Satterthwaite and Cynthia Lui resigned as directors of Vanguard Investments UK, Limited.

With effect from 5 July 2019, Katie Smith, Michael Gower and Kathleen Bock were appointed as directors of Vanguard Investments UK, Limited.

With effect from 11 July 2019, Daniel Waters was appointed as a director of Vanguard Investments UK, Limited.

With effect from 20 January 2020, John Bendl was appointed as a director of Vanguard Investments UK, Limited.

With effect from 3 February 2020, Maureen Erasmus was appointed as a director of Vanguard Investments UK, Limited.

## Events After the Balance Sheet Date

There were no significant events after the balance sheet date.

## Potential Implications of Brexit

The United Kingdom ("UK") left the European Union ("EU") on 31 January 2020, with a transition period that will end on 31 December 2020, unless extended (the "Transition Period"). Therefore, the UK has ceased to be an EU Member State but, during the Transition Period, the UK continues to be treated as an EU Member State and EU law continues to apply. The exact nature and extent of the UK's future relationship with the EU, following the Transition Period, remains uncertain.

Political instability and economic uncertainty may lead to speculation and subsequent market volatility, particularly for assets denominated in British pounds. Vanguard continues to encourage investors to follow its core investing principles, including maintaining long-term discipline. The implications of Brexit extend well beyond the UK economy and financial markets, affecting multinational organisations globally. Vanguard remains committed to safeguarding our investors' assets and their long-term interests and has devoted significant resources to developing plans to manage the impact of Brexit.

## Coronavirus (COVID-19)

Market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect assets of the Funds and thus performance of the Funds. Vanguard continues to encourage investors to follow its core investment principles, including maintaining long-term discipline. Vanguard is committed to safeguarding the assets of investors and their long-term interests.

## Statement of Authorised Corporate Director's Responsibilities in Relation to the Financial Statements of the Funds

The Financial Conduct Authority's Collective Investment Schemes sourcebook ("COLL") requires the ACD to prepare Financial Statements for each annual and half-yearly accounting period, in accordance with United Kingdom Generally Accepted Accounting Practice, which give a true and fair view of the financial position of the Funds and of their net revenue and the net capital gains or losses on the property of the Funds for the year.

In preparing the Financial Statements the ACD is required to:

- prepare the Financial Statements on a going-concern basis;
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare Financial Statements in accordance with Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association (now the Investment Association) (the "SORP 2014"), and with Financial Reporting Standard ("FRS") 102;
- keep adequate accounting records that are sufficient to show and explain the Funds' transactions and disclose with reasonable accuracy at any time the financial position of the Funds, and enable it to ensure that the Financial Statements comply with the requirements above.

The ACD is responsible for the management of the Company in accordance with the Company's Instrument of Incorporation, the Prospectus and the COLL and for taking reasonable steps for the prevention and detection of fraud, error and noncompliance with law or regulations.

The ACD's report and the Financial Statements for the year ended 31 March 2020 were signed on 27 July 2020 on behalf of the ACD by:



Sean Hagerty,  
Director  
Vanguard Investments UK, Limited  
as Authorised Corporate Director of  
Vanguard LifeStrategy Funds ICVC

27 July 2020



Michael Gower,  
Director  
Vanguard Investments UK, Limited  
as Authorised Corporate Director of  
Vanguard LifeStrategy Funds ICVC

27 July 2020

# Vanguard LifeStrategy Funds ICVC

## Report of the Depositary to the Shareholders

Year ended 31 March 2020

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

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

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

The Depositary must ensure that:

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

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

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

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

State Street Trustees Limited  
Edinburgh

27 July 2020

# Independent Auditors' Report to the Shareholders of Vanguard LifeStrategy Funds ICVC

## Report on the audit of the financial statements

### Opinion

In our opinion, the financial statements of Vanguard LifeStrategy Funds ICVC ("The Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 31 March 2020 and of the net revenue and the net capital losses on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Vanguard LifeStrategy Funds ICVC is an Open Ended Investment Company ('OEIC') with 16 sub-funds. The financial statements of the company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheets as at 31 March 2020; the Statements of Total Return and the Statements of Change in Net Assets Attributable to Shareholders for the year then ended; the Distribution Tables; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

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

### Independence

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

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's or any of the sub-funds' ability to continue as a going concern.

### Reporting on other information

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

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

### Authorised Corporate Director's Report

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

## Responsibilities for the financial statements and the audit

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

As explained more fully in the Statement of the Authorised Corporate Director's Responsibilities in Relation to the Financial Statements of the Funds set out on page 1, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditors' responsibilities for the audit of the financial statements

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

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

### Use of this report

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

## Other required reporting

### Opinion on matter required by the Collective Investment Schemes sourcebook

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

### Collective Investment Schemes sourcebook exception reporting

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

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

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Edinburgh

27 July 2020

# Vanguard LifeStrategy 20% Equity Fund

Sub-managed by Vanguard Asset Management, Limited

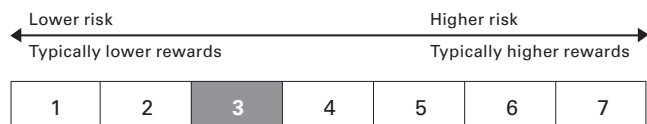
## Investment Objective

The Fund seeks to gain exposure to a diversified notional portfolio composed approximately 20% by value of equity securities and 80% by value of fixed income securities.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the lower range of the risk and reward indicator because the values of the Fund's investments have experienced a lower rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, as the outbreak of the novel coronavirus and aggressive efforts to contain it upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard LifeStrategy 20% Equity Fund returned 2.29% for both share classes for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns Periods Ended 31 March 2020 (Annualised for periods over one year)		
	One Year	Five Years	Since Inception (23 June 2011)
A GBP Gross Accumulation Shares	2.29%	3.61%	5.35%
A GBP Gross Income Shares	2.29	3.61	5.35

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.



## Performance Comparative Table

A GBP Gross Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£154.48	£147.46	£145.36
Return Before Operating Charges <sup>*,2</sup>	£4.14	£7.35	£2.42
Operating Charges <sup>2</sup>	(£0.36)	(£0.33)	(£0.32)
Return After Operating Charges <sup>*,2</sup>	£3.78	£7.02	£2.10
Distributions <sup>3</sup>	(£2.42)	(£2.44)	(£2.09)
Retained Distributions on Accumulation Shares <sup>3</sup>	£2.42	£2.44	£2.09
Closing Net Asset Value Per Share <sup>1</sup>	£158.26	£154.48	£147.46
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.04
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	2.45%	4.76%	1.44%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£1,407,725,555	£941,315,741	£706,003,568
Closing Number of Shares	8,895,267	6,093,490	4,787,784
Operating Charges <sup>2</sup>	0.22%	0.22%	0.22%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.03%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£167.23	£154.48	£150.10
Lowest Share Price <sup>7</sup>	£151.15	£146.26	£145.09

A GBP Gross Income Shares			
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£137.76	£133.62	£133.61
Return Before Operating Charges <sup>*,2</sup>	£3.69	£6.65	£2.23
Operating Charges <sup>2</sup>	(£0.32)	(£0.30)	(£0.30)
Return After Operating Charges <sup>*,2</sup>	£3.37	£6.35	£1.93
Distributions <sup>3</sup>	(£2.16)	(£2.21)	(£1.92)
Closing Net Asset Value Per Share <sup>1</sup>	£138.97	£137.76	£133.62
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.03
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	2.45%	4.75%	1.44%
<b>Other Information</b>			
Closing Net Asset Value	£122,591,264	£82,836,661	£62,126,290
Closing Number of Shares	882,167	601,292	464,963
Operating Charges <sup>2</sup>	0.22%	0.22%	0.22%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.03%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£149.13	£139.98	£137.96
Lowest Share Price <sup>7</sup>	£134.79	£132.53	£133.34

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Income and Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	110,543,449
Vanguard Global Bond Index Fund	109,065,874
Vanguard U.K. Government Bond Index Fund	64,699,680
Vanguard Global Aggregate Bond UCITS ETF	50,000,001
Vanguard U.S. Investment Grade Credit Index Fund	48,426,531
<b>Total</b>	<b>382,735,535</b>
<b>Total Purchases for the Year</b>	<b>661,112,878</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	30,514,957
Vanguard Global Bond Index Fund	21,881,070
Vanguard U.S. Investment Grade Credit Index Fund	20,774,195
Vanguard U.S. Government Bond Index Fund	19,258,256
Vanguard Euro Government Bond Index Fund	19,196,577
<b>Total</b>	<b>111,625,055</b>
<b>Total Sales for the Year</b>	<b>172,273,875</b>

## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 20.24% (31 March 2019: 20.28%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	613,525	204,718,174	13.38
Vanguard FTSE U.K. All Share Index Unit Trust	482,980	79,632,357	5.20
Vanguard Emerging Markets Stock Index Fund	131,453	25,353,832	1.66
		<b>309,704,363</b>	<b>20.24</b>
<b>Fixed Income 79.68% (31 March 2019: 79.75%)</b>			
Vanguard Global Bond Index Fund	1,850,404	295,118,324	19.28
Vanguard U.K. Government Bond Index Fund	997,831	188,205,472	12.30
Vanguard U.S. Government Bond Index Fund	1,056,824	126,010,046	8.23
Vanguard U.S. Investment Grade Credit Index Fund	986,612	118,081,238	7.72
Vanguard U.K. Inflation-Linked Gilt Index Fund	548,176	111,221,661	7.27
Vanguard U.K. Investment Grade Bond Index Fund	1,125,298	110,706,269	7.23
Vanguard Euro Government Bond Index Fund	830,037	107,076,157	7.00
Vanguard Japan Government Bond Index Fund	503,342	58,358,961	3.81
Vanguard Euro Investment Grade Bond Index Fund	451,176	53,233,049	3.48
Vanguard Global Aggregate Bond UCITS ETF	2,000,000	51,412,400	3.36
		<b>1,219,423,577</b>	<b>79.68</b>
<b>Portfolio of Investments</b>		<b>1,529,127,940</b>	<b>99.92</b>
<b>Net Other Assets</b>		<b>1,188,879</b>	<b>0.08</b>
<b>Net Assets Attributable to Shareholders</b>		<b>1,530,316,819</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		1,529,127,940	1,024,466,085
<b>Current Assets</b>			
Debtors	12	3,459,600	4,760,497
Cash and Bank Balances	13	1,624,510	1,034,826
<b>Total Assets</b>		<b>1,534,212,050</b>	<b>1,030,261,408</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Distribution Payable		1,905,912	1,328,997
Other Creditors	14	1,989,319	4,780,009
<b>Total Liabilities</b>		<b>3,895,231</b>	<b>6,109,006</b>
<b>Net Assets Attributable to Shareholders</b>		<b>1,530,316,819</b>	<b>1,024,152,402</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(6,303,170)		28,721,468
Revenue	8	22,128,186		14,892,508	
Expenses	9	(869,767)		(278,037)	
Net Revenue Before Taxation		21,258,419		14,614,471	
Taxation	10	—		—	
Net Revenue After Taxation			21,258,419		14,614,471
<b>Total Return Before Distributions</b>			<b>14,955,249</b>		<b>43,335,939</b>
Distributions <sup>2</sup>	11		(21,258,416)		(14,614,466)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(6,303,167)</b>		<b>28,721,473</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>1,024,152,402</b>		<b>768,129,858</b>
Amounts Received on Issue of Shares	527,317,767		236,433,821	
Amounts Paid on Cancellation of Shares	(36,401,484)		(23,995,343)	
		490,916,283		212,438,478
Change in Net Assets Attributable to Shareholders From Investment Activities		(6,303,167)		28,721,473
Retained Distribution on Accumulation Shares		21,551,301		14,862,593
<b>Closing Net Assets Attributable to Shareholders</b>		<b>1,530,316,819</b>		<b>1,024,152,402</b>

## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Gross Accumulation Shares</b>				
Group 1	242.2783	—	242.2783	243.9094
Group 2	148.0234	94.2549	242.2783	243.9094
<b>A GBP Gross Income Shares</b>				
Group 1	216.0490	—	216.0490	221.0237
Group 2	120.1447	95.9043	216.0490	221.0237

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard LifeStrategy 40% Equity Fund

Sub-managed by Vanguard Asset Management, Limited

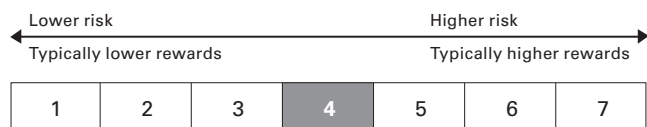
## Investment Objective

The Fund seeks to gain exposure to a diversified notional portfolio composed approximately 40% by value of equity securities and 60% by value of fixed income securities.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard LifeStrategy 40% Equity Fund returned -0.64% for both share classes for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns Periods Ended 31 March 2020 (Annualised for periods over one year)		
	One Year	Five Years	Since Inception (23 June 2011)
A GBP Accumulation Shares	-0.64%	4.10%	6.09%
A GBP Income Shares	-0.64	4.10	6.09

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.

## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£169.06	£159.85	£157.39
Return Before Operating Charges <sup>*,2</sup>	(£0.49)	£9.57	£2.81
Operating Charges <sup>2</sup>	(£0.39)	(£0.36)	(£0.35)
Return After Operating Charges <sup>*,2</sup>	(£0.88)	£9.21	£2.46
Distributions <sup>3</sup>	(£2.64)	(£2.49)	(£2.12)
Retained Distributions on Accumulation Shares <sup>3</sup>	£2.64	£2.49	£2.12
Closing Net Asset Value Per Share <sup>1</sup>	£168.18	£169.06	£159.85
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.04
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(0.52%)	5.76%	1.56%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£4,578,616,162	£3,238,649,449	£2,286,628,312
Closing Number of Shares	27,224,779	19,156,406	14,304,813
Operating Charges <sup>2</sup>	0.22%	0.22%	0.22%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.03%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£185.57	£169.32	£164.95
Lowest Share Price <sup>7</sup>	£160.14	£157.95	£156.41

A GBP Income Shares			
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£150.22	£144.16	£143.85
Return Before Operating Charges <sup>*,2</sup>	(£0.44)	£8.64	£2.57
Operating Charges <sup>2</sup>	(£0.35)	(£0.33)	(£0.32)
Return After Operating Charges <sup>*,2</sup>	(£0.79)	£8.31	£2.25
Distributions <sup>3</sup>	(£2.34)	(£2.25)	(£1.94)
Closing Net Asset Value Per Share <sup>1</sup>	£147.09	£150.22	£144.16
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.04
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(0.53%)	5.76%	1.56%
<b>Other Information</b>			
Closing Net Asset Value	£390,500,820	£314,405,750	£254,367,320
Closing Number of Shares	2,654,882	2,092,966	1,764,419
Operating Charges <sup>2</sup>	0.22%	0.22%	0.22%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.03%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£164.88	£152.70	£150.76
Lowest Share Price <sup>7</sup>	£142.29	£142.45	£142.96

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Income and Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	499,903,415
Vanguard Global Bond Index Fund	416,820,915
Vanguard FTSE U.K. All Share Index Unit Trust	294,020,172
Vanguard U.K. Government Bond Index Fund	195,473,468
Vanguard U.K. Investment Grade Bond Index Fund	141,112,107
<b>Total</b>	<b>1,547,330,077</b>
<b>Total Purchases for the Year</b>	<b>2,275,616,180</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	177,689,841
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	165,112,706
Vanguard U.K. Government Bond Index Fund	107,855,100
Vanguard U.K. Investment Grade Bond Index Fund	68,105,659
Vanguard U.K. Inflation-Linked Gilt Index Fund	60,877,597
<b>Total</b>	<b>579,640,903</b>
<b>Total Sales for the Year</b>	<b>773,763,185</b>



## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 40.42% (31 March 2019: 40.34%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	2,872,977	958,641,580	19.29
Vanguard FTSE U.K. All Share Index Unit Trust	3,130,198	516,098,224	10.39
Vanguard U.S. Equity Index Fund	572,127	253,972,207	5.11
Vanguard Emerging Markets Stock Index Fund	871,827	168,152,693	3.38
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	273,341	61,879,049	1.25
Vanguard Japan Stock Index Fund	167,763	35,871,939	0.72
Vanguard Pacific ex-Japan Stock Index Fund	59,447	13,899,628	0.28
		<b>2,008,515,320</b>	<b>40.42</b>
<b>Fixed Income 59.54% (31 March 2019: 59.74%)</b>			
Vanguard Global Bond Index Fund	6,042,670	963,736,942	19.39
Vanguard U.K. Government Bond Index Fund	2,390,832	450,945,831	9.08
Vanguard U.K. Inflation-Linked Gilt Index Fund	1,325,689	268,974,568	5.41
Vanguard U.K. Investment Grade Bond Index Fund	2,719,946	267,586,924	5.39
Vanguard U.S. Government Bond Index Fund	2,241,011	267,206,277	5.38
Vanguard U.S. Investment Grade Credit Index Fund	1,977,360	236,657,594	4.76
Vanguard Euro Government Bond Index Fund	1,733,062	223,567,993	4.50
Vanguard Japan Government Bond Index Fund	985,402	114,250,417	2.30
Vanguard Euro Investment Grade Bond Index Fund	946,344	111,656,663	2.25
Vanguard Global Aggregate Bond UCITS ETF	2,000,000	51,412,400	1.03
Vanguard U.K. Gilt UCITS ETF	94,241	2,427,243	0.05
		<b>2,958,422,852</b>	<b>59.54</b>
<b>Portfolio of Investments</b>		<b>4,966,938,172</b>	<b>99.96</b>
<b>Net Other Assets</b>		<b>2,178,810</b>	<b>0.04</b>
<b>Net Assets Attributable to Shareholders</b>		<b>4,969,116,982</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		4,966,938,172	3,555,725,220
<b>Current Assets</b>			
Debtors	12	8,696,110	10,575,652
Cash and Bank Balances	13	4,350,034	8,335,900
<b>Total Assets</b>		<b>4,979,984,316</b>	<b>3,574,636,772</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Bank Overdrafts	13	1,233	193,100
Distribution Payable		6,223,570	4,701,237
Other Creditors	14	4,642,531	16,687,236
<b>Total Liabilities</b>		<b>10,867,334</b>	<b>21,581,573</b>
<b>Net Assets Attributable to Shareholders</b>		<b>4,969,116,982</b>	<b>3,553,055,199</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(171,370,001)		126,569,005
Revenue	8	80,808,204		54,079,355	
Expenses	9	(3,287,375)		(1,532,809)	
Net Revenue Before Taxation		77,520,829		52,546,546	
Taxation	10	(7,625,790)		(5,537,195)	
Net Revenue After Taxation			69,895,039		47,009,351
<b>Total Return Before Distributions</b>			<b>(101,474,962)</b>		<b>173,578,356</b>
Distributions <sup>2</sup>	11		(69,895,036)		(47,009,334)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(171,369,998)</b>		<b>126,569,022</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>3,553,055,199</b>		<b>2,540,995,632</b>
Amounts Received on Issue of Shares	1,562,363,913		880,309,392	
Amounts Paid on Cancellation of Shares	(46,767,978)		(42,537,522)	
		1,515,595,935		837,771,870
Change in Net Assets Attributable to Shareholders From Investment Activities		(171,369,998)		126,569,022
Retained Distribution on Accumulation Shares		71,835,846		47,718,675
<b>Closing Net Assets Attributable to Shareholders</b>		<b>4,969,116,982</b>		<b>3,553,055,199</b>

## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	263.8620	—	263.8620	249.1004
Group 2	154.3740	109.4880	263.8620	249.1004
<b>A GBP Income Shares</b>				
Group 1	234.4198	—	234.4198	224.6208
Group 2	136.5055	97.9143	234.4198	224.6208

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

Sub-managed by Vanguard Asset Management, Limited

The Fund seeks to gain exposure to a diversified notional portfolio composed approximately 60% by value of equity securities and 40% by value of fixed income securities.

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes.

Lower risk      Higher risk

Typically lower rewards      Typically higher rewards



## Performance Summary

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard LifeStrategy 60% Equity Fund returned -3.57% for Accumulation Shares and -3.58% for Income Shares for the 12 months ended 31 March 2020.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.

	Total Returns Periods Ended 31 March 2020 (Annualised for periods over one year)		
	One Year	Five Years	Since Inception (23 June 2011)
A GBP Accumulation Shares	-3.57%	4.60%	6.77%
A GBP Income Shares	-3.58	4.60	6.77

Basis of performance: NAV to NAV with net income reinvested.

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## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£184.25	£172.22	£169.02
Return Before Operating Charges <sup>*,2</sup>	(£6.02)	£12.42	£3.58
Operating Charges <sup>2</sup>	(£0.43)	(£0.39)	(£0.38)
Return After Operating Charges <sup>*,2</sup>	(£6.45)	£12.03	£3.20
Distributions <sup>3</sup>	(£3.25)	(£2.98)	(£2.55)
Retained Distributions on Accumulation Shares <sup>3</sup>	£3.25	£2.98	£2.55
Closing Net Asset Value Per Share <sup>1</sup>	£177.80	£184.25	£172.22
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.03
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(3.50%)	6.99%	1.89%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£6,628,718,541	£4,833,390,239	£3,347,978,420
Closing Number of Shares	37,282,689	26,233,369	19,440,279
Operating Charges <sup>2</sup>	0.22%	0.22%	0.22%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.02%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£205.22	£185.54	£180.38
Lowest Share Price <sup>7</sup>	£168.61	£168.93	£166.69

A GBP Income Shares			
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£163.09	£154.97	£154.37
Return Before Operating Charges <sup>*,2</sup>	(£5.33)	£11.15	£3.27
Operating Charges <sup>2</sup>	(£0.38)	(£0.35)	(£0.35)
Return After Operating Charges <sup>*,2</sup>	(£5.71)	£10.80	£2.92
Distributions <sup>3</sup>	(£2.88)	(£2.68)	(£2.32)
Closing Net Asset Value Per Share <sup>1</sup>	£154.50	£163.09	£154.97
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.03
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(3.50%)	6.97%	1.89%
<b>Other Information</b>			
Closing Net Asset Value	£553,009,293	£463,917,085	£368,909,485
Closing Number of Shares	3,579,362	2,844,585	2,380,556
Operating Charges <sup>2</sup>	0.22%	0.22%	0.22%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.02%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£181.66	£166.93	£164.75
Lowest Share Price <sup>7</sup>	£149.24	£151.98	£152.24

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Income and Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard Global Bond Index Fund	754,410,847
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	607,029,009
Vanguard FTSE U.K. All Share Index Unit Trust	570,937,013
Vanguard U.S. Equity Index Fund	427,207,972
Vanguard U.K. Government Bond Index Fund	209,165,532
<b>Total</b>	<b>2,568,750,373</b>
<b>Total Purchases for the Year</b>	<b>3,393,158,395</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	448,575,413
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	150,571,935
Vanguard U.K. Government Bond Index Fund	138,863,232
Vanguard U.S. Equity Index Fund	85,658,235
Vanguard U.K. Investment Grade Bond Index Fund	81,850,645
<b>Total</b>	<b>905,519,460</b>
<b>Total Sales for the Year</b>	<b>1,146,430,392</b>

## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 60.39% (31 March 2019: 60.31%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	4,143,064	1,382,438,286	19.25
Vanguard FTSE U.K. All Share Index Unit Trust	6,754,819	1,113,715,618	15.50
Vanguard U.S. Equity Index Fund	2,291,681	1,017,297,684	14.17
Vanguard Emerging Markets Stock Index Fund	1,865,340	359,775,447	5.01
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	1,109,763	251,228,590	3.50
Vanguard Japan Stock Index Fund	702,340	150,177,804	2.09
Vanguard Pacific ex-Japan Stock Index Fund	265,930	62,178,997	0.87
		<b>4,336,812,426</b>	<b>60.39</b>
<b>Fixed Income 39.55% (31 March 2019: 39.77%)</b>			
Vanguard Global Bond Index Fund	8,672,515	1,383,167,285	19.26
Vanguard U.K. Government Bond Index Fund	2,230,755	420,752,945	5.86
Vanguard U.K. Inflation-Linked Gilt Index Fund	1,260,193	255,685,743	3.56
Vanguard U.K. Investment Grade Bond Index Fund	2,519,933	247,909,789	3.45
Vanguard U.S. Government Bond Index Fund	1,105,570	131,822,323	1.84
Vanguard U.S. Investment Grade Credit Index Fund	1,028,163	123,054,235	1.71
Vanguard Euro Government Bond Index Fund	851,369	109,828,043	1.53
Vanguard Japan Government Bond Index Fund	522,428	60,571,843	0.84
Vanguard Euro Investment Grade Bond Index Fund	463,386	54,673,694	0.76
Vanguard Global Aggregate Bond UCITS ETF	2,000,000	51,412,400	0.72
Vanguard U.K. Gilt UCITS ETF	62,259	1,603,524	0.02
		<b>2,840,481,824</b>	<b>39.55</b>
<b>Portfolio of Investments</b>		<b>7,177,294,250</b>	<b>99.94</b>
<b>Net Other Assets</b>		<b>4,433,584</b>	<b>0.06</b>
<b>Net Assets Attributable to Shareholders</b>		<b>7,181,727,834</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		7,177,294,250	5,301,334,428
<b>Current Assets</b>			
Debtors	12	14,386,840	18,198,321
Cash and Bank Balances	13	6,568,483	12,979,238
<b>Total Assets</b>		<b>7,198,249,573</b>	<b>5,332,511,987</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Bank Overdrafts	13	1,245	171,854
Distribution Payable		10,311,245	7,622,344
Other Creditors	14	6,209,249	27,410,465
<b>Total Liabilities</b>		<b>16,521,739</b>	<b>35,204,663</b>
<b>Net Assets Attributable to Shareholders</b>		<b>7,181,727,834</b>	<b>5,297,307,324</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(500,800,958)		218,756,760
Revenue	8	130,233,855		85,651,126	
Expenses	9	(5,666,049)		(3,207,109)	
Net Revenue Before Taxation		124,567,806		82,444,017	
Taxation	10	(7,109,205)		(5,408,705)	
Net Revenue After Taxation			117,458,601		77,035,312
<b>Total Return Before Distributions</b>			<b>(383,342,357)</b>		<b>295,792,072</b>
Distributions <sup>2</sup>	11		(117,458,615)		(77,035,292)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(500,800,972)</b>		<b>218,756,780</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>5,297,307,324</b>		<b>3,716,887,905</b>
Amounts Received on Issue of Shares	2,319,330,437		1,336,593,053	
Amounts Paid on Cancellation of Shares	(55,456,873)		(53,078,360)	
		2,263,873,564		1,283,514,693
Change in Net Assets Attributable to Shareholders From Investment Activities		(500,800,972)		218,756,780
Retained Distribution on Accumulation Shares		121,347,918		78,147,946
<b>Closing Net Assets Attributable to Shareholders</b>		<b>7,181,727,834</b>		<b>5,297,307,324</b>



## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	325.4806	—	325.4806	297.8952
Group 2	188.3704	137.1102	325.4806	297.8952
<b>A GBP Income Shares</b>				
Group 1	288.0750	—	288.0750	267.9598
Group 2	164.8016	123.2734	288.0750	267.9598

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard LifeStrategy 80% Equity Fund

Sub-managed by Vanguard Asset Management, Limited

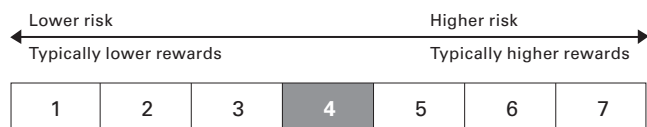
## Investment Objective

The Fund seeks to gain exposure to a diversified notional portfolio composed approximately 80% by value of equity securities and 20% by value of fixed income securities.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard LifeStrategy 80% Equity Fund returned -6.53% for both share classes for the 12 months ended 31 March 2020.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.

## Total Returns

	Total Returns Periods Ended 31 March 2020 (Annualised for periods over one year)		
	One Year	Five Years	Since Inception (23 June 2011)
A GBP Accumulation Shares	-6.53%	5.01%	7.36%
A GBP Income Shares	-6.53	5.01	7.36

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.

## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£199.51	£184.45	£180.59
Return Before Operating Charges <sup>*,2</sup>	(£12.67)	£15.49	£4.27
Operating Charges <sup>2</sup>	(£0.28)	(£0.43)	(£0.41)
Return After Operating Charges <sup>*,2</sup>	(£12.95)	£15.06	£3.86
Distributions <sup>3</sup>	(£4.00)	(£3.60)	(£3.01)
Retained Distributions on Accumulation Shares <sup>3</sup>	£4.00	£3.60	£3.01
Closing Net Asset Value Per Share <sup>1</sup>	£186.56	£199.51	£184.45
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.02
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(6.49%)	8.16%	2.14%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£3,096,898,699	£2,327,822,379	£1,619,177,746
Closing Number of Shares	16,599,896	11,667,539	8,778,382
Operating Charges <sup>2</sup>	0.22%	0.22%	0.22%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.01%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£225.47	£203.87	£196.23
Lowest Share Price <sup>7</sup>	£174.60	£179.54	£176.70

A GBP Income Shares			
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£175.69	£165.43	£164.65
Return Before Operating Charges <sup>*,2</sup>	(£11.22)	£13.87	£3.90
Operating Charges <sup>2</sup>	(£0.18)	(£0.38)	(£0.38)
Return After Operating Charges <sup>*,2</sup>	(£11.40)	£13.49	£3.52
Distributions <sup>3</sup>	(£3.52)	(£3.23)	(£2.74)
Closing Net Asset Value Per Share <sup>1</sup>	£160.77	£175.69	£165.43
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.02
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(6.49%)	8.15%	2.14%
<b>Other Information</b>			
Closing Net Asset Value	£192,768,757	£162,247,748	£117,714,179
Closing Number of Shares	1,199,036	923,505	711,579
Operating Charges <sup>2</sup>	0.22%	0.22%	0.22%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.01%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£198.56	£182.83	£178.91
Lowest Share Price <sup>7</sup>	£153.76	£161.00	£161.10

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Income and Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard FTSE U.K. All Share Index Unit Trust	342,091,260
Vanguard Global Bond Index Fund	269,432,191
Vanguard U.S. Equity Index Fund	234,613,831
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	213,804,123
Vanguard Emerging Markets Stock Index Fund	87,898,862
<b>Total</b>	<b>1,147,840,267</b>
<b>Total Purchases for the Year</b>	<b>1,384,522,277</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	179,342,930
Vanguard U.S. Equity Index Fund	35,258,601
Vanguard U.K. Government Bond Index Fund	24,915,422
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	15,903,557
Vanguard U.K. Inflation-Linked Gilt Index Fund	14,764,747
<b>Total</b>	<b>270,185,257</b>
<b>Total Sales for the Year</b>	<b>298,073,875</b>

## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 80.05% (31 March 2019: 80.09%)</b>			
Vanguard FTSE U.K. All Share Index Unit Trust	3,973,110	655,075,171	19.91
Vanguard U.S. Equity Index Fund	1,425,444	632,767,247	19.23
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	1,888,875	630,270,977	19.16
Vanguard Emerging Markets Stock Index Fund	1,122,561	216,512,747	6.58
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	830,686	188,051,111	5.72
Vanguard S&P 500 UCITS ETF	3,316,751	131,010,262	3.98
Vanguard Japan Stock Index Fund	521,356	111,478,907	3.39
Vanguard Pacific ex-Japan Stock Index Fund	201,138	47,029,341	1.43
Vanguard FTSE 100 UCITS ETF	854,912	21,286,625	0.65
		<b>2,633,482,388</b>	<b>80.05</b>
<b>Fixed Income 19.87% (31 March 2019: 19.95%)</b>			
Vanguard Global Bond Index Fund	2,884,991	460,123,112	13.99
Vanguard U.K. Government Bond Index Fund	440,886	83,157,470	2.53
Vanguard U.K. Inflation-Linked Gilt Index Fund	293,944	59,639,502	1.80
Vanguard U.K. Investment Grade Bond Index Fund	510,132	50,186,541	1.53
Vanguard U.K. Gilt UCITS ETF	21,184	545,609	0.02
		<b>653,652,234</b>	<b>19.87</b>
<b>Portfolio of Investments</b>		<b>3,287,134,622</b>	<b>99.92</b>
<b>Net Other Assets</b>		<b>2,532,834</b>	<b>0.08</b>
<b>Net Assets Attributable to Shareholders</b>		<b>3,289,667,456</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		3,287,134,622	2,491,062,542
<b>Current Assets</b>			
Debtors	12	11,597,391	6,019,025
Cash and Bank Balances	13	2,087,850	5,763,435
<b>Total Assets</b>		<b>3,300,819,863</b>	<b>2,502,845,002</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Bank Overdrafts	13	—	52,630
Distribution Payable		4,219,617	2,982,305
Other Creditors	14	6,932,790	9,739,940
<b>Total Liabilities</b>		<b>11,152,407</b>	<b>12,774,875</b>
<b>Net Assets Attributable to Shareholders</b>		<b>3,289,667,456</b>	<b>2,490,070,127</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(352,600,696)		118,193,637
Revenue	8	66,166,323		43,559,936	
Expenses	9	(2,962,349)		(1,843,932)	
Net Revenue Before Taxation		63,203,974		41,716,004	
Taxation	10	(1,407,861)		(1,166,348)	
Net Revenue After Taxation			61,796,113		40,549,656
<b>Total Return Before Distributions</b>			<b>(290,804,583)</b>		<b>158,743,293</b>
Distributions <sup>2</sup>	11		(61,796,107)		(40,549,647)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(352,600,690)</b>		<b>118,193,646</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>2,490,070,127</b>		<b>1,736,891,925</b>
Amounts Received on Issue of Shares	1,109,980,137		606,300,429	
Amounts Paid on Cancellation of Shares	(24,125,628)		(13,334,520)	
		1,085,854,509		592,965,909
Change in Net Assets Attributable to Shareholders From Investment Activities		(352,600,690)		118,193,646
Retained Distribution on Accumulation Shares		66,343,510		42,018,647
<b>Closing Net Assets Attributable to Shareholders</b>		<b>3,289,667,456</b>		<b>2,490,070,127</b>

## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	399.6622	—	399.6622	360.1329
Group 2	215.3869	184.2753	399.6622	360.1329
<b>A GBP Income Shares</b>				
Group 1	351.9175	—	351.9175	322.9333
Group 2	182.3491	169.5684	351.9175	322.9333

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard LifeStrategy 100% Equity Fund

Sub-managed by Vanguard Asset Management, Limited

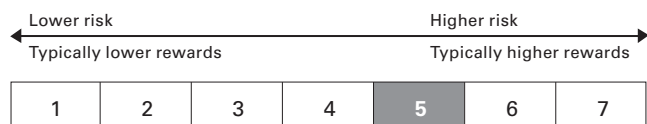
## Investment Objective

The Fund seeks to gain exposure to a diversified notional portfolio composed approximately 100% by value of equity securities.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the higher range of the risk and reward indicator because the values of the Fund's investments have experienced a higher rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard LifeStrategy 100% Equity Fund returned -9.38% for both share classes for the 12 months ended 31 March 2020.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Oil & gas and basic materials were the hardest-hit sectors, while health care and technology performed best. A weaker British pound softened the decline of global stocks.
- UK stocks sank far more, returning about -18% as measured by the FTSE All-Share Index. Health care and utilities managed to stay in the black, while oil & gas and basic materials declined more deeply than for their global counterparts.
- Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns Periods Ended 31 March 2020 (Annualised for periods over one year)		
	One Year	Five Years	Since Inception (23 June 2011)
A GBP Accumulation Shares	-9.38%	5.39%	7.88%
A GBP Income Shares	-9.38	5.39	7.88

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.



## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£214.66	£196.39	£191.82
Return Before Operating Charges <sup>*,2</sup>	(£19.64)	£18.73	£5.01
Operating Charges <sup>2</sup>	(£0.50)	(£0.46)	(£0.44)
Return After Operating Charges <sup>*,2</sup>	(£20.14)	£18.27	£4.57
Distributions <sup>3</sup>	(£4.92)	(£4.20)	(£3.58)
Retained Distributions on Accumulation Shares <sup>3</sup>	£4.92	£4.20	£3.58
Closing Net Asset Value Per Share <sup>1</sup>	£194.52	£214.66	£196.39
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.02
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(9.38%)	9.30%	2.38%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£1,405,083,321	£1,109,052,665	£746,386,356
Closing Number of Shares	7,223,167	5,166,599	3,800,544
Operating Charges <sup>2</sup>	0.22%	0.22%	0.22%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.01%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£246.30	£222.61	£212.26
Lowest Share Price <sup>7</sup>	£179.49	£189.61	£186.25

A GBP Income Shares			
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£188.07	£175.51	£174.61
Return Before Operating Charges <sup>*,2</sup>	(£17.19)	£16.72	£4.56
Operating Charges <sup>2</sup>	(£0.44)	(£0.41)	(£0.40)
Return After Operating Charges <sup>*,2</sup>	(£17.63)	£16.31	£4.16
Distributions <sup>3</sup>	(£4.31)	(£3.75)	(£3.26)
Closing Net Asset Value Per Share <sup>1</sup>	£166.13	£188.07	£175.51
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.02
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(9.37%)	9.29%	2.38%
<b>Other Information</b>			
Closing Net Asset Value	£159,588,961	£138,912,822	£119,625,983
Closing Number of Shares	960,629	738,619	681,585
Operating Charges <sup>2</sup>	0.22%	0.22%	0.22%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.01%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£215.80	£198.92	£193.22
Lowest Share Price <sup>7</sup>	£157.27	£169.44	£169.54

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Income and Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard FTSE U.K. All Share Index Unit Trust	161,841,562
Vanguard U.S. Equity Index Fund	100,383,231
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	87,350,238
Vanguard S&P 500 UCITS ETF	58,082,187
Vanguard Emerging Markets Stock Index Fund	47,571,183
<b>Total</b>	<b>455,228,401</b>
<b>Total Purchases for the Year</b>	<b>556,717,585</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard U.S. Equity Index Fund	21,763,000
Vanguard FTSE U.K. All Share Index Unit Trust	20,709,000
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	7,016,000
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	3,761,000
Vanguard Japan Stock Index Fund	507,000
<b>Total</b>	<b>53,756,000</b>
<b>Total Sales for the Year</b>	<b>53,756,000</b>

## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 99.92% (31 March 2019: 100.13%)</b>			
Vanguard FTSE U.K. All Share Index Unit Trust	1,916,157	315,930,565	20.19
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	899,490	300,137,464	19.18
Vanguard U.S. Equity Index Fund	674,521	299,426,014	19.14
Vanguard S&P 500 UCITS ETF	5,179,450	204,586,084	13.08
Vanguard Emerging Markets Stock Index Fund	669,450	129,119,390	8.25
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	545,666	123,528,226	7.89
Vanguard Japan Stock Index Fund	344,703	73,705,990	4.71
Vanguard FTSE 100 UCITS ETF	2,959,968	73,700,835	4.71
Vanguard Pacific ex-Japan Stock Index Fund	133,871	31,301,352	2.00
Vanguard FTSE 250 UCITS ETF	510,958	12,042,411	0.77
		<b>1,563,478,331</b>	<b>99.92</b>
<b>Portfolio of Investments</b>		<b>1,563,478,331</b>	<b>99.92</b>
<b>Net Other Assets</b>		<b>1,193,951</b>	<b>0.08</b>
<b>Net Assets Attributable to Shareholders</b>		<b>1,564,672,282</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		1,563,478,331	1,249,526,520
<b>Current Assets</b>			
Debtors	12	11,587,240	4,714,119
Cash and Bank Balances	13	480	1,859,236
<b>Total Assets</b>		<b>1,575,066,051</b>	<b>1,256,099,875</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Bank Overdrafts	13	548,461	43,206
Distribution Payable		4,141,689	2,767,904
Other Creditors	14	5,703,619	5,323,278
<b>Total Liabilities</b>		<b>10,393,769</b>	<b>8,134,388</b>
<b>Net Assets Attributable to Shareholders</b>		<b>1,564,672,282</b>	<b>1,247,965,487</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(217,435,309)		66,700,336
Revenue	8	36,116,096		23,146,105	
Expenses	9	(1,564,078)		(1,003,929)	
Net Revenue Before Taxation		34,552,018		22,142,176	
Taxation	10	(89,568)		(32,920)	
Net Revenue After Taxation			34,462,450		22,109,256
<b>Total Return Before Distributions</b>			<b>(182,972,859)</b>		<b>88,809,592</b>
Distributions <sup>2</sup>	11		(34,462,453)		(22,109,252)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(217,435,312)</b>		<b>66,700,340</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>1,247,965,487</b>		<b>866,012,339</b>
Amounts Received on Issue of Shares	546,727,413		313,065,140	
Amounts Paid on Cancellation of Shares	(48,139,894)		(19,500,857)	
		498,587,519		293,564,283
Change in Net Assets Attributable to Shareholders From Investment Activities		(217,435,312)		66,700,340
Retained Distribution on Accumulation Shares		35,554,588		21,688,525
<b>Closing Net Assets Attributable to Shareholders</b>		<b>1,564,672,282</b>		<b>1,247,965,487</b>

## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	492.2299	—	492.2299	419.7834
Group 2	247.2660	244.9639	492.2299	419.7834
<b>A GBP Income Shares</b>				
Group 1	431.1436	—	431.1436	374.7405
Group 2	231.1948	199.9488	431.1436	374.7405

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard Target Retirement 2015 Fund

Sub-managed by Vanguard Asset Management, Limited

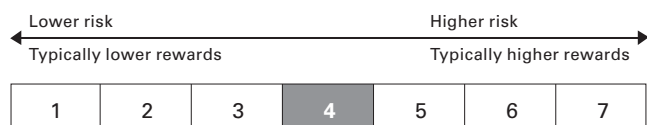
## Investment Objective

The Fund's investment objective is to achieve capital growth and, consistent with a gradually changing asset allocation, income returns for investors planning to retire in or within approximately five years after 2015.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard Target Retirement 2015 Fund returned -0.82% for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns	
	Periods Ended 31 March 2020 (Annualised for periods over one year)	Since Inception (17 December 2015)
A GBP Accumulation Shares	-0.82%	5.47%

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.

## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£126.64	£119.92	£118.12
Return Before Operating Charges <sup>*,2</sup>	(£0.66)	£7.02	£2.09
Operating Charges <sup>2</sup>	(£0.32)	(£0.30)	(£0.29)
Return After Operating Charges <sup>*,2</sup>	(£0.98)	£6.72	£1.80
Distributions <sup>3</sup>	(£1.40)	(£1.49)	(£1.54)
Retained Distributions on Accumulation Shares <sup>3</sup>	£1.40	£1.49	£1.54
Closing Net Asset Value Per Share <sup>1</sup>	£125.66	£126.64	£119.92
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.05
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(0.77%)	5.60%	1.52%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£4,242,413	£3,379,034	£1,770,836
Closing Number of Shares	33,762	26,683	14,766
Operating Charges <sup>2</sup>	0.24%	0.24%	0.24%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.04%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£137.46	£126.69	£124.10
Lowest Share Price <sup>7</sup>	£120.96	£118.81	£116.97

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard Global Aggregate Bond UCITS ETF	874,757
Vanguard Global Bond Index Fund	758,433
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	683,625
Vanguard FTSE U.K. All Share Index Unit Trust	290,469
UK Treasury 2.5% Index-Linked Gilt 17/07/2024	219,189
<b>Total</b>	<b>2,826,473</b>
<b>Total Purchases for the Year</b>	<b>4,098,130</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	621,703
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	475,923
UK Treasury 2.5% Index-Linked Gilt 16/04/2020	209,761
Vanguard U.S. Investment Grade Credit Index Fund	204,763
Vanguard U.S. Government Bond Index Fund	197,773
<b>Total</b>	<b>1,709,923</b>
<b>Total Sales for the Year</b>	<b>3,142,990</b>



## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 37.06% (31 March 2019: 40.37%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	2,400	800,922	18.88
Vanguard FTSE U.K. All Share Index Unit Trust	1,818	299,700	7.06
Vanguard Emerging Markets Stock Index Fund	679	130,961	3.09
Vanguard U.S. Equity Index Fund	259	114,912	2.71
Vanguard FTSE 100 UCITS ETF	4,088	101,788	2.40
Vanguard FTSE North America UCITS ETF	943	48,076	1.13
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	190	42,959	1.01
Vanguard Japan Stock Index Fund	104	22,306	0.53
Vanguard Pacific ex-Japan Stock Index Fund	45	10,435	0.25
		<b>1,572,059</b>	<b>37.06</b>
<b>Fixed Income 49.17% (31 March 2019: 47.33%)</b>			
Vanguard Global Aggregate Bond UCITS ETF	31,598	812,265	19.15
Vanguard Global Bond Index Fund	5,086	811,183	19.12
Vanguard U.K. Government Bond Index Fund	698	131,604	3.10
Vanguard U.K. Investment Grade Bond Index Fund	799	78,640	1.85
Vanguard U.S. Government Bond Index Fund	575	68,549	1.62
Vanguard U.S. Investment Grade Credit Index Fund	531	63,492	1.50
Vanguard Euro Government Bond Index Fund	455	58,660	1.38
Vanguard Japan Government Bond Index Fund	277	32,063	0.76
Vanguard Euro Investment Grade Bond Index Fund	249	29,383	0.69
		<b>2,085,839</b>	<b>49.17</b>
<b>Government Bonds 13.58% (31 March 2019: 12.29%)</b>			
UK Treasury 1.875% Index-Linked Gilt 22/11/2022	£129,200	203,719	4.80
UK Treasury 2.5% Index-Linked Gilt 17/07/2024	£55,200	196,326	4.63
UK Treasury 0.125% Index-Linked Gilt 22/03/2024	£133,300	176,198	4.15
		<b>576,243</b>	<b>13.58</b>
<b>Portfolio of Investments</b>		<b>4,234,141</b>	<b>99.81</b>
<b>Net Other Assets</b>		<b>8,272</b>	<b>0.19</b>
<b>Net Assets Attributable to Shareholders</b>		<b>4,242,413</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		4,234,141	3,378,722
<b>Current Assets</b>			
Debtors	12	143,904	110,068
Cash and Bank Balances	13	13,947	515
<b>Total Assets</b>		<b>4,391,992</b>	<b>3,489,305</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Other Creditors	14	149,579	110,271
<b>Total Liabilities</b>		<b>149,579</b>	<b>110,271</b>
<b>Net Assets Attributable to Shareholders</b>		<b>4,242,413</b>	<b>3,379,034</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(135,791)		112,750
Revenue	8	48,894		36,371	
Expenses	9	(4,551)		(2,088)	
Net Revenue Before Taxation		44,343		34,283	
Taxation	10	(1,863)		(2,333)	
Net Revenue After Taxation			42,480		31,950
<b>Total Return Before Distributions</b>			<b>(93,311)</b>		<b>144,700</b>
Distributions <sup>2</sup>	11		(42,480)		(31,950)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(135,791)</b>		<b>112,750</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>3,379,034</b>		<b>1,770,836</b>
Amounts Received on Issue of Shares	2,722,913		2,143,831	
Amounts Paid on Cancellation of Shares	(1,771,041)		(688,091)	
		951,872		1,455,740
Change in Net Assets Attributable to Shareholders From Investment Activities		(135,791)		112,750
Retained Distribution on Accumulation Shares		47,298		39,708
<b>Closing Net Assets Attributable to Shareholders</b>		<b>4,242,413</b>		<b>3,379,034</b>

## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	140.0925	—	140.0925	148.8175
Group 2	89.8584	50.2341	140.0925	148.8175

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard Target Retirement 2020 Fund

Sub-managed by Vanguard Asset Management, Limited

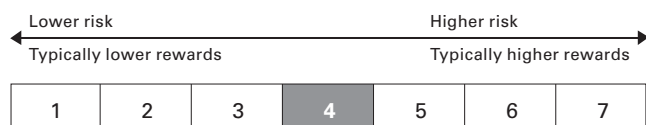
## Investment Objective

The Fund's investment objective is to achieve capital growth and, consistent with a gradually changing asset allocation, income returns for investors planning to retire in or within approximately five years after 2020.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard Target Retirement 2020 Fund returned -2.35% for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns	
	Periods Ended 31 March 2020 (Annualised for periods over one year)	Since Inception (17 December 2015)
A GBP Accumulation Shares	-2.35%	6.10%

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.

## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£131.99	£123.96	£121.85
Return Before Operating Charges <sup>*,2</sup>	(£2.58)	£8.34	£2.41
Operating Charges <sup>2</sup>	(£0.33)	(£0.31)	(£0.30)
Return After Operating Charges <sup>*,2</sup>	(£2.91)	£8.03	£2.11
Distributions <sup>3</sup>	(£2.07)	(£1.94)	(£1.53)
Retained Distributions on Accumulation Shares <sup>3</sup>	£2.07	£1.94	£1.53
Closing Net Asset Value Per Share <sup>1</sup>	£129.08	£131.99	£123.96
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.05
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(2.20%)	6.48%	1.73%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£19,083,966	£12,694,196	£8,513,702
Closing Number of Shares	147,845	96,175	68,683
Operating Charges <sup>2</sup>	0.24%	0.24%	0.24%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.04%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£145.46	£132.58	£129.43
Lowest Share Price <sup>7</sup>	£123.10	£122.05	£120.17

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard Global Aggregate Bond UCITS ETF	3,023,879
Vanguard Global Bond Index Fund	2,745,597
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	2,450,664
Vanguard FTSE U.K. All Share Index Unit Trust	1,362,224
Vanguard U.S. Equity Index Fund	1,058,614
<b>Total</b>	<b>10,640,978</b>
<b>Total Purchases for the Year</b>	<b>14,627,482</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	1,507,887
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	1,014,077
Vanguard U.S. Equity Index Fund	594,842
Vanguard U.S. Investment Grade Credit Index Fund	537,287
Vanguard U.S. Government Bond Index Fund	513,794
<b>Total</b>	<b>4,167,887</b>
<b>Total Sales for the Year</b>	<b>7,414,914</b>

## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 51.01% (31 March 2019: 53.34%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	10,733	3,581,388	18.77
Vanguard FTSE U.K. All Share Index Unit Trust	11,485	1,893,681	9.92
Vanguard U.S. Equity Index Fund	3,200	1,420,300	7.44
Vanguard Emerging Markets Stock Index Fund	4,210	812,016	4.25
Vanguard FTSE 100 UCITS ETF	26,263	653,928	3.43
Vanguard FTSE North America UCITS ETF	9,697	494,370	2.59
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	2,115	478,753	2.51
Vanguard Japan Stock Index Fund	1,329	284,227	1.49
Vanguard Pacific ex-Japan Stock Index Fund	500	116,993	0.61
		<b>9,735,656</b>	<b>51.01</b>
<b>Fixed Income 42.36% (31 March 2019: 41.73%)</b>			
Vanguard Global Bond Index Fund	23,685	3,777,421	19.79
Vanguard Global Aggregate Bond UCITS ETF	108,592	2,791,488	14.63
Vanguard U.K. Government Bond Index Fund	5,036	949,882	4.98
Vanguard U.K. Investment Grade Bond Index Fund	5,734	564,066	2.96
		<b>8,082,857</b>	<b>42.36</b>
<b>Government Bonds 6.48% (31 March 2019: 4.97%)</b>			
UK Treasury 2.5% Index-Linked Gilt 16/04/2020	£274,110	432,209	2.26
UK Treasury 1.875% Index-Linked Gilt 22/11/2022	£117,620	418,331	2.19
UK Treasury 2.5% Index-Linked Gilt 17/07/2024	£292,819	387,052	2.03
		<b>1,237,592</b>	<b>6.48</b>
<b>Portfolio of Investments</b>		<b>19,056,105</b>	<b>99.85</b>
<b>Net Other Assets</b>		<b>27,861</b>	<b>0.15</b>
<b>Net Assets Attributable to Shareholders</b>		<b>19,083,966</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		19,056,105	12,699,108
<b>Current Assets</b>			
Debtors	12	318,789	201,526
Cash and Bank Balances	13	31,183	13,602
<b>Total Assets</b>		<b>19,406,077</b>	<b>12,914,236</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Other Creditors	14	322,111	220,040
<b>Total Liabilities</b>		<b>322,111</b>	<b>220,040</b>
<b>Net Assets Attributable to Shareholders</b>		<b>19,083,966</b>	<b>12,694,196</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(1,082,316)		479,547
Revenue	8	275,862		193,049	
Expenses	9	(18,143)		(9,776)	
Net Revenue Before Taxation		257,719		183,273	
Taxation	10	(7,372)		(12,059)	
Net Revenue After Taxation			250,347		171,214
<b>Total Return Before Distributions</b>			<b>(831,969)</b>		<b>650,761</b>
Distributions <sup>2</sup>	11		(250,347)		(171,214)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(1,082,316)</b>		<b>479,547</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>12,694,196</b>		<b>8,513,702</b>
Amounts Received on Issue of Shares	9,957,142		4,926,720	
Amounts Paid on Cancellation of Shares	(2,791,416)		(1,412,497)	
		7,165,726		3,514,223
Change in Net Assets Attributable to Shareholders From Investment Activities		(1,082,316)		479,547
Retained Distribution on Accumulation Shares		306,360		186,724
<b>Closing Net Assets Attributable to Shareholders</b>		<b>19,083,966</b>		<b>12,694,196</b>



## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	207.2173	—	207.2173	194.1506
Group 2	99.8870	107.3303	207.2173	194.1506

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard Target Retirement 2025 Fund

Sub-managed by Vanguard Asset Management, Limited

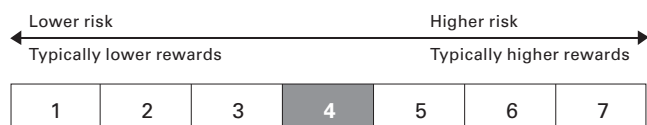
## Investment Objective

The Fund's investment objective is to achieve capital growth and, consistent with a gradually changing asset allocation, income returns for investors planning to retire in or within approximately five years after 2025.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard Target Retirement 2025 Fund returned -3.34% for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns	
	Periods Ended 31 March 2020 (Annualised for periods over one year)	Since Inception (17 December 2015)
A GBP Accumulation Shares	-3.34%	6.25%

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.

## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£134.18	£125.36	£123.12
Return Before Operating Charges <sup>*,2</sup>	(£4.14)	£9.13	£2.55
Operating Charges <sup>2</sup>	(£0.34)	(£0.31)	(£0.31)
Return After Operating Charges <sup>*,2</sup>	(£4.48)	£8.82	£2.24
Distributions <sup>3</sup>	(£2.37)	(£2.12)	(£1.62)
Retained Distributions on Accumulation Shares <sup>3</sup>	£2.37	£2.12	£1.62
Closing Net Asset Value Per Share <sup>1</sup>	£129.70	£134.18	£125.36
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.07
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(3.34%)	7.04%	1.82%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£39,315,717	£27,931,568	£18,047,379
Closing Number of Shares	303,128	208,162	143,963
Operating Charges <sup>2</sup>	0.24%	0.24%	0.24%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.06%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£149.54	£135.40	£131.62
Lowest Share Price <sup>7</sup>	£123.02	£122.89	£121.11

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard Global Bond Index Fund	5,568,123
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	4,226,935
Vanguard Global Aggregate Bond UCITS ETF	3,987,528
Vanguard FTSE U.K. All Share Index Unit Trust	3,122,387
Vanguard U.S. Equity Index Fund	2,584,913
<b>Total</b>	<b>19,489,886</b>
<b>Total Purchases for the Year</b>	<b>26,077,112</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	3,621,566
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	1,606,151
Vanguard U.K. Government Bond Index Fund	1,233,324
Vanguard U.S. Equity Index Fund	1,103,083
Vanguard FTSE U.K. All Share Index Unit Trust	784,330
<b>Total</b>	<b>8,348,454</b>
<b>Total Sales for the Year</b>	<b>12,595,539</b>

## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 60.41% (31 March 2019: 61.77%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	22,183	7,401,797	18.83
Vanguard FTSE U.K. All Share Index Unit Trust	28,106	4,634,068	11.79
Vanguard U.S. Equity Index Fund	9,662	4,288,848	10.91
Vanguard Emerging Markets Stock Index Fund	10,169	1,961,385	4.99
Vanguard FTSE 100 UCITS ETF	61,170	1,523,084	3.87
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	6,091	1,378,888	3.51
Vanguard FTSE North America UCITS ETF	26,991	1,376,048	3.50
Vanguard Japan Stock Index Fund	3,919	838,035	2.13
Vanguard Pacific ex-Japan Stock Index Fund	1,490	348,434	0.88
		<b>23,750,587</b>	<b>60.41</b>
<b>Fixed Income 39.49% (31 March 2019: 38.29%)</b>			
Vanguard Global Bond Index Fund	47,452	7,568,009	19.25
Vanguard Global Aggregate Bond UCITS ETF	130,894	3,364,787	8.56
Vanguard U.K. Government Bond Index Fund	15,371	2,899,248	7.37
Vanguard U.K. Investment Grade Bond Index Fund	17,208	1,692,934	4.31
		<b>15,524,978</b>	<b>39.49</b>
<b>Portfolio of Investments</b>		<b>39,275,565</b>	<b>99.90</b>
<b>Net Other Assets</b>		<b>40,152</b>	<b>0.10</b>
<b>Net Assets Attributable to Shareholders</b>		<b>39,315,717</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		39,275,565	27,949,696
<b>Current Assets</b>			
Debtors	12	186,362	161,232
Cash and Bank Balances	13	45,909	10,758
<b>Total Assets</b>		<b>39,507,836</b>	<b>28,121,686</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Other Creditors	14	192,119	190,118
<b>Total Liabilities</b>		<b>192,119</b>	<b>190,118</b>
<b>Net Assets Attributable to Shareholders</b>		<b>39,315,717</b>	<b>27,931,568</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(2,740,186)		1,150,992
Revenue	8	674,804		427,476	
Expenses	9	(37,858)		(20,775)	
Net Revenue Before Taxation		636,946		406,701	
Taxation	10	(34,260)		(27,124)	
Net Revenue After Taxation			602,686		379,577
<b>Total Return Before Distributions</b>			<b>(2,137,500)</b>		<b>1,530,569</b>
Distributions <sup>2</sup>	11		(602,686)		(379,577)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(2,740,186)</b>		<b>1,150,992</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>27,931,568</b>		<b>18,047,379</b>
Amounts Received on Issue of Shares	19,087,058		10,003,067	
Amounts Paid on Cancellation of Shares	(5,682,064)		(1,711,875)	
		13,404,994		8,291,192
Change in Net Assets Attributable to Shareholders From Investment Activities		(2,740,186)		1,150,992
Retained Distribution on Accumulation Shares		719,341		442,005
<b>Closing Net Assets Attributable to Shareholders</b>		<b>39,315,717</b>		<b>27,931,568</b>

## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	237.3062	—	237.3062	212.3372
Group 2	108.3776	128.9286	237.3062	212.3372

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard Target Retirement 2030 Fund

Sub-managed by Vanguard Asset Management, Limited

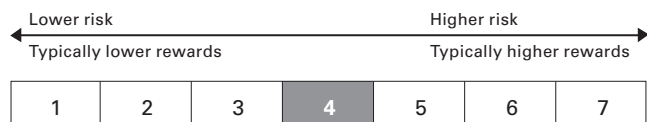
## Investment Objective

The Fund's investment objective is to achieve capital growth and, consistent with a gradually changing asset allocation, income returns for investors planning to retire in or within approximately five years after 2030.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard Target Retirement 2030 Fund returned -4.13% for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns	
	Periods Ended 31 March 2020 (Annualised for periods over one year)	Since Inception (17 December 2015)
A GBP Accumulation Shares	-4.13%	6.52%

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.



## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£136.72	£127.35	£125.03
Return Before Operating Charges <sup>*,2</sup>	(£5.29)	£9.69	£2.63
Operating Charges <sup>2</sup>	(£0.35)	(£0.32)	(£0.31)
Return After Operating Charges <sup>*,2</sup>	(£5.64)	£9.37	£2.32
Distributions <sup>3</sup>	(£2.40)	(£2.03)	(£1.68)
Retained Distributions on Accumulation Shares <sup>3</sup>	£2.40	£2.03	£1.68
Closing Net Asset Value Per Share <sup>1</sup>	£131.08	£136.72	£127.35
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.08
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(4.13%)	7.36%	1.86%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£38,801,327	£19,710,137	£8,938,470
Closing Number of Shares	296,017	144,159	70,186
Operating Charges <sup>2</sup>	0.24%	0.24%	0.24%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.06%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£152.90	£138.43	£134.23
Lowest Share Price <sup>7</sup>	£123.89	£124.63	£122.77

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard Global Bond Index Fund	6,126,090
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	5,347,528
Vanguard FTSE U.K. All Share Index Unit Trust	3,840,864
Vanguard U.S. Equity Index Fund	3,580,778
Vanguard Global Aggregate Bond UCITS ETF	2,127,533
<b>Total</b>	<b>21,022,793</b>
<b>Total Purchases for the Year</b>	<b>29,912,200</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	2,736,139
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	1,091,226
Vanguard U.S. Equity Index Fund	841,968
Vanguard U.K. Government Bond Index Fund	803,494
Vanguard U.K. Investment Grade Bond Index Fund	478,933
<b>Total</b>	<b>5,951,760</b>
<b>Total Sales for the Year</b>	<b>8,014,256</b>

## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 65.52% (31 March 2019: 66.80%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	22,030	7,350,724	18.95
Vanguard U.S. Equity Index Fund	10,924	4,849,181	12.50
Vanguard FTSE U.K. All Share Index Unit Trust	29,329	4,835,729	12.46
Vanguard Emerging Markets Stock Index Fund	10,952	2,112,316	5.44
Vanguard FTSE North America UCITS ETF	32,897	1,677,146	4.32
Vanguard FTSE 100 UCITS ETF	65,838	1,639,313	4.23
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	7,066	1,599,699	4.12
Vanguard Japan Stock Index Fund	4,451	951,782	2.45
Vanguard Pacific ex-Japan Stock Index Fund	1,741	407,169	1.05
		<b>25,423,059</b>	<b>65.52</b>
<b>Fixed Income 34.37% (31 March 2019: 33.31%)</b>			
Vanguard Global Bond Index Fund	46,325	7,388,282	19.04
Vanguard U.K. Government Bond Index Fund	13,144	2,479,226	6.39
Vanguard Global Aggregate Bond UCITS ETF	76,266	1,960,509	5.05
Vanguard U.K. Investment Grade Bond Index Fund	15,087	1,484,299	3.83
Vanguard Euro Government Bond Index Fund	84	10,858	0.03
Vanguard Euro Investment Grade Bond Index Fund	89	10,534	0.03
		<b>13,333,708</b>	<b>34.37</b>
<b>Portfolio of Investments</b>		<b>38,756,767</b>	<b>99.89</b>
<b>Net Other Assets</b>		<b>44,560</b>	<b>0.11</b>
<b>Net Assets Attributable to Shareholders</b>		<b>38,801,327</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		38,756,767	19,730,890
<b>Current Assets</b>			
Debtors	12	297,960	93,435
Cash and Bank Balances	13	42,432	44,370
<b>Total Assets</b>		<b>39,097,159</b>	<b>19,868,695</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Other Creditors	14	295,832	158,558
<b>Total Liabilities</b>		<b>295,832</b>	<b>158,558</b>
<b>Net Assets Attributable to Shareholders</b>		<b>38,801,327</b>	<b>19,710,137</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(3,385,651)		655,091
Revenue	8	604,999		277,833	
Expenses	9	(33,924)		(14,305)	
Net Revenue Before Taxation		571,075		263,528	
Taxation	10	(27,572)		(15,131)	
Net Revenue After Taxation			543,503		248,397
<b>Total Return Before Distributions</b>			<b>(2,842,148)</b>		<b>903,488</b>
Distributions <sup>2</sup>	11		(543,503)		(248,397)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(3,385,651)</b>		<b>655,091</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>19,710,137</b>		<b>8,938,470</b>
Amounts Received on Issue of Shares	24,682,392		10,702,626	
Amounts Paid on Cancellation of Shares	(2,915,703)		(878,530)	
		21,766,689		9,824,096
Change in Net Assets Attributable to Shareholders From Investment Activities		(3,385,651)		655,091
Retained Distribution on Accumulation Shares		710,152		292,480
<b>Closing Net Assets Attributable to Shareholders</b>		<b>38,801,327</b>		<b>19,710,137</b>

## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	239.9022	—	239.9022	202.8875
Group 2	119.9402	119.9620	239.9022	202.8875

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard Target Retirement 2035 Fund

Sub-managed by Vanguard Asset Management, Limited

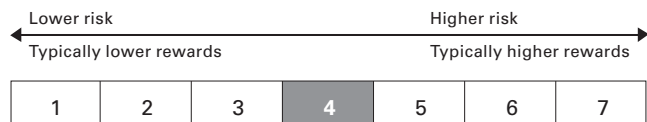
## Investment Objective

The Fund's investment objective is to achieve capital growth and, consistent with a gradually changing asset allocation, income returns for investors planning to retire in or within approximately five years after 2035.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard Target Retirement 2035 Fund returned -4.90% for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns	
	Periods Ended 31 March 2020 (Annualised for periods over one year)	Since Inception (17 December 2015)
A GBP Accumulation Shares	-4.90%	6.65%

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.

## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£138.60	£128.70	£126.27
Return Before Operating Charges <sup>*,2</sup>	(£6.44)	£10.22	£2.74
Operating Charges <sup>2</sup>	(£0.35)	(£0.32)	(£0.31)
Return After Operating Charges <sup>*,2</sup>	(£6.79)	£9.90	£2.43
Distributions <sup>3</sup>	(£2.60)	(£2.20)	(£1.83)
Retained Distributions on Accumulation Shares <sup>3</sup>	£2.60	£2.20	£1.83
Closing Net Asset Value Per Share <sup>1</sup>	£131.81	£138.60	£128.70
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.05
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(4.90%)	7.69%	1.92%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£35,113,527	£18,864,003	£10,062,622
Closing Number of Shares	266,398	136,103	78,186
Operating Charges <sup>2</sup>	0.24%	0.24%	0.24%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.04%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£155.59	£140.82	£136.18
Lowest Share Price <sup>7</sup>	£124.13	£125.72	£123.74

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard Global Bond Index Fund	5,029,842
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	3,904,533
Vanguard FTSE U.K. All Share Index Unit Trust	3,533,713
Vanguard U.S. Equity Index Fund	2,999,543
Vanguard U.K. Government Bond Index Fund	1,259,776
<b>Total</b>	<b>16,727,407</b>
<b>Total Purchases for the Year</b>	<b>22,904,460</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	2,101,417
Vanguard U.K. Government Bond Index Fund	496,788
Vanguard FTSE U.K. All Share Index Unit Trust	397,324
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	376,897
Vanguard U.S. Equity Index Fund	321,714
<b>Total</b>	<b>3,694,140</b>
<b>Total Sales for the Year</b>	<b>4,270,458</b>



## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 70.20% (31 March 2019: 71.77%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	19,797	6,605,703	18.81
Vanguard U.S. Equity Index Fund	11,361	5,043,247	14.36
Vanguard FTSE U.K. All Share Index Unit Trust	28,866	4,759,272	13.55
Vanguard Emerging Markets Stock Index Fund	10,446	2,014,840	5.74
Vanguard FTSE North America UCITS ETF	32,819	1,673,169	4.77
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	7,291	1,650,604	4.70
Vanguard FTSE 100 UCITS ETF	62,396	1,553,610	4.42
Vanguard Japan Stock Index Fund	4,444	950,287	2.71
Vanguard Pacific ex-Japan Stock Index Fund	1,705	398,623	1.14
		<b>24,649,355</b>	<b>70.20</b>
<b>Fixed Income 29.40% (31 March 2019: 28.28%)</b>			
Vanguard Global Bond Index Fund	42,056	6,707,451	19.10
Vanguard U.K. Government Bond Index Fund	10,213	1,926,372	5.49
Vanguard U.K. Investment Grade Bond Index Fund	11,759	1,156,820	3.29
Vanguard Global Aggregate Bond UCITS ETF	20,755	533,532	1.52
		<b>10,324,175</b>	<b>29.40</b>
<b>Portfolio of Investments</b>		<b>34,973,530</b>	<b>99.60</b>
<b>Net Other Assets</b>		<b>139,997</b>	<b>0.40</b>
<b>Net Assets Attributable to Shareholders</b>		<b>35,113,527</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		34,973,530	18,872,984
<b>Current Assets</b>			
Debtors	12	489,511	78,400
Cash and Bank Balances	13	36,461	34,866
<b>Total Assets</b>		<b>35,499,502</b>	<b>18,986,250</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Other Creditors	14	385,975	122,247
<b>Total Liabilities</b>		<b>385,975</b>	<b>122,247</b>
<b>Net Assets Attributable to Shareholders</b>		<b>35,113,527</b>	<b>18,864,003</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(2,980,457)		720,179
Revenue	8	530,958		286,444	
Expenses	9	(28,415)		(15,091)	
Net Revenue Before Taxation		502,543		271,353	
Taxation	10	(20,094)		(12,447)	
Net Revenue After Taxation			482,449		258,906
<b>Total Return Before Distributions</b>			<b>(2,498,008)</b>		<b>979,085</b>
Distributions <sup>2</sup>	11		(482,449)		(258,906)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(2,980,457)</b>		<b>720,179</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>18,864,003</b>		<b>10,062,622</b>
Amounts Received on Issue of Shares	20,412,075		8,541,224	
Amounts Paid on Cancellation of Shares	(1,873,630)		(759,168)	
		18,538,445		7,782,056
Change in Net Assets Attributable to Shareholders From Investment Activities		(2,980,457)		720,179
Retained Distribution on Accumulation Shares		691,536		299,146
<b>Closing Net Assets Attributable to Shareholders</b>		<b>35,113,527</b>		<b>18,864,003</b>

## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	259.5874	—	259.5874	219.7935
Group 2	103.3183	156.2691	259.5874	219.7935

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard Target Retirement 2040 Fund

Sub-managed by Vanguard Asset Management, Limited

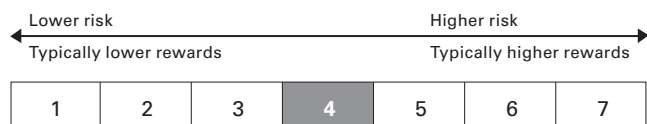
## Investment Objective

The Fund's investment objective is to achieve capital growth and, consistent with a gradually changing asset allocation, income returns for investors planning to retire in or within approximately five years after 2040.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exiting from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard Target Retirement 2040 Fund returned -5.69% for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns	
	Periods Ended 31 March 2020	
	(Annualised for periods over one year)	
	One Year	Since Inception (17 December 2015)
A GBP Accumulation Shares	-5.69%	6.84%

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.

## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£140.79	£130.42	£127.92
Return Before Operating Charges <sup>*,2</sup>	(£7.65)	£10.70	£2.82
Operating Charges <sup>2</sup>	(£0.36)	(£0.33)	(£0.32)
Return After Operating Charges <sup>*,2</sup>	(£8.01)	£10.37	£2.50
Distributions <sup>3</sup>	(£2.59)	(£2.13)	(£1.78)
Retained Distributions on Accumulation Shares <sup>3</sup>	£2.59	£2.13	£1.78
Closing Net Asset Value Per Share <sup>1</sup>	£132.78	£140.79	£130.42
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.07
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(5.69%)	7.95%	1.95%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£30,949,801	£14,890,797	£7,100,274
Closing Number of Shares	233,087	105,769	54,443
Operating Charges <sup>2</sup>	0.24%	0.24%	0.24%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.05%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£158.60	£143.59	£138.53
Lowest Share Price <sup>7</sup>	£124.62	£127.13	£125.15

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard Global Bond Index Fund	4,248,398
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	3,793,572
Vanguard FTSE U.K. All Share Index Unit Trust	3,420,800
Vanguard U.S. Equity Index Fund	3,269,258
Vanguard Emerging Markets Stock Index Fund	1,304,726
<b>Total</b>	<b>16,036,754</b>
<b>Total Purchases for the Year</b>	<b>21,671,584</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	1,543,745
Vanguard U.K. Government Bond Index Fund	413,624
Vanguard U.S. Equity Index Fund	311,420
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	297,631
Vanguard U.K. Investment Grade Bond Index Fund	195,982
<b>Total</b>	<b>2,762,402</b>
<b>Total Sales for the Year</b>	<b>3,038,459</b>

## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 75.45% (31 March 2019: 76.74%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	17,511	5,843,070	18.88
Vanguard U.S. Equity Index Fund	11,246	4,992,049	16.13
Vanguard FTSE U.K. All Share Index Unit Trust	27,232	4,489,950	14.51
Vanguard Emerging Markets Stock Index Fund	10,017	1,932,026	6.24
Vanguard FTSE North America UCITS ETF	31,915	1,627,082	5.26
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	7,180	1,625,333	5.25
Vanguard FTSE 100 UCITS ETF	58,861	1,465,592	4.73
Vanguard Japan Stock Index Fund	4,539	970,493	3.14
Vanguard Pacific ex-Japan Stock Index Fund	1,737	406,254	1.31
		<b>23,351,849</b>	<b>75.45</b>
<b>Fixed Income 24.41% (31 March 2019: 23.33%)</b>			
Vanguard Global Bond Index Fund	33,307	5,312,077	17.16
Vanguard U.K. Government Bond Index Fund	7,423	1,400,101	4.52
Vanguard U.K. Investment Grade Bond Index Fund	8,577	843,821	2.73
		<b>7,555,999</b>	<b>24.41</b>
<b>Portfolio of Investments</b>		<b>30,907,848</b>	<b>99.86</b>
<b>Net Other Assets</b>		<b>41,953</b>	<b>0.14</b>
<b>Net Assets Attributable to Shareholders</b>		<b>30,949,801</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		30,907,848	14,901,013
<b>Current Assets</b>			
Debtors	12	344,914	73,341
Cash and Bank Balances	13	32,663	—
<b>Total Assets</b>		<b>31,285,425</b>	<b>14,974,354</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Bank Overdrafts	13	—	1,913
Other Creditors	14	335,624	81,644
<b>Total Liabilities</b>		<b>335,624</b>	<b>83,557</b>
<b>Net Assets Attributable to Shareholders</b>		<b>30,949,801</b>	<b>14,890,797</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(3,008,751)		571,084
Revenue	8	462,095		203,807	
Expenses	9	(25,414)		(11,745)	
Net Revenue Before Taxation		436,681		192,062	
Taxation	10	(14,007)		(7,387)	
Net Revenue After Taxation			422,674		184,675
<b>Total Return Before Distributions</b>			<b>(2,586,077)</b>		<b>755,759</b>
Distributions <sup>2</sup>	11		(422,674)		(184,675)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(3,008,751)</b>		<b>571,084</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>14,890,797</b>		<b>7,100,274</b>
Amounts Received on Issue of Shares	19,586,286		7,979,825	
Amounts Paid on Cancellation of Shares	(1,121,528)		(985,510)	
		18,464,758		6,994,315
Change in Net Assets Attributable to Shareholders From Investment Activities		(3,008,751)		571,084
Retained Distribution on Accumulation Shares		602,997		225,124
<b>Closing Net Assets Attributable to Shareholders</b>		<b>30,949,801</b>		<b>14,890,797</b>



## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	258.7009	—	258.7009	212.8451
Group 2	115.4374	143.2635	258.7009	212.8451

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard Target Retirement 2045 Fund

Sub-managed by Vanguard Asset Management, Limited

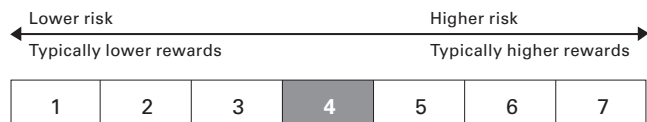
## Investment Objective

The Fund's investment objective is to achieve capital growth and, consistent with a gradually changing asset allocation, income returns for investors planning to retire in or within approximately five years after 2045.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard Target Retirement 2045 Fund returned -6.40% for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns	
	Periods Ended 31 March 2020 (Annualised for periods over one year)	Since Inception (17 December 2015)
A GBP Accumulation Shares	-6.40%	6.79%

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.

## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£141.58	£130.94	£128.35
Return Before Operating Charges <sup>*,2</sup>	(£8.70)	£10.97	£2.91
Operating Charges <sup>2</sup>	(£0.36)	(£0.33)	(£0.32)
Return After Operating Charges <sup>*,2</sup>	(£9.06)	£10.64	£2.59
Distributions <sup>3</sup>	(£2.72)	(£2.22)	(£1.74)
Retained Distributions on Accumulation Shares <sup>3</sup>	£2.72	£2.22	£1.74
Closing Net Asset Value Per Share <sup>1</sup>	£132.52	£141.58	£130.94
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.06
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(6.40%)	8.13%	2.02%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£23,439,366	£10,333,405	£4,248,035
Closing Number of Shares	176,870	72,985	32,443
Operating Charges <sup>2</sup>	0.24%	0.24%	0.24%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.05%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£159.95	£144.70	£139.34
Lowest Share Price <sup>7</sup>	£123.97	£127.42	£125.48

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	2,917,371
Vanguard FTSE U.K. All Share Index Unit Trust	2,845,383
Vanguard U.S. Equity Index Fund	2,730,290
Vanguard Global Bond Index Fund	2,444,929
Vanguard Emerging Markets Stock Index Fund	1,106,882
<b>Total</b>	<b>12,044,855</b>
<b>Total Purchases for the Year</b>	<b>16,523,695</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	710,491
Vanguard U.K. Government Bond Index Fund	152,235
Vanguard U.S. Equity Index Fund	116,699
Vanguard U.K. Investment Grade Bond Index Fund	95,285
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	92,826
<b>Total</b>	<b>1,167,536</b>
<b>Total Sales for the Year</b>	<b>1,276,109</b>

## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 79.78% (31 March 2019: 80.21%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	13,207	4,406,716	18.80
Vanguard U.S. Equity Index Fund	9,125	4,050,825	17.28
Vanguard FTSE U.K. All Share Index Unit Trust	22,100	3,643,866	15.55
Vanguard Emerging Markets Stock Index Fund	7,979	1,538,908	6.57
Vanguard FTSE North America UCITS ETF	28,236	1,439,520	6.14
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	5,953	1,347,605	5.75
Vanguard FTSE 100 UCITS ETF	46,139	1,148,824	4.90
Vanguard Japan Stock Index Fund	3,723	795,982	3.40
Vanguard Pacific ex-Japan Stock Index Fund	1,397	326,703	1.39
		<b>18,698,949</b>	<b>79.78</b>
<b>Fixed Income 19.92% (31 March 2019: 19.85%)</b>			
Vanguard Global Bond Index Fund	20,492	3,268,293	13.94
Vanguard U.K. Government Bond Index Fund	4,629	873,184	3.72
Vanguard U.K. Investment Grade Bond Index Fund	5,337	525,090	2.24
Vanguard Global Aggregate Bond UCITS ETF	141	3,624	0.02
		<b>4,670,191</b>	<b>19.92</b>
<b>Portfolio of Investments</b>		<b>23,369,140</b>	<b>99.70</b>
<b>Net Other Assets</b>		<b>70,226</b>	<b>0.30</b>
<b>Net Assets Attributable to Shareholders</b>		<b>23,439,366</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		23,369,140	10,339,660
<b>Current Assets</b>			
Debtors	12	399,884	64,499
Cash and Bank Balances	13	21,597	3,437
<b>Total Assets</b>		<b>23,790,621</b>	<b>10,407,596</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Other Creditors	14	351,255	74,191
<b>Total Liabilities</b>		<b>351,255</b>	<b>74,191</b>
<b>Net Assets Attributable to Shareholders</b>		<b>23,439,366</b>	<b>10,333,405</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(2,475,462)		346,997
Revenue	8	317,618		140,448	
Expenses	9	(17,713)		(7,625)	
Net Revenue Before Taxation		299,905		132,823	
Taxation	10	(7,623)		(4,068)	
Net Revenue After Taxation			292,282		128,755
<b>Total Return Before Distributions</b>			<b>(2,183,180)</b>		<b>475,752</b>
Distributions <sup>2</sup>	11		(292,282)		(128,755)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(2,475,462)</b>		<b>346,997</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>10,333,405</b>		<b>4,248,035</b>
Amounts Received on Issue of Shares	15,531,916		6,057,911	
Amounts Paid on Cancellation of Shares	(431,515)		(481,328)	
		15,100,401		5,576,583
Change in Net Assets Attributable to Shareholders From Investment Activities		(2,475,462)		346,997
Retained Distribution on Accumulation Shares		481,022		161,790
<b>Closing Net Assets Attributable to Shareholders</b>		<b>23,439,366</b>		<b>10,333,405</b>

## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	271.9642	—	271.9642	221.6761
Group 2	92.9483	179.0159	271.9642	221.6761

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard Target Retirement 2050 Fund

Sub-managed by Vanguard Asset Management, Limited

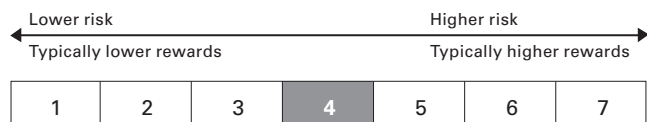
## Investment Objective

The Fund's investment objective is to achieve capital growth and, consistent with a gradually changing asset allocation, income returns for investors planning to retire in or within approximately five years after 2050.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard Target Retirement 2050 Fund returned -6.38% for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns	
	Periods Ended 31 March 2020	
	(Annualised for periods over one year)	
	One Year	Since Inception (17 December 2015)
A GBP Accumulation Shares	-6.38%	6.80%

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.



## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£141.60	£130.98	£128.37
Return Before Operating Charges <sup>*,2</sup>	(£8.31)	£10.95	£2.93
Operating Charges <sup>2</sup>	(£0.72)	(£0.33)	(£0.32)
Return After Operating Charges <sup>*,2</sup>	(£9.03)	£10.62	£2.61
Distributions <sup>3</sup>	(£2.61)	(£2.23)	(£1.73)
Retained Distributions on Accumulation Shares <sup>3</sup>	£2.61	£2.23	£1.73
Closing Net Asset Value Per Share <sup>1</sup>	£132.57	£141.60	£130.98
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.05
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(6.38%)	8.11%	2.03%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£15,369,209	£6,861,384	£3,837,779
Closing Number of Shares	115,932	48,456	29,301
Operating Charges <sup>2</sup>	0.24%	0.24%	0.24%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.03%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£159.99	£144.75	£139.38
Lowest Share Price <sup>7</sup>	£124.01	£127.46	£125.49

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	1,921,755
Vanguard FTSE U.K. All Share Index Unit Trust	1,866,594
Vanguard U.S. Equity Index Fund	1,850,229
Vanguard Global Bond Index Fund	1,776,474
Vanguard Emerging Markets Stock Index Fund	731,318
<b>Total</b>	<b>8,146,370</b>
<b>Total Purchases for the Year</b>	<b>11,164,438</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	647,172
Vanguard U.K. Government Bond Index Fund	161,474
Vanguard U.S. Equity Index Fund	132,500
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	86,300
Vanguard FTSE U.K. All Share Index Unit Trust	76,900
<b>Total</b>	<b>1,104,346</b>
<b>Total Sales for the Year</b>	<b>1,224,417</b>

## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 79.81% (31 March 2019: 80.25%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	8,656	2,888,179	18.79
Vanguard U.S. Equity Index Fund	6,023	2,673,623	17.40
Vanguard FTSE U.K. All Share Index Unit Trust	14,191	2,339,726	15.22
Vanguard Emerging Markets Stock Index Fund	5,244	1,011,346	6.58
Vanguard FTSE North America UCITS ETF	18,220	928,887	6.04
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	3,912	885,699	5.76
Vanguard FTSE 100 UCITS ETF	31,934	795,131	5.17
Vanguard Japan Stock Index Fund	2,456	525,113	3.42
Vanguard Pacific ex-Japan Stock Index Fund	937	218,993	1.43
		<b>12,266,697</b>	<b>79.81</b>
<b>Fixed Income 19.93% (31 March 2019: 19.77%)</b>			
Vanguard Global Bond Index Fund	13,462	2,147,020	13.97
Vanguard U.K. Government Bond Index Fund	3,041	573,598	3.73
Vanguard U.K. Investment Grade Bond Index Fund	3,477	342,075	2.23
		<b>3,062,693</b>	<b>19.93</b>
<b>Portfolio of Investments</b>		<b>15,329,390</b>	<b>99.74</b>
<b>Net Other Assets</b>		<b>39,819</b>	<b>0.26</b>
<b>Net Assets Attributable to Shareholders</b>		<b>15,369,209</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		15,329,390	6,862,826
<b>Current Assets</b>			
Debtors	12	365,426	13,630
Cash and Bank Balances	13	14,507	5,838
<b>Total Assets</b>		<b>15,709,323</b>	<b>6,882,294</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Other Creditors	14	340,114	20,910
<b>Total Liabilities</b>		<b>340,114</b>	<b>20,910</b>
<b>Net Assets Attributable to Shareholders</b>		<b>15,369,209</b>	<b>6,861,384</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(1,653,194)		289,409
Revenue	8	220,650		94,303	
Expenses	9	(12,357)		(5,371)	
Net Revenue Before Taxation		208,293		88,932	
Taxation	10	(5,251)		(2,742)	
Net Revenue After Taxation			203,042		86,190
<b>Total Return Before Distributions</b>			<b>(1,450,152)</b>		<b>375,599</b>
Distributions <sup>2</sup>	11		(203,042)		(86,190)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(1,653,194)</b>		<b>289,409</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>6,861,384</b>		<b>3,837,779</b>
Amounts Received on Issue of Shares	10,331,583		3,484,238	
Amounts Paid on Cancellation of Shares	(472,768)		(858,091)	
		9,858,815		2,626,147
Change in Net Assets Attributable to Shareholders From Investment Activities		(1,653,194)		289,409
Retained Distribution on Accumulation Shares		302,204		108,049
<b>Closing Net Assets Attributable to Shareholders</b>		<b>15,369,209</b>		<b>6,861,384</b>

## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	260.6742	—	260.6742	222.9838
Group 2	109.8566	150.8176	260.6742	222.9838

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard Target Retirement 2055 Fund

Sub-managed by Vanguard Asset Management, Limited

## Investment Objective

The Fund's investment objective is to achieve capital growth and, consistent with a gradually changing asset allocation, income returns for investors planning to retire in or within approximately five years after 2055.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard Target Retirement 2055 Fund returned -6.41% for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns	
	Periods Ended 31 March 2020 (Annualised for periods over one year)	Since Inception (17 December 2015)
A GBP Accumulation Shares	-6.41%	6.86%

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.

## Performance Comparative Table

A GBP Accumulation Shares	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£142.02	£131.27	£128.66
Return Before Operating Charges <sup>*,2</sup>	(£8.75)	£11.08	£2.93
Operating Charges <sup>2</sup>	(£0.36)	(£0.33)	(£0.32)
Return After Operating Charges <sup>*,2</sup>	(£9.11)	£10.75	£2.61
Distributions <sup>3</sup>	(£2.78)	(£2.24)	(£1.80)
Retained Distributions on Accumulation Shares <sup>3</sup>	£2.78	£2.24	£1.80
Closing Net Asset Value Per Share <sup>1</sup>	£132.91	£142.02	£131.27
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.00	£0.05
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(6.41%)	8.19%	2.03%
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£10,120,997	£6,069,346	£3,317,347
Closing Number of Shares	76,148	42,737	25,271
Operating Charges <sup>2</sup>	0.24%	0.24%	0.24%
Direct Transaction Costs <sup>6</sup>	0.00%	0.00%	0.04%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£160.47	£145.08	£139.72
Lowest Share Price <sup>7</sup>	£124.37	£127.81	£125.77

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard FTSE U.K. All Share Index Unit Trust	1,095,841
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	1,043,039
Vanguard U.S. Equity Index Fund	1,004,639
Vanguard Global Bond Index Fund	994,066
Vanguard Emerging Markets Stock Index Fund	386,076
<b>Total</b>	<b>4,523,661</b>
<b>Total Purchases for the Year</b>	<b>6,100,769</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	474,876
Vanguard U.S. Equity Index Fund	174,164
Vanguard FTSE U.K. All Share Index Unit Trust	145,770
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	144,415
Vanguard U.K. Government Bond Index Fund	116,886
<b>Total</b>	<b>1,056,111</b>
<b>Total Sales for the Year</b>	<b>1,167,773</b>



## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 79.91% (31 March 2019: 80.18%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	5,719	1,908,345	18.86
Vanguard U.S. Equity Index Fund	3,965	1,759,908	17.39
Vanguard FTSE U.K. All Share Index Unit Trust	9,435	1,555,693	15.37
Vanguard Emerging Markets Stock Index Fund	3,467	668,719	6.61
Vanguard FTSE North America UCITS ETF	11,992	611,373	6.04
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	2,573	582,418	5.75
Vanguard FTSE 100 UCITS ETF	20,393	507,769	5.02
Vanguard Japan Stock Index Fund	1,625	347,419	3.43
Vanguard Pacific ex-Japan Stock Index Fund	623	145,603	1.44
		<b>8,087,247</b>	<b>79.91</b>
<b>Fixed Income 19.92% (31 March 2019: 19.85%)</b>			
Vanguard Global Bond Index Fund	8,872	1,414,938	13.98
Vanguard U.K. Government Bond Index Fund	1,998	376,761	3.72
Vanguard U.K. Investment Grade Bond Index Fund	2,287	225,019	2.22
		<b>2,016,718</b>	<b>19.92</b>
<b>Portfolio of Investments</b>		<b>10,103,965</b>	<b>99.83</b>
<b>Net Other Assets</b>		<b>17,032</b>	<b>0.17</b>
<b>Net Assets Attributable to Shareholders</b>		<b>10,120,997</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		10,103,965	6,071,238
<b>Current Assets</b>			
Debtors	12	121,260	37,502
Cash and Bank Balances	13	9,749	8,971
<b>Total Assets</b>		<b>10,234,974</b>	<b>6,117,711</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Bank Overdrafts	13	862	815
Other Creditors	14	113,115	47,550
<b>Total Liabilities</b>		<b>113,977</b>	<b>48,365</b>
<b>Net Assets Attributable to Shareholders</b>		<b>10,120,997</b>	<b>6,069,346</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(1,039,896)		255,789
Revenue	8	169,530		87,903	
Expenses	9	(9,117)		(4,858)	
Net Revenue Before Taxation		160,413		83,045	
Taxation	10	(3,883)		(2,471)	
Net Revenue After Taxation			156,530		80,574
<b>Total Return Before Distributions</b>			<b>(883,366)</b>		<b>336,363</b>
Distributions <sup>2</sup>	11		(156,530)		(80,574)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(1,039,896)</b>		<b>255,789</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>6,069,346</b>		<b>3,317,347</b>
Amounts Received on Issue of Shares	5,627,231		2,926,066	
Amounts Paid on Cancellation of Shares	(746,998)		(525,435)	
		4,880,233		2,400,631
Change in Net Assets Attributable to Shareholders From Investment Activities		(1,039,896)		255,789
Retained Distribution on Accumulation Shares		211,314		95,579
<b>Closing Net Assets Attributable to Shareholders</b>		<b>10,120,997</b>		<b>6,069,346</b>

## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	277.5044	—	277.5044	223.6426
Group 2	116.5464	160.9580	277.5044	223.6426

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard Target Retirement 2060 Fund

Sub-managed by Vanguard Asset Management, Limited

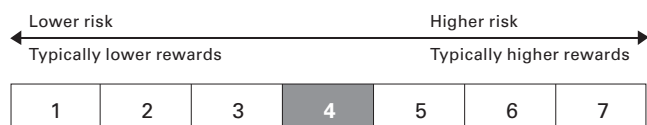
## Investment Objective

The Fund's investment objective is to achieve capital growth and, consistent with a gradually changing asset allocation, income returns for investors planning to retire in or within approximately five years after 2060.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard Target Retirement 2060 Fund returned -6.44% for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns	
	Periods Ended 31 March 2020 (Annualised for periods over one year)	Since Inception (5 December 2017)
A GBP Accumulation Shares	-6.44%	-0.47%

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.

## Performance Comparative Table

A GBP Accumulation Shares†	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£105.73	£97.75	£100.00
Return Before Operating Charges <sup>*,2</sup>	(£6.53)	£8.23	(£2.17)
Operating Charges <sup>2</sup>	(£0.27)	(£0.25)	(£0.08)
Return After Operating Charges <sup>*,2</sup>	(£6.80)	£7.98	(£2.25)
Distributions <sup>3</sup>	(£1.79)	(£1.27)	(£0.29)
Retained Distributions on Accumulation Shares <sup>3</sup>	£1.79	£1.27	£0.29
Closing Net Asset Value Per Share <sup>1</sup>	£98.93	£105.73	£97.75
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.01	£0.04
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(6.43%)	8.16%	(2.25%)
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£1,326,272	£479,379	£155,122
Closing Number of Shares	13,406	4,534	1,587
Operating Charges <sup>2</sup>	0.24%	0.24%	0.24%
Direct Transaction Costs <sup>6</sup>	0.00%	0.01%	0.03%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£119.41	£108.01	£104.06
Lowest Share Price <sup>7</sup>	£92.56	£95.15	£95.99

† The Fund launched on 5 December 2017.

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	202,571
Vanguard U.S. Equity Index Fund	196,653
Vanguard FTSE U.K. All Share Index Unit Trust	177,802
Vanguard Global Bond Index Fund	160,144
Vanguard Emerging Markets Stock Index Fund	72,994
<b>Total</b>	<b>810,164</b>
<b>Total Purchases for the Year</b>	<b>1,107,899</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	46,367
Vanguard U.S. Equity Index Fund	26,578
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	22,392
Vanguard FTSE U.K. All Share Index Unit Trust	14,100
Vanguard U.K. Government Bond Index Fund	12,158
<b>Total</b>	<b>121,595</b>
<b>Total Sales for the Year</b>	<b>141,941</b>

## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 79.95% (31 March 2019: 80.11%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	749	249,978	18.85
Vanguard U.S. Equity Index Fund	525	233,111	17.58
Vanguard FTSE U.K. All Share Index Unit Trust	1,205	198,735	14.99
Vanguard Emerging Markets Stock Index Fund	455	87,842	6.62
Vanguard FTSE North America UCITS ETF	1,522	77,594	5.85
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	336	76,126	5.74
Vanguard FTSE 100 UCITS ETF	2,877	71,635	5.40
Vanguard Japan Stock Index Fund	215	45,880	3.46
Vanguard Pacific ex-Japan Stock Index Fund	83	19,407	1.46
		<b>1,060,308</b>	<b>79.95</b>
<b>Fixed Income 19.93% (31 March 2019: 19.85%)</b>			
Vanguard Global Bond Index Fund	1,162	185,397	13.98
Vanguard U.K. Government Bond Index Fund	262	49,325	3.72
Vanguard U.K. Investment Grade Bond Index Fund	301	29,619	2.23
		<b>264,341</b>	<b>19.93</b>
<b>Portfolio of Investments</b>		<b>1,324,649</b>	<b>99.88</b>
<b>Net Other Assets</b>		<b>1,623</b>	<b>0.12</b>
<b>Net Assets Attributable to Shareholders</b>		<b>1,326,272</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		1,324,649	479,205
<b>Current Assets</b>			
Debtors	12	41,024	14,233
Cash and Bank Balances	13	1,248	361
<b>Total Assets</b>		<b>1,366,921</b>	<b>493,799</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Other Creditors	14	40,649	14,420
<b>Total Liabilities</b>		<b>40,649</b>	<b>14,420</b>
<b>Net Assets Attributable to Shareholders</b>		<b>1,326,272</b>	<b>479,379</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(133,685)		16,345
Revenue	8	16,450		5,476	
Expenses	9	(965)		(354)	
Net Revenue Before Taxation		15,485		5,122	
Taxation	10	(415)		(174)	
Net Revenue After Taxation			15,070		4,948
<b>Total Return Before Distributions</b>			<b>(118,615)</b>		<b>21,293</b>
Distributions <sup>2</sup>	11		(15,070)		(4,948)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(133,685)</b>		<b>16,345</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>479,379</b>		<b>155,122</b>
Amounts Received on Issue of Shares	1,054,415		396,971	
Amounts Paid on Cancellation of Shares	(97,783)		(94,800)	
		956,632		302,171
Change in Net Assets Attributable to Shareholders From Investment Activities		(133,685)		16,345
Retained Distribution on Accumulation Shares		23,946		5,741
<b>Closing Net Assets Attributable to Shareholders</b>		<b>1,326,272</b>		<b>479,379</b>



## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	178.6273	—	178.6273	126.6181
Group 2	78.1540	100.4733	178.6273	126.6181

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Vanguard Target Retirement 2065 Fund

Sub-managed by Vanguard Asset Management, Limited

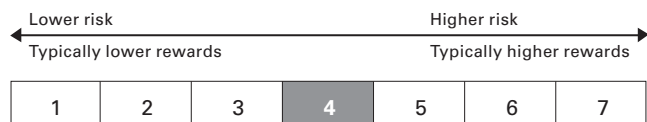
## Investment Objective

The Fund's investment objective is to achieve capital growth and, consistent with a gradually changing asset allocation, income returns for investors planning to retire in or within approximately five years after 2065.

## Investment Strategy

The Fund will seek to achieve its investment objective predominantly through investment in affiliated passive, index-tracking collective investment schemes. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

## Synthetic Risk and Reward Indicator



The Synthetic Risk and Reward Indicator (SRRI) measures the volatility of the Fund. The risk and reward category (which may range from 1 to 7) is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward category may shift over time and is not a target or guarantee. The lowest category (i.e. category 1) does not mean "risk free". The Fund appears in the middle range of the risk and reward indicator because the values of the Fund's investments have experienced a moderate rate of change in the past.

## Performance Summary

The Performance Summary does not form part of the Financial Statements.

- Throughout much of 2019, investors contended with flare-ups in trade disputes, heightened tensions between the United States and Iran and slow progress in the United Kingdom's exit from the European Union.
- Those concerns took a back seat during the first quarter of 2020, however, with the outbreak of the novel coronavirus and the aggressive efforts to contain it that upended economies and financial markets worldwide. Crude oil prices sank sharply as trade and travel restrictions multiplied, nonessential businesses were shuttered and job losses spiked.
- Many central banks and governments around the world rushed to take emergency action to support economic activity and credit markets. Among their tools: cutting short-term interest rates, launching bond-buying programmes and proposing fiscal stimulus packages.
- Vanguard Target Retirement 2065 Fund returned -6.30% for the 12 months ended 31 March 2020.
- Global bonds, as measured by the Bloomberg Barclays Global Aggregate Float Adjusted and Scaled Index hedged in British pounds, returned just over 5%. With investors searching for safety, high-quality bonds were in demand. UK and US government bonds posted double-digit gains, outpacing their European and Japanese counterparts. Investment-grade corporate bonds generally produced more modest but still-positive returns, except in the euro zone, where returns dipped into negative territory.
- Global stocks, which had performed well in 2019, began a sharp decline in February 2020 that accelerated into a bear market in March. For the 12 months, they returned about -8% for UK-based investors, as measured by the FTSE Global All Cap Index. Their decline was worse in local-currency terms but was softened by a weaker British pound. UK stocks sank, returning about -18% as measured by the FTSE All-Share Index, with eight of ten sectors posting double-digit declines. Emerging-market stocks fell much harder than global stocks overall.

## Total Returns

	Total Returns	
	Periods Ended 31 March 2020 (Annualised for periods over one year)	Since Inception (5 December 2017)
A GBP Accumulation Shares	-6.30%	-0.45%

Basis of performance: NAV to NAV with net income reinvested.

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. For performance data current to the most recent month-end, which may be higher or lower than that cited, visit our website at <http://global.vanguard.com>. Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost.

## Performance Comparative Table

A GBP Accumulation Shares†	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
<b>Change in Net Assets Per Share</b>			
Opening Net Asset Value Per Share <sup>1</sup>	£105.62	£97.70	£100.00
Return Before Operating Charges <sup>*,2</sup>	(£6.39)	£8.17	(£2.22)
Operating Charges <sup>2</sup>	(£0.27)	(£0.25)	(£0.08)
Return After Operating Charges <sup>*,2</sup>	(£6.66)	£7.92	(£2.30)
Distributions <sup>3</sup>	(£1.71)	(£1.42)	(£0.28)
Retained Distributions on Accumulation Shares <sup>3</sup>	£1.71	£1.42	£0.28
Closing Net Asset Value Per Share <sup>1</sup>	£98.96	£105.62	£97.70
*Net of Direct Transaction Costs of: <sup>4</sup>	£0.00	£0.01	£0.03
<b>Performance</b>			
Return After Operating Charges <sup>2,5</sup>	(6.31%)	8.11%	(2.30%)
<b>Other Information</b>			
Closing Net Asset Value <sup>1</sup>	£1,845,443	£411,918	£76,557
Closing Number of Shares	18,649	3,900	784
Operating Charges <sup>2</sup>	0.24%	0.24%	0.24%
Direct Transaction Costs <sup>6</sup>	0.00%	0.01%	0.03%
<b>Prices</b>			
Highest Share Price <sup>7</sup>	£119.34	£107.91	£103.95
Lowest Share Price <sup>7</sup>	£92.58	£95.07	£95.95

† The Fund launched on 5 December 2017.

1 The net asset value per share shown may diverge from the net asset value per share used for dealing purposes as at 31 March 2020 because of any adjustments for trade date accounting and any adjustments in valuation from mid-market prices to bid-market prices. The quoted price for underlying collective investment schemes may be inclusive of any applicable swing pricing adjustments.

2 Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed in the detailed expenses within the Statement of Total Return and Note 9.

3 The distribution on Accumulation Shares includes distribution paid and payable in the financial year.

4 Direct transaction costs have been calculated against the average shares for the financial year.

5 Returns have been calculated using methods prescribed in the SORP 2014 regulations. They may differ slightly from returns shown in the Fund Performance Summary.

6 Direct transaction costs have been calculated against the average net asset value for the financial year.

7 Share prices represent the net asset value per share used for dealing purposes.

## Summary of Significant Changes

For the year ended 31 March 2020

	Cost (£)
<b>Largest Purchases</b>	
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	389,380
Vanguard U.S. Equity Index Fund	377,763
Vanguard FTSE U.K. All Share Index Unit Trust	327,971
Vanguard Global Bond Index Fund	299,387
Vanguard Emerging Markets Stock Index Fund	135,110
<b>Total</b>	<b>1,529,611</b>
<b>Total Purchases for the Year</b>	<b>2,076,112</b>

	Proceeds (£)
<b>Largest Sales</b>	
Vanguard Global Bond Index Fund	103,130
Vanguard U.S. Equity Index Fund	84,441
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	74,600
Vanguard FTSE U.K. All Share Index Unit Trust	47,306
Vanguard U.K. Government Bond Index Fund	23,918
<b>Total</b>	<b>333,395</b>
<b>Total Sales for the Year</b>	<b>418,371</b>

## Portfolio Statement

As at 31 March 2020

The holdings displayed are primarily affiliated collective investment schemes, through which the Fund seeks to achieve its investment objective.

The prospectus and other information about the collective investment schemes are available at [vanguard.co.uk](http://vanguard.co.uk).

	Holding	Market Value (£)	% of Total Asset Value
<b>Equity 79.70% (31 March 2019: 80.07%)</b>			
Vanguard FTSE Developed World ex-U.K. Equity Index Fund	1,040	346,936	18.80
Vanguard U.S. Equity Index Fund	719	319,114	17.29
Vanguard FTSE U.K. All Share Index Unit Trust	1,702	280,657	15.21
Vanguard Emerging Markets Stock Index Fund	625	120,519	6.53
Vanguard FTSE North America UCITS ETF	2,222	113,281	6.14
Vanguard FTSE Developed Europe ex-U.K. Equity Index Fund	469	106,259	5.76
Vanguard FTSE 100 UCITS ETF	3,839	95,588	5.18
Vanguard Japan Stock Index Fund	290	61,945	3.36
Vanguard Pacific ex-Japan Stock Index Fund	113	26,478	1.43
		<b>1,470,777</b>	<b>79.70</b>
<b>Fixed Income 19.92% (31 March 2019: 19.92%)</b>			
Vanguard Global Bond Index Fund	1,617	257,941	13.98
Vanguard U.K. Government Bond Index Fund	364	68,695	3.72
Vanguard U.K. Investment Grade Bond Index Fund	417	40,985	2.22
		<b>367,621</b>	<b>19.92</b>
<b>Portfolio of Investments</b>		<b>1,838,398</b>	<b>99.62</b>
<b>Net Other Assets</b>		<b>7,045</b>	<b>0.38</b>
<b>Net Assets Attributable to Shareholders</b>		<b>1,845,443</b>	<b>100.00</b>

## Balance Sheet

		As at	As at
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2019 (£)
<b>Assets:</b>			
Investment Assets		1,838,398	411,888
<b>Current Assets</b>			
Debtors	12	23,735	2,830
Cash and Bank Balances	13	1,635	178
<b>Total Assets</b>		<b>1,863,768</b>	<b>414,896</b>
<b>Liabilities:</b>			
<b>Creditors</b>			
Other Creditors	14	18,325	2,978
<b>Total Liabilities</b>		<b>18,325</b>	<b>2,978</b>
<b>Net Assets Attributable to Shareholders</b>		<b>1,845,443</b>	<b>411,918</b>

<sup>1</sup> See the Notes to the Financial Statements.

## Statement of Total Return

		Year Ended		Year Ended	
	Note <sup>1</sup>	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
Income					
Net Capital Gains/(Losses)	6		(243,837)		12,564
Revenue	8	16,551		3,710	
Expenses	9	(1,045)		(244)	
Net Revenue Before Taxation		15,506		3,466	
Taxation	10	(398)		(123)	
Net Revenue After Taxation			15,108		3,343
<b>Total Return Before Distributions</b>			<b>(228,729)</b>		<b>15,907</b>
Distributions <sup>2</sup>	11		(15,108)		(3,343)
<b>Change in Net Assets Attributable to Shareholders From Investment Activities</b>			<b>(243,837)</b>		<b>12,564</b>

<sup>1</sup> See the Notes to the Financial Statements.

<sup>2</sup> Includes adjustments for equalisation.

## Statement of Change in Net Assets Attributable to Shareholders

	Year Ended		Year Ended	
	31 March 2020 (£)	31 March 2020 (£)	31 March 2019 (£)	31 March 2019 (£)
<b>Opening Net Assets Attributable to Shareholders</b>		<b>411,918</b>		<b>76,557</b>
Amounts Received on Issue of Shares	1,966,919		362,747	
Amounts Paid on Cancellation of Shares	(321,527)		(45,493)	
		1,645,392		317,254
Change in Net Assets Attributable to Shareholders From Investment Activities		(243,837)		12,564
Retained Distribution on Accumulation Shares		31,970		5,543
<b>Closing Net Assets Attributable to Shareholders</b>		<b>1,845,443</b>		<b>411,918</b>

## Distribution Table

For the year ended 31 March 2020

Final distribution payable 31 May 2020

	Net Income Pence Per Share	Equalisation Pence Per Share	Distribution Payable 31 May 2020 Pence Per Share	Distribution Paid 31 May 2019 Pence Per Share
<b>A GBP Accumulation Shares</b>				
Group 1	171.4305	—	171.4305	142.1406
Group 2	54.3702	117.0603	171.4305	142.1406

Group 1—Shares purchased before 1 April 2019.

Group 2—Shares purchased between 1 April 2019 and 31 March 2020.

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

# Notes to the Financial Statements

For the year ended 31 March 2020

## 1. General Information

Vanguard LifeStrategy Funds ICVC is an open-ended investment company and was incorporated on 16 June 2011 and under the laws of England and Wales. The address of the ACD is the Walbrook Building, 25 Walbrook, London EC4N 8AF, United Kingdom.

To achieve the targeted allocation of assets of their Investment Objectives, the Funds substantially invest in selected related party ("affiliated") funds.

## 2. Basis of Presentation

The Financial Statements have been prepared on a going-concern basis in accordance with Financial Reporting Standard ("FRS") 102 and the Statement of Recommended Practice for UK Authorised Funds (the "SORP 2014") issued by the Investment Management Association (now known as the Investment Association) in May 2014.

## 3. Significant Accounting Policies

**(a) Critical Accounting Estimates and Judgements.** The preparation of these Financial Statements requires the use of certain accounting estimates and requires the Authorised Corporate Director to exercise judgement when applying the Fund's accounting policies. The estimates and associated judgements are based on historical experience and various other facts that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the classification of financial assets and liabilities, the carrying values of certain financial assets and liabilities, as well as their fair values in instances where information is not readily apparent from other sources.

**(b) Revenue Recognition.** Distributions from collective investment schemes are recognised when the schemes are quoted ex-distribution or when revenue is reported by the underlying Fund. Equalisation returned with the distribution is deducted from the cost of the investment and does not form part of the distributable revenue.

The treatment of returns from derivatives is dependent upon the nature of the transaction and considers both motives and circumstances to determine whether returns should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital, the returns are considered capital. Similarly, where positions are undertaken for generating or protecting revenue, the returns are considered revenue. Where positions generate total returns, an apportionment of any such return between capital and revenue is made to properly reflect the nature of the transaction.

In the case of debt securities, any difference between acquisition cost and maturity value is recognised as revenue over the life of the security using the effective yield basis of calculating amortisation. Revenue from debt securities is accounted for on a basis which takes account of the amortisation of any discount or premium between the purchase price and the expected final maturity price over the remaining life of the security. With respect to inflation-linked securities, changes in the maturity value are calculated by reference to inflation and recorded as revenue. If required, adjustments are made to ensure the total return of the bond is treated as revenue.

Revenue is recognised gross of any withholding taxes incurred.

Bank interest is recognised on an accrual basis.

**(c) Treatment of Expenses.** All expenses, except those relating to the purchase and sale of investments, are charged against revenue and are recognised on an accrual basis.

To the extent any Fund invests in affiliated products, the ACD intends to reduce its annual management charge in amount equal to similar charges already incurred by an underlying fund. This reduction represents the entire amount of the synthetic element and is recognised on an accrual basis as a reduction of expenses.

**(d) Taxation.** Corporate tax is payable at current tax rates on the excess taxable revenue over allowable expenses. Deferred taxation is provided on all timing differences that have originated but not reversed by the reporting date. Deferred tax is measured at the rates expected to apply for the period in which the timing differences will reverse. Deferred taxes are not discounted to reflect the time value of money and are only recognised to the extent they are expected to crystallise.

Additionally, the Funds incur withholding taxes imposed by certain foreign countries on investment income. Such income is recorded gross of the related withholding taxation, which is shown as a separate tax expense in the Statement of Total Return.

### (e) Financial Assets and Liabilities.

**Classification and Measurement.** Financial assets and financial liabilities, including derivative investments, are classified and measured at fair value from inception. Obligations for net assets attributable to holders of redeemable units are presented at the redemption amount, which approximates their fair value. All other financial assets and liabilities are measured at amortised cost, which approximates fair value.



**Recognition and Derecognition.** Purchases and sales of financial instruments are recognised on the trade date, being the date on which the purchase or sale is executed. Financial instruments are initially recognised when the Funds become party to the contractual provisions of the instrument. Financial instruments are derecognised when the contractual rights to the cash flows from the instruments expire, or when substantially all the risks and rewards of ownership have been transferred.

**Collective Investment Schemes.** Collective investment schemes are valued at their single price if a single price for buying and selling units or shares is quoted and the bid-market price if separate buying and selling prices are quoted on the last business day of the accounting year. Where the ACD or its appointed investment adviser considers that no reliable price exists for a share in a collective investment scheme at a valuation point, the ACD or appointed adviser may value an investment at a price that in its opinion reflects a fair and reasonable price for that investment.

**Fixed Income.** Fixed income securities traded in recognised markets are valued using the latest bid prices on the securities exchange in which they are principally traded or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services.

**Derivatives.** Futures contracts are valued in an active market if quoted prices are readily and regularly available; this represents the amount that would be required to close the position.

**(f) Fair Value Hierarchy.** The Funds classify financial instruments measured at fair value using a three-level hierarchy. Instruments are categorised in their entirety based on the lowest level input that is significant to the fair value measurement. Assessing the significance and observability of a particular input requires significant judgement specific to an asset or liability. Inputs are considered to be observable when they are readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Each security or investment held in a Fund is valued at the close of business on each business day on the market that in the opinion of the Administrator is the principal market on which such security or investment is traded.

Level 1 – Quoted prices in active markets for identical securities.

Level 2 – Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 – Significant unobservable inputs (including the fund's own fair value assumptions).

**(g) Transaction Costs.** Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment. These costs include fees and commissions paid to agents, advisers, brokers and dealers. Investments in financial instruments include transaction costs which form part of the net capital gains/losses.

**(h) Foreign Currency.** All transactions in foreign currencies are translated into sterling at the exchange rates prevailing on the date of the transaction. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the prevailing exchange rates. Gains and losses arising on translation are included as part of the return and are reported on a net basis.

**(i) Cash and Bank Overdrafts.** Cash is composed of demand deposits with financial institutions or bank overdrafts. Bank overdrafts, when applicable, are presented as current liabilities. Cash held or pledged as margin against derivative instruments is included within Cash and Bank Overdrafts on the balance sheet and disclosed separately in the Notes to the Financial Statements as Amounts Held at, or Overdrafts with, Futures Clearing Houses and Brokers, as applicable.

**Margin.** Upon entering into futures contracts, cash deposits are required (initial margin) in an amount equal to a certain percentage of the contract value. Subsequent payments (variation margin) are made or received by the Funds each day.

**(j) Swing Pricing.** The Funds employ a swing pricing policy as a means to prevent dilution. Swing pricing results from the Authorised Corporate Director's determination to adjust the Funds' net asset value, on any dealing day, following a consideration of dealing activity (i.e. level of subscriptions and redemptions) and the level of costs associated with such activity. A dilution adjustment is exercised only for the purpose of reducing the negative effects of transaction charges in the interest of the non-dealing shareholders in the Funds and is applied consistently in respect of the Funds, and in respect of all assets of the Funds. The direction of the swing depends on whether there are net subscriptions or net redemptions in the Funds on the relevant dealing day, while the magnitude of the swing is based on pre-determined estimates of the average execution costs in the relevant asset classes in which the Funds are invested.

There were no dilution adjustments applied during the year ended 31 March 2020 (31 March 2019: None).

#### 4. Distribution Policy

**(a) Basis of Distribution.** Where revenue from investments exceeds expenses of the share class, a distribution will be made to that share class. Should expenses exceed revenue, there will be no distribution and the shortfall will be transferred to capital. Revenue attributable to Accumulation shareholders is retained at the end of each distribution period and represents a reinvestment of revenue. All remaining revenue is distributed in accordance with the Collective Investment Schemes sourcebook. Additionally, some or all of the expenses are reimbursed by capital for distribution purposes. The amount reimbursed may vary between accounting periods.

**(b) Equalisation.** Equalisation occurs to reflect the pro rata payment of distributions based on the time period over which shares have been owned by an investor. If shares are purchased when the Fund has accrued income but has not yet declared a distribution, the Fund will credit to the equalisation account the portion of the purchase price representing income accrued but directly attributable to those shares. Conversely, if shares are redeemed when the Fund has accrued income but has not yet declared a distribution, the Fund will deduct from the equalisation account the portion of the redemption price representing income accrued but directly attributable to those shares.

## 5. Risk Management Policies

**(a) Price Risk.** Price risk is the risk that the value of financial instruments held by the Funds will fluctuate because of changes in the market. The ACD considers the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors while continuing to follow the investment objectives of the Funds.

The Funds seek to achieve their investment objectives predominantly through investment in passive, index-tracking collective investment schemes. For index-tracking collective investment schemes, the investment objective is to seek to track as closely as reasonably possible the performance of the benchmark indices. In order to achieve this objective, an index-tracking collective investment scheme invests primarily in securities held in the relevant benchmark index. An index-tracking collective investment scheme places limitations on the amount by which a holding may deviate from the proportion in the benchmark to limit the market risk from mismatched positions.

All investments present a risk of loss of capital. The ACD assesses the Funds' market risk volatility to ensure that the effect of using financial derivative instruments is not significant enough to cause disproportionate losses to the Funds' overall value. The ACD moderates this risk through careful selection of financial instruments. The ACD manages this risk through a combination of risk metrics.

**(b) Currency Risk.** Currency risk is the risk that the value of the Funds' investments will fluctuate as a result of changes in currency exchange rates. Local interest rates and monetary policy, as well as other government fiscal and labour policies, also can adversely impact the Fund's currency values. Currency risk is not significant to the Funds.

**(c) Interest Rate Risk.** The Funds may invest in fixed income securities either directly or through index-tracking collective investment schemes. Revenue may be affected by changes in interest rates relevant to particular securities or as a result of the ACD being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed rate securities may be affected by interest rate movements or the expectation of such movements in the future. Interest receivable on bank deposits or payable on bank overdraft positions will also be affected by fluctuations in interest rates.

Only Vanguard Target Retirement 2015 Fund and Vanguard Target Retirement 2020 Fund hold direct investments in fixed income products; however, the exposure for Vanguard Retirement 2020 Fund is not significant to the portfolio.

### Vanguard Target Retirement 2015 Fund

The interest rate risk profile of financial assets and liabilities as at 31 March 2020 was as follows:

	Floating Rate Financial Assets <sup>1</sup> 31 March 2020 (£)	Fixed Rate Financial Assets 31 March 2020 (£)	Financial Assets Not Carrying Interest 31 March 2020 (£)	Total (£)
Currency				
Sterling	13,947	576,243	3,801,492	4,391,682
US Dollar	—	—	310	310
<b>Total</b>	<b>13,947</b>	<b>576,243</b>	<b>3,801,802</b>	<b>4,391,992</b>

<sup>1</sup> Includes cash at bank or bank overdrafts, as applicable.

	Floating Rate Financial Liabilities <sup>1</sup> 31 March 2020 (£)	Financial Liabilities Not Carrying Interest 31 March 2020 (£)	Total (£)
Currency			
Sterling	—	149,579	149,579
<b>Total</b>	<b>—</b>	<b>149,579</b>	<b>149,579</b>

<sup>1</sup> Includes cash at bank or bank overdrafts, as applicable.

The interest rate risk profile of financial assets and liabilities as at 31 March 2019 was as follows:

	Floating Rate Financial Assets <sup>1</sup> 31 March 2019 (£)	Fixed Rate Financial Assets 31 March 2019 (£)	Financial Assets Not Carrying Interest 31 March 2019 (£)	Total (£)
Currency				
Sterling	515	415,026	3,073,554	3,489,095

US Dollar	—	—	210	210
<b>Total</b>	<b>515</b>	<b>415,026</b>	<b>3,073,764</b>	<b>3,489,305</b>

1 Includes cash at bank or bank overdrafts, as applicable.

Currency	Floating Rate Financial Liabilities <sup>1</sup> 31 March 2019 (£)	Financial Liabilities Not Carrying Interest 31 March 2019 (£)	Total (£)
Sterling	—	110,271	110,271
<b>Total</b>	<b>—</b>	<b>110,271</b>	<b>110,271</b>

1 Includes cash at bank or bank overdrafts, as applicable.

**Management of Market Risk (Including Market Price, Foreign Currency and Interest Rate Risks).** The Investment Adviser performs daily reviews of performance and portfolio attributes, such as sector diversification, maturity and credit quality, and makes adjustments where necessary to ensure that the risk components closely match those of the respective investment policies. Potential tracking errors are raised and discussed by the Investment Adviser and the Administrator for investigation and resolution. Market impact, currency discrepancies and interest rate exposure are investigated as possible causes. Currency positions are reconciled daily and discrepancies are immediately resolved. Procedures are established with the Investment Adviser to trade currency as closely as possible to the close of the markets, so as to obtain exchange rates that closely approximate the rates used in the valuation.

Market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect assets of the Funds and thus performance of the Funds.

**(d) Market Risk Sensitivity Analysis.** Market risk exposures to the Funds are measured using value-at-risk (VaR), which estimates the maximum expected loss over a defined period given a specified confidence level. The VaR methodology is a statistically defined, probability-based approach that takes into account estimates for market volatilities and correlations between assets in the portfolio. Risks can be measured consistently across markets and products, and risk measures can be aggregated to arrive at a single risk number. For the purpose of this annual report, a one-year historical (ex-post) absolute VaR calculation has been completed for each Fund as set out below. VaR as presented is based on historical performance through 31 March 2020 and does not reflect the effects of any market volatility since that date. The calculation includes a 95% confidence interval with a 260-trading-day (one-year) VaR period. That is, under normal market conditions and assuming no changes to Fund holdings, there is a 95% probability that the value of Fund assets will not decrease by more than the calculated value over a one-year period.

	31 March 2020 (%)	31 March 2019 (%)		31 March 2020 (%)	31 March 2019 (%)
Vanguard LifeStrategy 20% Equity Fund	8.34	5.41	Vanguard Target Retirement 2030 Fund	17.14	14.37
Vanguard LifeStrategy 40% Equity Fund	11.06	8.33	Vanguard Target Retirement 2035 Fund	17.89	15.16
Vanguard LifeStrategy 60% Equity Fund	14.97	12.62	Vanguard Target Retirement 2040 Fund	19.43	15.78
Vanguard LifeStrategy 80% Equity Fund	20.91	16.53	Vanguard Target Retirement 2045 Fund	20.75	16.34
Vanguard LifeStrategy 100% Equity Fund	27.04	20.87	Vanguard Target Retirement 2050 Fund	20.80	16.41
Vanguard Target Retirement 2015 Fund	9.41	8.71	Vanguard Target Retirement 2055 Fund	20.80	16.31
Vanguard Target Retirement 2020 Fund	12.44	11.51	Vanguard Target Retirement 2060 Fund	20.80	16.26
Vanguard Target Retirement 2025 Fund	15.23	13.50	Vanguard Target Retirement 2065 Fund	20.80	16.35

Global exposure is measured using the commitment approach, which considers the full constituents of the portfolio. The Investment Adviser will observe the regulatory limit and any internal risk limits which may be appropriate for the portfolio.

The use of derivatives creates a higher degree of risk exposure. In particular, derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard securities. Leveraged derivative positions can therefore increase volatility. The leverage is calculated on a gross exposure basis, by taking the sum of the notional values of the derivatives, without netting, and is expressed as a percentage of the net asset value. Leverage was not significant during the year.

The Funds use equity index futures only for efficient portfolio management – index futures are used to equitise cash holdings from inflows and outflows and also anticipated cash flows (e.g. dividend receivables).

The Funds did not hold any futures at year end.

**(e) Liquidity Risk.** Liquidity risk is the risk that sufficient cash cannot be raised to meet liabilities when due. One of the key liquidity factors influencing the Funds is exposure to cash redemptions of redeemable shares. Hence the Funds invest in collective investment schemes for which the large majority of their underlying investments are traded in active markets and can ordinarily be readily disposed. However, liquidity

risk will occur if an issuer becomes credit-impaired or if the relevant market becomes illiquid. In such a case, it may not be possible to initiate or liquidate a position at a price deemed by the ACD to be demonstrating fair value. Liquidity risk may be temporary or may last for extended periods. The Funds primarily invest in underlying index-tracking collective investment schemes that form part of their respective benchmark indices. Benchmark indices for the underlying collective investment schemes are constructed from index rules requiring securities to have a specified minimum trading volume, which, although not guaranteeing liquidity, provides indication of the liquid nature of the securities within the underlying funds. The Funds are exposed to withdrawals and contributions that are invested in order to meet the investment objective of the Funds.

The Funds may use index futures contracts to a limited extent, to maintain full exposure to the index, maintain liquidity and minimise transaction costs. The Funds may equitise cash holdings from inflows and outflows by purchasing futures contracts to immediately invest incoming cash to the market, or selling futures in responses to cash outflows, thereby simulating a fully invested position in the underlying index while maintaining a cash balance for liquidity.

Liquidity risk is not significant to the Funds.

**Management of Liquidity Risk.** In order to meet redemption requests and raise cash from the portfolio, the Investment Adviser receives daily reports of capital share activity from the Administrator. The Investment Adviser incorporates cash forecasts into the daily management of the portfolio and monitors cash balances daily.

**(f) Credit Risk.** Vanguard Target Retirement 2015 Fund and Vanguard Target Retirement 2020 Fund invest in government bonds, where credit risk is negligible because of the low risk of the UK Treasury defaulting on interest payments or maturities. The remaining funds invest in only equity and fixed income securities through collective investment schemes. These securities are not credit instruments, and therefore these Funds are not directly exposed to credit risk. When efficient portfolio management techniques are employed, exchange-traded index futures, which are subject to daily valuation, are used to minimise counterparty risk.

**Management of Credit Risk.** Since the Funds are primarily not directly exposed to credit risk, any action performed by the Investment Adviser would be minimal.

## 6. Net Capital Gains/(Losses)

Net capital gains/(losses) for the 2019–20 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Non-Derivative Securities	(6,304,000)	(171,369,728)	(500,800,703)	(352,600,746)	(217,435,023)	(135,791)	(1,082,316)	(2,740,186)
Futures Contracts	829	(844)	(135)	369	(82)	—	—	—
Gains/(Losses) on Foreign Exchange	1	571	(120)	(319)	(204)	—	—	—
<b>Net Gains/(Losses) on Investments</b>	<b>(6,303,170)</b>	<b>(171,370,001)</b>	<b>(500,800,958)</b>	<b>(352,600,696)</b>	<b>(217,435,309)</b>	<b>(135,791)</b>	<b>(1,082,316)</b>	<b>(2,740,186)</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Non-Derivative Securities	(3,385,651)	(2,980,457)	(3,008,743)	(2,475,462)	(1,653,194)	(1,039,773)	(133,699)	(243,847)
Futures Contracts	—	—	—	—	—	(79)	—	—
Gains/(Losses) on Foreign Exchange	—	—	(8)	—	—	(44)	14	10
<b>Net Gains/(Losses) on Investments</b>	<b>(3,385,651)</b>	<b>(2,980,457)</b>	<b>(3,008,751)</b>	<b>(2,475,462)</b>	<b>(1,653,194)</b>	<b>(1,039,896)</b>	<b>(133,685)</b>	<b>(243,837)</b>

Net capital gains/(losses) for the 2018–19 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Non-Derivative Securities	28,721,468	126,761,906	218,928,614	118,142,976	66,655,853	112,750	479,547	1,150,992
Futures Contracts	—	(192,217)	(171,803)	50,257	43,996	—	—	—
Gains/(Losses) on Foreign Exchange	—	(684)	(51)	404	487	—	—	—

Net Gains/(Losses) on Investments	28,721,468	126,569,005	218,756,760	118,193,637	66,700,336	112,750	479,547	1,150,992
	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Non-Derivative Securities	655,091	720,179	571,084	346,997	289,409	256,500	16,345	12,564
Futures Contracts	—	—	—	—	—	(703)	—	—
Gains/(Losses) on Foreign Exchange	—	—	—	—	—	(8)	—	—
Net Gains/(Losses) on Investments	655,091	720,179	571,084	346,997	289,409	255,789	16,345	12,564

## 7. Purchases, Sales and Transaction Costs for the Year

Purchases, sales and transaction costs for the 2019–20 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
<b>Purchases Excluding Transaction Costs:</b>								
Debt Securities	—	—	—	—	—	700,042	1,209,660	—
Collective Investment Schemes	661,112,877	2,275,616,179	3,393,158,394	1,384,522,269	556,717,386	3,398,067	13,417,742	26,077,104
Trades in the Year Before Transaction Costs	661,112,877	2,275,616,179	3,393,158,394	1,384,522,269	556,717,386	4,098,109	14,627,402	26,077,104
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	178	3	4	—
Total Commissions	—	—	—	—	178	3	4	—
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	1	1	1	8	21	18	76	8
Total Taxes	1	1	1	8	21	18	76	8
<b>Total Purchase Transaction Costs</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>8</b>	<b>199</b>	<b>21</b>	<b>80</b>	<b>8</b>
<b>Purchases Including Transaction Costs</b>								
	661,112,878	2,275,616,180	3,393,158,395	1,384,522,277	556,717,585	4,098,130	14,627,482	26,077,112
<b>Sales Excluding Transaction Costs:</b>								
Debt Securities	—	—	—	—	—	523,400	438,925	—
Collective Investment Schemes	172,273,875	773,763,185	1,146,430,392	298,073,875	53,756,000	2,619,590	6,975,989	12,595,539
Trades in the Year Before Transaction Costs	172,273,875	773,763,185	1,146,430,392	298,073,875	53,756,000	3,142,990	7,414,914	12,595,539
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	—
Total Commissions	—	—	—	—	—	—	—	—
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	—
Total Taxes	—	—	—	—	—	—	—	—
<b>Total Sales Transaction Costs</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Sales Including Transaction Costs</b>	<b>172,273,875</b>	<b>773,763,185</b>	<b>1,146,430,392</b>	<b>298,073,875</b>	<b>53,756,000</b>	<b>3,142,990</b>	<b>7,414,914</b>	<b>12,595,539</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
<b>Purchases Excluding Transaction Costs:</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	29,911,899	22,904,446	21,671,572	16,523,685	11,164,433	6,100,769	1,107,883	2,076,111
Trades in the Year Before Transaction Costs	29,911,899	22,904,446	21,671,572	16,523,685	11,164,433	6,100,769	1,107,883	2,076,111
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	2	—	—	1
Total Commissions	—	—	—	—	2	—	—	1
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	301	14	12	10	3	—	16	—
Total Taxes	301	14	12	10	3	—	16	—
<b>Total Purchase Transaction Costs</b>	<b>301</b>	<b>14</b>	<b>12</b>	<b>10</b>	<b>5</b>	<b>—</b>	<b>16</b>	<b>1</b>
<b>Purchases Including Transaction Costs</b>	<b>29,912,200</b>	<b>22,904,460</b>	<b>21,671,584</b>	<b>16,523,695</b>	<b>11,164,438</b>	<b>6,100,769</b>	<b>1,107,899</b>	<b>2,076,112</b>
<b>Sales Excluding Transaction Costs:</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	8,014,256	4,270,458	3,038,459	1,276,109	1,224,417	1,167,773	141,941	418,371
Trades in the Year Before Transaction Costs	8,014,256	4,270,458	3,038,459	1,276,109	1,224,417	1,167,773	141,941	418,371
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	—
Total Commissions	—	—	—	—	—	—	—	—
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	—
Total Taxes	—	—	—	—	—	—	—	—
<b>Total Sales Transaction Costs</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Sales Including Transaction Costs</b>	<b>8,014,256</b>	<b>4,270,458</b>	<b>3,038,459</b>	<b>1,276,109</b>	<b>1,224,417</b>	<b>1,167,773</b>	<b>141,941</b>	<b>418,371</b>

Total transaction costs expressed as a percentage of transaction value for the 2019–20 year:

	Vanguard LifeStrategy 20% Equity Fund (%)	Vanguard LifeStrategy 40% Equity Fund (%)	Vanguard LifeStrategy 60% Equity Fund (%)	Vanguard LifeStrategy 80% Equity Fund (%)	Vanguard LifeStrategy 100% Equity Fund (%)	Vanguard Target Retirement 2015 Fund (%)	Vanguard Target Retirement 2020 Fund (%)	Vanguard Target Retirement 2025 Fund (%)
<b>Purchases:</b>								
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	0.00	0.00	0.00	—
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sales:</b>								
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	—
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	—
<b>Total transaction costs expressed as a percentage of average net assets for the 2019–20 year:</b>								
Commissions	—	—	—	—	0.00	0.00	0.00	—
Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	Vanguard Target Retirement 2030 Fund (%)	Vanguard Target Retirement 2035 Fund (%)	Vanguard Target Retirement 2040 Fund (%)	Vanguard Target Retirement 2045 Fund (%)	Vanguard Target Retirement 2050 Fund (%)	Vanguard Target Retirement 2055 Fund (%)	Vanguard Target Retirement 2060 Fund (%)	Vanguard Target Retirement 2065 Fund (%)
<b>Purchases:</b>								
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	0.00	—	—	0.00
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	0.00	0.00	0.00	0.00	0.00	—	0.00	0.00
<b>Sales:</b>								
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	—
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	—
<b>Total transaction costs expressed as a percentage of average net assets for the 2019–20 year:</b>								
Commissions	—	—	—	—	0.00	—	—	0.00
Taxes	0.00	0.00	0.00	0.00	0.00	—	0.00	—

Transaction costs are incurred when buying and selling financial instruments. These costs can be direct, as in the case of brokerage or dealer commissions or taxes due on equity securities and futures contracts. However, transaction costs can also be indirect, as in the case of debt securities, currency forwards or collective investment schemes where these costs are not separately identifiable but rather form part of the dealing spread. Indirect transaction costs do not form part of the transaction cost disclosure above. Additionally, all derivative instruments have been excluded from the above analysis as the initial net cash outlay to enter into a position is not comparable to the instruments' settlement or notional value and therefore not comparable to the debt, equity and collective investments schemes as presented.

Average portfolio dealing spread for the 2019–20 year:

	Vanguard LifeStrategy 20% Equity Fund (%)	Vanguard LifeStrategy 40% Equity Fund (%)	Vanguard LifeStrategy 60% Equity Fund (%)	Vanguard LifeStrategy 80% Equity Fund (%)	Vanguard LifeStrategy 100% Equity Fund (%)	Vanguard Target Retirement 2015 Fund (%)	Vanguard Target Retirement 2020 Fund (%)	Vanguard Target Retirement 2025 Fund (%)
31 March 2020	—	—	—	—	—	0.09	0.04	—

	Vanguard Target Retirement 2030 Fund (%)	Vanguard Target Retirement 2035 Fund (%)	Vanguard Target Retirement 2040 Fund (%)	Vanguard Target Retirement 2045 Fund (%)	Vanguard Target Retirement 2050 Fund (%)	Vanguard Target Retirement 2055 Fund (%)	Vanguard Target Retirement 2060 Fund (%)	Vanguard Target Retirement 2065 Fund (%)
31 March 2020	—	—	—	—	—	—	—	—

There are no separately identifiable dealing spreads as the Funds invest in single-priced collective investment schemes, except for Vanguard Target Retirement 2015 Fund and Vanguard Target Retirement 2020 Fund, which also invest in debt securities.

Purchases, sales and transaction costs for the 2018–19 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
<b>Purchases Excluding Transaction Costs:</b>								
Debt Securities	—	—	—	—	—	358,433	315,460	—
Collective Investment Schemes	240,791,000	987,004,000	1,484,834,000	660,751,737	324,270,407	1,998,790	5,248,815	10,879,153
Trades in the Year Before Transaction Costs	240,791,000	987,004,000	1,484,834,000	660,751,737	324,270,407	2,357,223	5,564,275	10,879,153
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	5,018	5,624	—	9	21
Total Commissions	—	—	—	5,018	5,624	—	9	21
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	34	46	7	8	17
Total Taxes	—	—	—	34	46	7	8	17
<b>Total Purchase Transaction Costs</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>5,052</b>	<b>5,670</b>	<b>7</b>	<b>17</b>	<b>38</b>
<b>Purchases Including Transaction Costs</b>	<b>240,791,000</b>	<b>987,004,000</b>	<b>1,484,834,000</b>	<b>660,756,789</b>	<b>324,276,077</b>	<b>2,357,230</b>	<b>5,564,292</b>	<b>10,879,191</b>
<b>Sales Excluding Transaction Costs:</b>								
Debt Securities	—	—	—	—	—	129,494	162,453	—
Collective Investment Schemes	28,087,000	152,082,000	200,354,000	62,052,128	24,637,425	760,000	1,859,600	2,492,831
Trades in the Year Before Transaction Costs	28,087,000	152,082,000	200,354,000	62,052,128	24,637,425	889,494	2,022,053	2,492,831
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	(3)
Total Commissions	—	—	—	—	—	—	—	(3)
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	—
Total Taxes	—	—	—	—	—	—	—	—
<b>Total Sales Transaction Costs</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(3)</b>
<b>Sales Including Transaction Costs</b>	<b>28,087,000</b>	<b>152,082,000</b>	<b>200,354,000</b>	<b>62,052,128</b>	<b>24,637,425</b>	<b>889,494</b>	<b>2,022,053</b>	<b>2,492,828</b>



	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
<b>Purchases Excluding Transaction Costs:</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	11,220,617	9,082,225	8,349,226	6,229,125	3,615,563	3,075,108	424,736	370,995
Trades in the Year Before Transaction Costs	11,220,617	9,082,225	8,349,226	6,229,125	3,615,563	3,075,108	424,736	370,995
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	63	51	56	28	15	9	3	3
Total Commissions	63	51	56	28	15	9	3	3
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	32	25	29	18	3	19	36	18
Total Taxes	32	25	29	18	3	19	36	18
<b>Total Purchase Transaction Costs</b>	<b>95</b>	<b>76</b>	<b>85</b>	<b>46</b>	<b>18</b>	<b>28</b>	<b>39</b>	<b>21</b>
<b>Purchases Including Transaction Costs</b>	<b>11,220,712</b>	<b>9,082,301</b>	<b>8,349,311</b>	<b>6,229,171</b>	<b>3,615,581</b>	<b>3,075,136</b>	<b>424,775</b>	<b>371,016</b>
<b>Sales Excluding Transaction Costs:</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	1,287,500	1,175,238	1,277,300	596,300	932,019	636,074	104,352	50,557
Trades in the Year Before Transaction Costs	1,287,500	1,175,238	1,277,300	596,300	932,019	636,074	104,352	50,557
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	—
Total Commissions	—	—	—	—	—	—	—	—
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	(1)	—	—	(1)	(1)	—	—
Total Taxes	—	(1)	—	—	(1)	(1)	—	—
<b>Total Sales Transaction Costs</b>	<b>—</b>	<b>(1)</b>	<b>—</b>	<b>—</b>	<b>(1)</b>	<b>(1)</b>	<b>—</b>	<b>—</b>
<b>Sales Including Transaction Costs</b>	<b>1,287,500</b>	<b>1,175,237</b>	<b>1,277,300</b>	<b>596,300</b>	<b>932,018</b>	<b>636,073</b>	<b>104,352</b>	<b>50,557</b>

Total transaction costs expressed as a percentage of transaction value for the 2018–19 year:

	Vanguard LifeStrategy 20% Equity Fund (%)	Vanguard LifeStrategy 40% Equity Fund (%)	Vanguard LifeStrategy 60% Equity Fund (%)	Vanguard LifeStrategy 80% Equity Fund (%)	Vanguard LifeStrategy 100% Equity Fund (%)	Vanguard Target Retirement 2015 Fund (%)	Vanguard Target Retirement 2020 Fund (%)	Vanguard Target Retirement 2025 Fund (%)
<b>Purchases:</b>								
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	0.00	0.00	—	0.00	0.00
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	0.00	0.00	0.00	0.00	0.00
<b>Sales:</b>								
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	(0.00)
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	—
<b>Total transaction costs expressed as a percentage of average net assets for the 2018–19 year:</b>								
Commissions	—	—	—	0.00	0.00	—	0.00	0.00
Taxes	—	—	—	0.00	0.00	0.00	0.00	0.00

	Vanguard Target Retirement 2030 Fund (%)	Vanguard Target Retirement 2035 Fund (%)	Vanguard Target Retirement 2040 Fund (%)	Vanguard Target Retirement 2045 Fund (%)	Vanguard Target Retirement 2050 Fund (%)	Vanguard Target Retirement 2055 Fund (%)	Vanguard Target Retirement 2060 Fund (%)	Vanguard Target Retirement 2065 Fund (%)
<b>Purchases:</b>								
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sales:</b>								
<b>Commissions</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	—	—	—	—	—	—	—
<b>Taxes</b>								
Debt Securities	—	—	—	—	—	—	—	—
Collective Investment Schemes	—	(0.00)	—	—	(0.00)	(0.00)	—	—
<b>Total transaction costs expressed as a percentage of average net assets for the 2018–19 year:</b>								
Commissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01

Transaction costs are incurred when buying and selling financial instruments. These costs can be direct, as in the case of brokerage or dealer commissions or taxes due on equity securities and futures contracts. However, transaction costs can also be indirect, as in the case of debt securities, currency forwards or collective investment schemes where these costs are not separately identifiable but rather form part of the dealing spread. Indirect transaction costs do not form part of the transaction cost disclosure above. Additionally, all derivative instruments have been excluded from the above analysis as the initial net cash outlay to enter into a position is not comparable to the instruments' settlement or notional value and therefore not comparable to the debt, equity and collective investments schemes as presented.

Average portfolio dealing spread for the 2018–19 year:

	Vanguard LifeStrategy 20% Equity Fund (%)	Vanguard LifeStrategy 40% Equity Fund (%)	Vanguard LifeStrategy 60% Equity Fund (%)	Vanguard LifeStrategy 80% Equity Fund (%)	Vanguard LifeStrategy 100% Equity Fund (%)	Vanguard Target Retirement 2015 Fund (%)	Vanguard Target Retirement 2020 Fund (%)	Vanguard Target Retirement 2025 Fund (%)
31 March 2019	—	—	—	—	—	0.05	0.05	—
	Vanguard Target Retirement 2030 Fund (%)	Vanguard Target Retirement 2035 Fund (%)	Vanguard Target Retirement 2040 Fund (%)	Vanguard Target Retirement 2045 Fund (%)	Vanguard Target Retirement 2050 Fund (%)	Vanguard Target Retirement 2055 Fund (%)	Vanguard Target Retirement 2060 Fund (%)	Vanguard Target Retirement 2065 Fund (%)
31 March 2019	—	—	—	—	—	—	—	—

There are no separately identifiable dealing spreads as the Funds invest in single-priced collective investment schemes, except for Vanguard Target Retirement 2015 Fund and Vanguard Target Retirement 2020 Fund, which also invest in debt securities.

## 8. Revenue

Revenue for the 2019–20 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Bank and Other Interest	1,333	5,181	7,571	3,666	1,954	—	207	—
Franked Dividends From Collective Investment Schemes	5,378,079	34,632,210	75,983,636	43,561,559	22,711,476	14,640	118,786	306,669
Offshore Fund Income From Collective Investment Schemes	16,748,774	45,961,936	53,378,110	22,050,633	13,129,129	33,419	155,793	364,904
Interest on Debt Securities	—	—	—	—	—	772	76	—
Unfranked Dividends From Collective Investment Schemes	—	208,877	864,538	550,465	273,537	63	1,000	3,231
<b>Total Revenue</b>	<b>22,128,186</b>	<b>80,808,204</b>	<b>130,233,855</b>	<b>66,166,323</b>	<b>36,116,096</b>	<b>48,894</b>	<b>275,862</b>	<b>674,804</b>
	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Bank and Other Interest	—	—	—	—	—	—	1	1
Franked Dividends From Collective Investment Schemes	277,924	258,747	230,134	160,414	112,885	89,944	8,068	7,558
Offshore Fund Income From Collective Investment Schemes	323,912	269,080	229,016	155,088	106,257	78,396	8,272	8,891
Interest on Debt Securities	—	—	—	—	—	—	—	—
Unfranked Dividends From Collective Investment Schemes	3,163	3,131	2,945	2,116	1,508	1,190	109	101
<b>Total Revenue</b>	<b>604,999</b>	<b>530,958</b>	<b>462,095</b>	<b>317,618</b>	<b>220,650</b>	<b>169,530</b>	<b>16,450</b>	<b>16,551</b>

Revenue for the 2018–19 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Bank and Other Interest	377	2,376	3,175	1,366	651	—	—	—
Franked Dividends From Collective Investment Schemes	3,349,057	21,997,656	47,742,987	27,413,450	13,883,033	10,173	73,028	174,789
Offshore Fund Income From Collective Investment Schemes	11,543,074	31,948,657	37,369,121	15,797,707	9,097,823	24,806	118,160	250,870
Interest on Debt Securities	—	—	—	—	—	1,346	1,206	—
Unfranked Dividends From Collective Investment Schemes	—	130,666	535,843	347,413	164,598	46	655	1,817
<b>Total Revenue</b>	<b>14,892,508</b>	<b>54,079,355</b>	<b>85,651,126</b>	<b>43,559,936</b>	<b>23,146,105</b>	<b>36,371</b>	<b>193,049</b>	<b>427,476</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Bank and Other Interest	—	—	—	—	—	105	1	—
Franked Dividends From Collective Investment Schemes	117,488	132,457	92,708	69,082	45,179	43,024	2,474	1,530
Offshore Fund Income From Collective Investment Schemes	159,062	152,417	109,937	70,485	48,543	44,243	2,969	2,161
Interest on Debt Securities	—	—	—	—	—	—	—	—
Unfranked Dividends From Collective Investment Schemes	1,283	1,570	1,162	881	581	531	32	19
<b>Total Revenue</b>	<b>277,833</b>	<b>286,444</b>	<b>203,807</b>	<b>140,448</b>	<b>94,303</b>	<b>87,903</b>	<b>5,476</b>	<b>3,710</b>

## 9. Expenses

Expenses for the 2019–20 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
<b>Expenses to the ACD or Associates of the ACD, and Agents of Either of Them:</b>								
Management Charge	2,972,439	9,957,689	14,886,820	6,986,231	3,416,043	9,200	37,997	84,308
Reduction for Synthetic Element	(2,102,672)	(6,677,444)	(9,226,003)	(4,023,882)	(1,852,235)	(4,649)	(19,854)	(46,450)
<b>Other Expenses:</b>								
Interest Expenses	—	—	—	—	270	—	—	—
Interest Expenses – Cash Held at Broker	—	1,168	1,203	—	—	—	—	—
HMRC Interest	—	5,962	4,029	—	—	—	—	—
<b>Total Expenses</b>	<b>869,767</b>	<b>3,287,375</b>	<b>5,666,049</b>	<b>2,962,349</b>	<b>1,564,078</b>	<b>4,551</b>	<b>18,143</b>	<b>37,858</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
<b>Expenses to the ACD or Associates of the ACD, and Agents of Either of Them:</b>								
Management Charge	74,674	62,315	55,083	37,958	26,492	19,613	2,062	2,215
Reduction for Synthetic Element	(40,750)	(33,900)	(29,669)	(20,245)	(14,135)	(10,511)	(1,097)	(1,170)
<b>Other Expenses:</b>								
Interest Expenses	—	—	—	—	—	—	—	—
Interest Expenses – Cash Held at Broker	—	—	—	—	—	15	—	—
HMRC Interest	—	—	—	—	—	—	—	—
<b>Total Expenses</b>	<b>33,924</b>	<b>28,415</b>	<b>25,414</b>	<b>17,713</b>	<b>12,357</b>	<b>9,117</b>	<b>965</b>	<b>1,045</b>

Expenses for the 2018–19 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
<b>Expenses to the ACD or Associates of the ACD, and Agents of Either of Them:</b>								
Management Charge	1,913,273	6,579,390	9,836,046	4,669,622	2,348,313	5,785	26,062	54,284
Reduction for Synthetic Element	(1,635,236)	(5,051,931)	(6,633,486)	(2,827,769)	(1,344,660)	(3,697)	(16,345)	(33,615)
<b>Other Expenses:</b>								
Interest Expenses	—	2,053	470	2,079	276	—	59	106
Interest Expenses – Cash Held at Broker	—	200	—	—	—	—	—	—
HMRC Interest	—	3,097	4,079	—	—	—	—	—
<b>Total Expenses</b>	<b>278,037</b>	<b>1,532,809</b>	<b>3,207,109</b>	<b>1,843,932</b>	<b>1,003,929</b>	<b>2,088</b>	<b>9,776</b>	<b>20,775</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
<b>Expenses to the ACD or Associates of the ACD, and Agents of Either of Them:</b>								
Management Charge	35,375	35,360	26,981	17,277	12,255	11,081	807	554
Reduction for Synthetic Element	(21,095)	(20,290)	(15,236)	(9,700)	(6,884)	(6,223)	(453)	(310)
<b>Other Expenses:</b>								
Interest Expenses	25	21	—	48	—	—	—	—
Interest Expenses – Cash Held at Broker	—	—	—	—	—	—	—	—
HMRC Interest	—	—	—	—	—	—	—	—
<b>Total Expenses</b>	<b>14,305</b>	<b>15,091</b>	<b>11,745</b>	<b>7,625</b>	<b>5,371</b>	<b>4,858</b>	<b>354</b>	<b>244</b>

## 10. Taxation

## (a) Tax Charge Analysis

Analysis of the tax charge for the 2019–20 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Overseas Tax	—	41,775	172,908	110,093	54,708	13	200	646
Corporation Tax	—	7,651,923	7,216,374	1,477,344	—	1,872	7,503	34,623
Double Taxation Relief	—	(41,775)	(172,908)	(110,093)	—	(13)	(200)	(646)
Corporation Tax – Prior Year Adjustment	—	(26,133)	(107,169)	(69,483)	—	(9)	(131)	(363)
Income Tax – Prior Years Adjustment	—	—	—	—	34,860	—	—	—
<b>Current Tax Charge (Note 10b)</b>	<b>—</b>	<b>7,625,790</b>	<b>7,109,205</b>	<b>1,407,861</b>	<b>89,568</b>	<b>1,863</b>	<b>7,372</b>	<b>34,260</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Overseas Tax	633	626	589	423	302	238	22	20
Corporation Tax	27,828	20,408	14,239	7,799	5,367	3,989	421	402
Double Taxation Relief	(633)	(626)	(589)	(423)	(302)	(238)	(22)	(20)
Corporation Tax – Prior Year Adjustment	(256)	(314)	(232)	(176)	(116)	(106)	(6)	(4)
<b>Current Tax Charge (Note 10b)</b>	<b>27,572</b>	<b>20,094</b>	<b>14,007</b>	<b>7,623</b>	<b>5,251</b>	<b>3,883</b>	<b>415</b>	<b>398</b>

Analysis of the tax charge for the 2018–19 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Overseas Tax	—	26,133	107,169	69,483	32,920	9	131	363
Corporation Tax	—	5,511,062	5,301,536	1,096,865	—	2,324	11,928	26,761
<b>Total Current Tax Charge (Note 10b)</b>	<b>—</b>	<b>5,537,195</b>	<b>5,408,705</b>	<b>1,166,348</b>	<b>32,920</b>	<b>2,333</b>	<b>12,059</b>	<b>27,124</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Overseas Tax	257	314	233	176	116	74	6	4
Corporation Tax	14,874	12,133	7,154	3,892	2,626	2,397	168	119
<b>Total Current Tax Charge (Note 10b)</b>	<b>15,131</b>	<b>12,447</b>	<b>7,387</b>	<b>4,068</b>	<b>2,742</b>	<b>2,471</b>	<b>174</b>	<b>123</b>

**(b) Tax Charge Factors**

Factors affecting the tax charge for the 2019–20 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Net Revenue/(Expenses) Before Taxation	21,258,419	77,520,829	124,567,806	63,203,974	34,552,018	44,343	257,719	636,946
<b>Return on Ordinary Activities Before Taxation</b>	<b>21,258,419</b>	<b>77,520,829</b>	<b>124,567,806</b>	<b>63,203,974</b>	<b>34,552,018</b>	<b>44,343</b>	<b>257,719</b>	<b>636,946</b>
Return on Ordinary Activities Before Taxation at the Applicable Rate of Corporation Tax in the UK of 20%	4,251,684	15,504,166	24,913,561	12,640,795	6,910,404	8,869	51,544	127,389
<b>Effects of:</b>								
Revenue Not Subject to Taxation	(1,176,689)	(7,852,243)	(17,697,187)	(11,163,451)	(7,170,553)	(4,561)	(39,751)	(92,766)
Movement in Excess Expenses	—	—	—	—	271,090	—	—	—
Tax-Deductible Interest Distributions	(3,074,995)	—	—	—	—	—	—	—
Overseas Tax	—	41,775	172,908	110,093	54,708	13	200	646
Overseas Tax Expensed	—	—	—	—	(10,941)	—	—	—
Income Tax Prior-Year Adjustment	—	—	—	—	34,860	—	—	—
Double Taxation Relief	—	(41,775)	(172,908)	(110,093)	—	(13)	(200)	(646)
Indexation Adjustment Re UK Government Indexed-Linked Bond	—	—	—	—	—	(2,436)	(4,290)	—
Corporation Tax: Adjustment in Respect of Prior Years	—	(26,133)	(107,169)	(69,483)	—	(9)	(131)	(363)
<b>Current Tax Charge (Note 10a)</b>	<b>—</b>	<b>7,625,790</b>	<b>7,109,205</b>	<b>1,407,861</b>	<b>89,568</b>	<b>1,863</b>	<b>7,372</b>	<b>34,260</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Net Revenue/(Expenses) Before Taxation	571,075	502,543	436,681	299,905	208,293	160,413	15,485	15,506
<b>Return on Ordinary Activities Before Taxation</b>	<b>571,075</b>	<b>502,543</b>	<b>436,681</b>	<b>299,905</b>	<b>208,293</b>	<b>160,413</b>	<b>15,485</b>	<b>15,506</b>
Return on Ordinary Activities Before Taxation at the Applicable Rate of Corporation Tax in the UK of 20%	114,215	100,509	87,336	59,981	41,659	32,083	3,097	3,101
<b>Effects of:</b>								
Revenue Not Subject to Taxation	(86,387)	(80,101)	(73,097)	(52,182)	(36,292)	(28,094)	(2,676)	(2,699)
Movement in Excess Expenses	—	—	—	—	—	—	—	—
Tax-Deductible Interest Distributions	—	—	—	—	—	—	—	—
Overseas Tax	633	626	589	423	302	238	22	20
Overseas Tax Expensed	—	—	—	—	—	—	—	—
Income Tax Prior-Year Adjustment	—	—	—	—	—	—	—	—
Double Taxation Relief	(633)	(626)	(589)	(423)	(302)	(238)	(22)	(20)
Indexation Adjustment Re UK Government Indexed-Linked Bond	—	—	—	—	—	—	—	—
Corporation Tax: Adjustment in Respect of Prior Years	(256)	(314)	(232)	(176)	(116)	(106)	(6)	(4)
<b>Current Tax Charge (Note 10a)</b>	<b>27,572</b>	<b>20,094</b>	<b>14,007</b>	<b>7,623</b>	<b>5,251</b>	<b>3,883</b>	<b>415</b>	<b>398</b>

Factors affecting the tax charge for the 2018–19 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Net Revenue/(Expenses) Before Taxation	14,614,471	52,546,546	82,444,017	41,716,004	22,142,176	34,283	183,273	406,701
<b>Return on Ordinary Activities Before Taxation</b>	<b>14,614,471</b>	<b>52,546,546</b>	<b>82,444,017</b>	<b>41,716,004</b>	<b>22,142,176</b>	<b>34,283</b>	<b>183,273</b>	<b>406,701</b>
Return on Ordinary Activities Before Taxation at the Applicable Rate of Corporation Tax in the UK of 20%	2,922,894	10,509,309	16,488,803	8,343,201	4,428,435	6,857	36,655	81,340
<b>Effects of:</b>								
Revenue Not Subject to Taxation	(732,045)	(4,998,247)	(11,187,267)	(7,246,336)	(4,600,003)	(3,238)	(22,621)	(54,579)
Movement in Excess Expenses	—	—	—	—	171,568	—	—	—
Tax-Deductible Interest Distributions	(2,190,849)	—	—	—	—	—	—	—
Overseas Tax	—	26,133	107,169	69,483	32,920	9	131	363
Indexation Adjustment Re UK Government Indexed-Linked Bond	—	—	—	—	—	(1,295)	(2,106)	—
<b>Current Tax Charge (Note 10a)</b>	<b>—</b>	<b>5,537,195</b>	<b>5,408,705</b>	<b>1,166,348</b>	<b>32,920</b>	<b>2,333</b>	<b>12,059</b>	<b>27,124</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Net Revenue/(Expenses) Before Taxation	263,528	271,353	192,062	132,823	88,932	83,045	5,122	3,466
<b>Return on Ordinary Activities Before Taxation</b>	<b>263,528</b>	<b>271,353</b>	<b>192,062</b>	<b>132,823</b>	<b>88,932</b>	<b>83,045</b>	<b>5,122</b>	<b>3,466</b>
Return on Ordinary Activities Before Taxation at the Applicable Rate of Corporation Tax in the UK of 20%	52,706	54,271	38,412	26,565	17,786	16,609	1,024	693
<b>Effects of:</b>								
Revenue Not Subject to Taxation	(37,832)	(42,138)	(31,258)	(22,673)	(15,160)	(14,212)	(856)	(574)
Movement in Excess Expenses	—	—	—	—	—	—	—	—
Tax-Deductible Interest Distributions	—	—	—	—	—	—	—	—
Overseas Tax	257	314	233	176	116	74	6	4
Indexation Adjustment Re UK Government Indexed-Linked Bond	—	—	—	—	—	—	—	—
<b>Current Tax Charge (Note 10a)</b>	<b>15,131</b>	<b>12,447</b>	<b>7,387</b>	<b>4,068</b>	<b>2,742</b>	<b>2,471</b>	<b>174</b>	<b>123</b>

### (c) Future Tax Charge

The Vanguard LifeStrategy 100% Equity Fund has surplus management expenses that have resulted in an unrecognised deferred tax asset of £754,201 (2019: £469,554). This asset has not been recognised in the Financial Statements as the Funds' current investment strategy is unlikely to generate sufficient taxable profits in the future to enable the value of this asset to be realised.



## 11. Distributions

The distributions take account of equalisation received on the creation of shares and deducted on cancellation of shares, and comprise:

Distributions for the 2019–20 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Final	23,457,213	78,059,416	131,659,163	70,563,127	39,696,278	47,298	306,360	719,342
<b>Add:</b> Equalisation Deducted on Cancellation of Shares	437,854	616,041	730,471	303,384	664,120	5,569	17,714	52,118
<b>Deduct:</b> Equalisation Received on Creation of Shares	(2,636,651)	(8,780,421)	(14,931,019)	(9,070,404)	(5,897,945)	(10,387)	(73,727)	(168,774)
<b>Distributions</b>	<b>21,258,416</b>	<b>69,895,036</b>	<b>117,458,615</b>	<b>61,796,107</b>	<b>34,462,453</b>	<b>42,480</b>	<b>250,347</b>	<b>602,686</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Final	710,152	691,536	602,997	481,022	302,204	211,314	23,947	31,970
<b>Add:</b> Equalisation Deducted on Cancellation of Shares	28,241	14,235	5,891	2,165	3,728	6,030	422	4,383
<b>Deduct:</b> Equalisation Received on Creation of Shares	(194,890)	(223,322)	(186,214)	(190,905)	(102,890)	(60,814)	(9,299)	(21,245)
<b>Distributions</b>	<b>543,503</b>	<b>482,449</b>	<b>422,674</b>	<b>292,282</b>	<b>203,042</b>	<b>156,530</b>	<b>15,070</b>	<b>15,108</b>

There was not a material difference between Net Revenue After Taxation shown in the Statement of Total Return and Distributions shown in the Statement of Total Return.

Distributions for the 2018–19 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Final	16,191,590	52,419,910	85,770,289	45,000,951	24,456,428	39,708	186,724	442,005
<b>Add:</b> Equalisation Deducted on Cancellation of Shares	133,184	515,797	608,438	143,197	95,685	2,674	7,912	8,252
<b>Deduct:</b> Equalisation Received on Creation of Shares	(1,710,308)	(5,926,373)	(9,343,435)	(4,594,501)	(2,442,861)	(10,432)	(23,422)	(70,680)
<b>Distributions</b>	<b>14,614,466</b>	<b>47,009,334</b>	<b>77,035,292</b>	<b>40,549,647</b>	<b>22,109,252</b>	<b>31,950</b>	<b>171,214</b>	<b>379,577</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Final	292,480	299,147	225,124	161,790	108,049	95,579	5,741	5,544
<b>Add:</b> Equalisation Deducted on Cancellation of Shares	8,557	7,434	6,443	5,302	4,096	1,843	962	205
<b>Deduct:</b> Equalisation Received on Creation of Shares	(52,640)	(47,675)	(46,892)	(38,337)	(25,955)	(16,848)	(1,755)	(2,406)
<b>Distributions</b>	<b>248,397</b>	<b>258,906</b>	<b>184,675</b>	<b>128,755</b>	<b>86,190</b>	<b>80,574</b>	<b>4,948</b>	<b>3,343</b>

There was not a material difference between Net Revenue After Taxation shown in the Statement of Total Return and Distributions shown in the Statement of Total Return.

## 12. Debtors

Debtors for the 2019–20 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Amounts Receivable for Creation of Shares	2,275,600	8,693,208	13,270,900	10,499,931	9,150,358	1,510	2,982	121,900
Sales Awaiting Settlement	1,184,000	—	1,114,000	—	—	137,386	298,391	32,800
Accrued Revenue	—	2,902	1,940	1,097,460	2,436,882	5,008	17,416	31,662
Income Tax Recoverable	—	—	—	—	—	—	—	—
<b>Total Debtors</b>	<b>3,459,600</b>	<b>8,696,110</b>	<b>14,386,840</b>	<b>11,597,391</b>	<b>11,587,240</b>	<b>143,904</b>	<b>318,789</b>	<b>186,362</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Amounts Receivable for Creation of Shares	262,664	457,258	313,855	374,295	349,314	110,198	39,670	21,663
Sales Awaiting Settlement	—	—	—	—	—	—	—	—
Accrued Revenue	35,296	32,253	31,059	25,589	16,112	11,062	1,354	2,072
Income Tax Recoverable	—	—	—	—	—	—	—	—
<b>Total Debtors</b>	<b>297,960</b>	<b>489,511</b>	<b>344,914</b>	<b>399,884</b>	<b>365,426</b>	<b>121,260</b>	<b>41,024</b>	<b>23,735</b>

Debtors for the 2018–19 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Amounts Receivable for Creation of Shares	4,760,497	10,572,425	18,196,189	5,058,871	3,119,882	—	27,508	142,139
Sales Awaiting Settlement	—	—	—	—	—	106,501	163,587	—
Accrued Revenue	—	3,227	2,132	960,154	1,571,097	3,567	10,431	19,093
Income Tax Recoverable	—	—	—	—	23,140	—	—	—
<b>Total Debtors</b>	<b>4,760,497</b>	<b>10,575,652</b>	<b>18,198,321</b>	<b>6,019,025</b>	<b>4,714,119</b>	<b>110,068</b>	<b>201,526</b>	<b>161,232</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Amounts Receivable for Creation of Shares	78,599	23,442	59,997	54,800	7,035	31,717	13,796	2,447
Sales Awaiting Settlement	—	39,200	—	—	—	—	—	—
Accrued Revenue	14,836	15,758	13,344	9,699	6,595	5,785	437	383
Income Tax Recoverable	—	—	—	—	—	—	—	—
<b>Total Debtors</b>	<b>93,435</b>	<b>78,400</b>	<b>73,341</b>	<b>64,499</b>	<b>13,630</b>	<b>37,502</b>	<b>14,233</b>	<b>2,830</b>

## 13. Cash and Bank Balances and Bank Overdrafts

Cash and bank balances and bank overdrafts for the 2019–20 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Amounts Held at Futures Clearing Houses and Brokers	26	1,247	1,338	451	369	—	—	—
Cash and Bank Balances	1,624,484	4,348,787	6,567,145	2,087,399	111	13,947	31,183	45,909
<b>Total Cash and Bank Balances</b>	<b>1,624,510</b>	<b>4,350,034</b>	<b>6,568,483</b>	<b>2,087,850</b>	<b>480</b>	<b>13,947</b>	<b>31,183</b>	<b>45,909</b>
Overdrafts With Futures Clearing Houses and Brokers	—	1,233	1,245	—	—	—	—	—
Bank Overdrafts	—	—	—	—	548,461	—	—	—
<b>Total Overdrafts</b>	<b>—</b>	<b>1,233</b>	<b>1,245</b>	<b>—</b>	<b>548,461</b>	<b>—</b>	<b>—</b>	<b>—</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Amounts Held at Futures Clearing Houses and Brokers	—	—	—	—	—	920	—	—
Cash and Bank Balances	42,432	36,461	32,663	21,597	14,507	8,829	1,248	1,635
<b>Total Cash and Bank Balances</b>	<b>42,432</b>	<b>36,461</b>	<b>32,663</b>	<b>21,597</b>	<b>14,507</b>	<b>9,749</b>	<b>1,248</b>	<b>1,635</b>
Overdrafts With Futures Clearing Houses and Brokers	—	—	—	—	—	862	—	—
Bank Overdrafts	—	—	—	—	—	—	—	—
<b>Total Overdrafts</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>862</b>	<b>—</b>	<b>—</b>

Cash and bank balances and bank overdrafts for the 2018–19 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Amounts Held at Futures Clearing Houses and Brokers	81,015	190,476	169,556	50,660	44,163	—	—	—
Cash and Bank Balances	953,811	8,145,424	12,809,682	5,712,775	1,815,073	515	13,602	10,758
<b>Total Cash and Bank Balances</b>	<b>1,034,826</b>	<b>8,335,900</b>	<b>12,979,238</b>	<b>5,763,435</b>	<b>1,859,236</b>	<b>515</b>	<b>13,602</b>	<b>10,758</b>
Overdrafts With Futures Clearing Houses and Brokers	—	193,100	171,854	52,630	43,206	—	—	—
Bank Overdrafts	—	—	—	—	—	—	—	—
<b>Total Overdrafts</b>	<b>—</b>	<b>193,100</b>	<b>171,854</b>	<b>52,630</b>	<b>43,206</b>	<b>—</b>	<b>—</b>	<b>—</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Amounts Held at Futures Clearing Houses and Brokers	—	—	—	—	—	952	—	—
Cash and Bank Balances	44,370	34,866	—	3,437	5,838	8,019	361	178
<b>Total Cash and Bank Balances</b>	<b>44,370</b>	<b>34,866</b>	<b>—</b>	<b>3,437</b>	<b>5,838</b>	<b>8,971</b>	<b>361</b>	<b>178</b>
Overdrafts With Futures Clearing Houses and Brokers	—	—	—	—	—	815	—	—
Bank Overdrafts	—	—	1,913	—	—	—	—	—
<b>Total Overdrafts</b>	<b>—</b>	<b>—</b>	<b>1,913</b>	<b>—</b>	<b>—</b>	<b>815</b>	<b>—</b>	<b>—</b>

#### 14. Other Creditors

Other creditors for the 2019–20 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Amounts Payable for Cancellation of Shares	487,162	—	—	—	—	—	2,834	31,038
Purchases Awaiting Settlement	1,379,000	3,151,000	4,928,000	6,626,000	5,561,000	147,242	309,983	123,200
Accrued Management Charge	289,797	939,758	1,359,458	621,572	290,781	859	3,824	8,030
Reduction for Synthetic Element	(166,640)	(540,172)	(768,532)	(338,383)	(148,162)	(382)	(1,833)	(4,126)
Corporation Tax Payable	—	1,091,945	690,323	23,601	—	1,860	7,303	33,977
<b>Total Other Creditors</b>	<b>1,989,319</b>	<b>4,642,531</b>	<b>6,209,249</b>	<b>6,932,790</b>	<b>5,703,619</b>	<b>149,579</b>	<b>322,111</b>	<b>192,119</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Amounts Payable for Cancellation of Shares	—	—	—	—	—	—	—	—
Purchases Awaiting Settlement	264,799	362,960	319,080	341,687	333,608	108,422	40,131	17,768
Accrued Management Charge	7,919	6,681	5,945	4,450	2,927	1,982	240	355
Reduction for Synthetic Element	(4,082)	(3,448)	(3,052)	(2,257)	(1,486)	(1,007)	(122)	(180)
Corporation Tax Payable	27,196	19,782	13,651	7,375	5,065	3,718	400	382
<b>Total Other Creditors</b>	<b>295,832</b>	<b>385,975</b>	<b>335,624</b>	<b>351,255</b>	<b>340,114</b>	<b>113,115</b>	<b>40,649</b>	<b>18,325</b>

Other creditors for the 2018–19 year:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
Amounts Payable for Cancellation of Shares	—	—	—	—	—	46	—	—
Purchases Awaiting Settlement	4,753,000	13,306,000	24,065,000	8,943,000	5,226,642	107,657	207,171	161,264
Accrued Management Charge	185,743	647,980	961,634	451,066	226,049	682	2,531	5,526
Reduction for Synthetic Element	(158,734)	(497,666)	(649,030)	(273,314)	(129,413)	(438)	(1,590)	(3,433)
Corporation Tax Payable	—	3,230,922	3,032,861	619,188	—	2,324	11,928	26,761
<b>Total Other Creditors</b>	<b>4,780,009</b>	<b>16,687,236</b>	<b>27,410,465</b>	<b>9,739,940</b>	<b>5,323,278</b>	<b>110,271</b>	<b>220,040</b>	<b>190,118</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
Amounts Payable for Cancellation of Shares	—	39,244	—	—	—	—	—	—
Purchases Awaiting Settlement	142,142	69,321	73,223	69,421	17,700	44,635	14,212	2,824
Accrued Management Charge	3,844	3,652	2,918	2,004	1,333	1,182	92	78
Reduction for Synthetic Element	(2,301)	(2,103)	(1,651)	(1,126)	(749)	(664)	(52)	(44)
Corporation Tax Payable	14,873	12,133	7,154	3,892	2,626	2,397	168	120
<b>Total Other Creditors</b>	<b>158,558</b>	<b>122,247</b>	<b>81,644</b>	<b>74,191</b>	<b>20,910</b>	<b>47,550</b>	<b>14,420</b>	<b>2,978</b>

## 15. Capital Commitments and Contingent Liabilities

The Funds had no capital commitments or contingent liabilities at year-end (31 March 2019: None).

## 16. Efficient Portfolio Management

The Company may employ investment techniques and use financial derivative instruments (FDIs) (such as futures contracts, forward foreign currency contracts, options and swaps) for efficient portfolio management of the assets of the Funds, including hedging against market movements, currency exchange or interest rate risks. Any investment technique or use of FDIs must be one which is reasonably believed by the Investment Adviser to be economically appropriate in that it is realised in a cost-effective way. Realised and unrealised gains or losses arising from financial derivative transactions are accounted for through the Statement of Total Return as Net Capital Gain/(Losses).

## 17. Related Party Transactions

**Authorised Corporate Director.** Vanguard Investments UK, Limited, is the ACD and acts as a principal in respect of all transactions of shares in the Funds. For its services, the ACD receives a fixed single fee per share class (the “Management Charge”) calculated on a daily basis and paid monthly. Out of the fees received, the ACD pays for any sub-advisers, as well as the costs of administration including audit, depositary, legal, registration and regulatory fees associated with the Funds. As a result, the ACD anticipates the ongoing charges figure (“OCF”) of each share class will closely track the Management Charge. The ACD, in its sole discretion, may voluntarily waive all or part of its fee, and any such waiver could be discontinued at any time and without notice.

The Funds invest in affiliated collective investment schemes, and substantially all of the Net Capital Gains/(Losses) and Revenue from these collective investment schemes, as disclosed in Notes 6 and 8, respectively, are derived from related party holdings. Additionally with respect to the Funds, the ACD intends to reduce its annual management charge in an amount equal to similar charges already incurred in the underlying affiliated collective investment schemes. This reduction is voluntary and at the sole discretion of the ACD and could be discontinued at any time without notice. Amounts due from or to the ACD are disclosed in Notes 12 and 14. Amounts earned by the ACD in respect to annual management charges are disclosed in Note 9.

Annual Management Charge for each share class as at 31 March 2020:

	Vanguard LifeStrategy 20% Equity Fund (%)	Vanguard LifeStrategy 40% Equity Fund (%)	Vanguard LifeStrategy 60% Equity Fund (%)	Vanguard LifeStrategy 80% Equity Fund (%)	Vanguard LifeStrategy 100% Equity Fund (%)	Vanguard Target Retirement 2015 Fund (%)	Vanguard Target Retirement 2020 Fund (%)	Vanguard Target Retirement 2025 Fund (%)
A GBP Accumulation Shares	0.22	0.22	0.22	0.22	0.22	0.24	0.24	0.24
A GBP Income Shares	0.22	0.22	0.22	0.22	0.22	—	—	—

	Vanguard Target Retirement 2030 Fund (%)	Vanguard Target Retirement 2035 Fund (%)	Vanguard Target Retirement 2040 Fund (%)	Vanguard Target Retirement 2045 Fund (%)	Vanguard Target Retirement 2050 Fund (%)	Vanguard Target Retirement 2055 Fund (%)	Vanguard Target Retirement 2060 Fund (%)	Vanguard Target Retirement 2065 Fund (%)
A GBP Accumulation Shares	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24

All shares within the ICVC have the same rights on winding up.

Annual Management Charge for each share class as at 31 March 2019:

	Vanguard LifeStrategy 20% Equity Fund (%)	Vanguard LifeStrategy 40% Equity Fund (%)	Vanguard LifeStrategy 60% Equity Fund (%)	Vanguard LifeStrategy 80% Equity Fund (%)	Vanguard LifeStrategy 100% Equity Fund (%)	Vanguard Target Retirement 2015 Fund (%)	Vanguard Target Retirement 2020 Fund (%)	Vanguard Target Retirement 2025 Fund (%)
A GBP Accumulation Shares	0.22	0.22	0.22	0.22	0.22	0.24	0.24	0.24
A GBP Income Shares	0.22	0.22	0.22	0.22	0.22	—	—	—

	Vanguard Target Retirement 2030 Fund (%)	Vanguard Target Retirement 2035 Fund (%)	Vanguard Target Retirement 2040 Fund (%)	Vanguard Target Retirement 2045 Fund (%)	Vanguard Target Retirement 2050 Fund (%)	Vanguard Target Retirement 2055 Fund (%)	Vanguard Target Retirement 2060 Fund (%)	Vanguard Target Retirement 2065 Fund (%)
A GBP Accumulation Shares	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24

All shares within the ICVC have the same rights on winding up.

**Audit Fees.** Audit fees paid on behalf of each fund by the ACD were £8,725, excluding VAT (2019: £8,980).

**Investment Adviser.** Vanguard Global Advisers, LLC, is the Investment Adviser to the Funds and is compensated by the ACD. The Investment Adviser or the ACD, at their discretion, may appoint other companies from within The Vanguard Group of Companies to provide investment management and advisory services with respect to the Funds.

The following amounts were held by affiliates of Vanguard Investments UK, Limited, expressed as a percentage of total net assets:

Sub-Fund	31 March 2020 (%)	31 March 2019 (%)
Vanguard Target Retirement 2060 Fund	0.75	2.21
Vanguard Target Retirement 2065 Fund	0.54	2.56

As at 31 March 2020, there were no amounts due from or to affiliates of Vanguard Investments UK, Limited, related to share transactions (31 March 2019: None).

## 18. Share Reconciliation

Reconciliation of the share movements in the year:

	Vanguard LifeStrategy 20% Equity Fund	Vanguard LifeStrategy 40% Equity Fund	Vanguard LifeStrategy 60% Equity Fund	Vanguard LifeStrategy 80% Equity Fund	Vanguard LifeStrategy 100% Equity Fund	Vanguard Target Retirement 2015 Fund	Vanguard Target Retirement 2020 Fund	Vanguard Target Retirement 2025 Fund
<b>A GBP Accumulation Shares:</b>								
Opening Shares in Issue	6,093,490	19,156,406	26,233,369	11,667,539	5,166,599	26,683	96,175	208,162
Creations During the Year	2,988,658	8,259,219	11,230,249	4,992,080	2,211,799	20,712	72,136	135,954
Cancellations During the Year	(186,881)	(190,846)	(180,929)	(59,723)	(155,231)	(13,633)	(20,466)	(40,988)
<b>Closing Shares in Issue</b>	<b>8,895,267</b>	<b>27,224,779</b>	<b>37,282,689</b>	<b>16,599,896</b>	<b>7,223,167</b>	<b>33,762</b>	<b>147,845</b>	<b>303,128</b>
	Vanguard Target Retirement 2030 Fund	Vanguard Target Retirement 2035 Fund	Vanguard Target Retirement 2040 Fund	Vanguard Target Retirement 2045 Fund	Vanguard Target Retirement 2050 Fund	Vanguard Target Retirement 2055 Fund	Vanguard Target Retirement 2060 Fund	Vanguard Target Retirement 2065 Fund
<b>A GBP Accumulation Shares:</b>								
Opening Shares in Issue	144,159	136,103	105,769	72,984	48,456	42,737	4,534	3,900
Creations During the Year	173,089	143,580	134,929	106,894	70,729	38,521	9,759	18,094
Cancellations During the Year	(21,231)	(13,285)	(7,611)	(3,008)	(3,253)	(5,110)	(887)	(3,345)
<b>Closing Shares in Issue</b>	<b>296,017</b>	<b>266,398</b>	<b>233,087</b>	<b>176,870</b>	<b>115,932</b>	<b>76,148</b>	<b>13,406</b>	<b>18,649</b>
	Vanguard LifeStrategy 20% Equity Fund	Vanguard LifeStrategy 40% Equity Fund	Vanguard LifeStrategy 60% Equity Fund	Vanguard LifeStrategy 80% Equity Fund	Vanguard LifeStrategy 100% Equity Fund	Vanguard Target Retirement 2015 Fund	Vanguard Target Retirement 2020 Fund	Vanguard Target Retirement 2025 Fund
<b>A GBP Income Shares:</b>								
Opening Shares in Issue	601,292	2,092,966	2,844,585	923,505	738,619	—	—	—
Creations During the Year	335,235	663,347	876,429	345,935	282,094	—	—	—
Cancellations During the Year	(54,360)	(101,431)	(141,652)	(70,404)	(60,084)	—	—	—
<b>Closing Shares in Issue</b>	<b>882,167</b>	<b>2,654,882</b>	<b>3,579,362</b>	<b>1,199,036</b>	<b>960,629</b>	<b>—</b>	<b>—</b>	<b>—</b>

## 19. Fair Value

As at 31 March 2020:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
<b>Assets: Basis of Valuation</b>								
Level 1: Quoted Prices	51,412,400	53,839,643	53,015,924	152,842,496	290,329,330	1,538,372	5,177,378	6,263,919
Level 2: Observable Market Data	1,477,715,540	4,913,098,529	7,124,278,326	3,134,292,126	1,273,149,001	2,695,769	13,878,727	33,011,646
Level 3: Unobservable Data	—	—	—	—	—	—	—	—
<b>Total</b>	<b>1,529,127,940</b>	<b>4,966,938,172</b>	<b>7,177,294,250</b>	<b>3,287,134,622</b>	<b>1,563,478,331</b>	<b>4,234,141</b>	<b>19,056,105</b>	<b>39,275,565</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
<b>Assets: Basis of Valuation</b>								
Level 1: Quoted Prices	5,276,968	3,760,311	3,092,674	2,591,968	1,724,018	1,119,142	149,229	208,869
Level 2: Observable Market Data	33,479,799	31,213,219	27,815,174	20,777,172	13,605,372	8,984,823	1,175,420	1,629,529
Level 3: Unobservable Data	—	—	—	—	—	—	—	—
<b>Total</b>	<b>38,756,767</b>	<b>34,973,530</b>	<b>30,907,848</b>	<b>23,369,140</b>	<b>15,329,390</b>	<b>10,103,965</b>	<b>1,324,649</b>	<b>1,838,398</b>

As at 31 March 2019:

	Vanguard LifeStrategy 20% Equity Fund (£)	Vanguard LifeStrategy 40% Equity Fund (£)	Vanguard LifeStrategy 60% Equity Fund (£)	Vanguard LifeStrategy 80% Equity Fund (£)	Vanguard LifeStrategy 100% Equity Fund (£)	Vanguard Target Retirement 2015 Fund (£)	Vanguard Target Retirement 2020 Fund (£)	Vanguard Target Retirement 2025 Fund (£)
<b>Assets: Basis of Valuation</b>								
Level 1: Quoted Prices	—	2,209,678	1,459,793	135,411,021	230,652,387	550,132	1,394,605	2,094,140
Level 2: Observable Market Data	1,024,466,085	3,553,515,542	5,299,874,635	2,355,651,521	1,018,874,133	2,828,590	11,304,503	25,855,556
Level 3: Unobservable Data	—	—	—	—	—	—	—	—
<b>Total</b>	<b>1,024,466,085</b>	<b>3,555,725,220</b>	<b>5,301,334,428</b>	<b>2,491,062,542</b>	<b>1,249,526,520</b>	<b>3,378,722</b>	<b>12,699,108</b>	<b>27,949,696</b>

	Vanguard Target Retirement 2030 Fund (£)	Vanguard Target Retirement 2035 Fund (£)	Vanguard Target Retirement 2040 Fund (£)	Vanguard Target Retirement 2045 Fund (£)	Vanguard Target Retirement 2050 Fund (£)	Vanguard Target Retirement 2055 Fund (£)	Vanguard Target Retirement 2060 Fund (£)	Vanguard Target Retirement 2065 Fund (£)
<b>Assets: Basis of Valuation</b>								
Level 1: Quoted Prices	1,660,930	1,767,462	1,498,607	1,116,053	744,999	651,154	52,613	44,458
Level 2: Observable Market Data	18,069,960	17,105,522	13,402,406	9,223,607	6,117,827	5,420,084	426,592	367,430
Level 3: Unobservable Data	—	—	—	—	—	—	—	—
<b>Total</b>	<b>19,730,890</b>	<b>18,872,984</b>	<b>14,901,013</b>	<b>10,339,660</b>	<b>6,862,826</b>	<b>6,071,238</b>	<b>479,205</b>	<b>411,888</b>



## 20. Credit Facility Disclosure

The Funds and certain other funds managed by the ACD and its affiliates participate in an annually renewable USD \$4.3 billion committed credit facility. Each participating fund is individually liable for its borrowings under the credit facility. Borrowings may be utilised for temporary or emergency purposes, and are subject to the participating fund's regulatory and contractual borrowing restrictions. Participating funds are allocated an annual commitment fee of 0.10% of the undrawn facility amount as well as certain administrative fees. Any fees allocated to the Funds are paid by the ACD. Interest and direct borrowing costs associated with draws on the credit facility are charged to the Funds and recorded in the Statement of Operations.

Any borrowings under this facility denominated in euro bear interest at the Euro Interbank Offered Rate plus an applicable margin, while borrowings under this facility in denominations other than euro bear interest at a rate equal to the higher of the one-month London Interbank Offered Rate (or an acceptable alternate rate, if necessary), federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread.

The Funds did not have any borrowings outstanding at 31 March 2020 or any time during the year then ended (31 March 2019: Nil), and they have not incurred any interest charges.

## 21. Important Events During the Year

With effect from 20 May 2019, the methodology around the application of a dilution adjustment (also known as "swing pricing") has been updated such that a dilution adjustment will only be applied when a pre-determined level (the "swing threshold") has been reached.

With effect from 7 June 2019, Nick Blake resigned as a director of Vanguard Investments UK, Limited.

With effect from 5 July 2019, Frank L. Satterthwaite and Cynthia Lui resigned as directors of Vanguard Investments UK, Limited.

With effect from 5 July 2019, Katie Smith, Michael Gower and Kathleen Bock were appointed as directors of Vanguard Investments UK, Limited.

With effect from 11 July 2019, Daniel Waters was appointed as a director of Vanguard Investments UK, Limited.

With effect from 20 January 2020, John Bendl was appointed as a director of Vanguard Investments UK, Limited.

With effect from 3 February 2020, Maureen Erasmus was appointed as a director of Vanguard Investments UK, Limited.

## 22. Events After the Balance Sheet Date

There were no significant events after the balance sheet date.

# Further Information

## Reports and Financial Statements

Each year, annual and interim reports will be prepared. They will describe investment activity during the period and provide management commentary.

Recipients of this document should not treat the contents as advice relating to legal, taxation or investment matters and should consult their own professional advisers concerning the acquisition, holding or disposing of investments in the Funds.

Past performance is not necessarily indicative of future performance, and the value of the shares and income from them may fall as well as rise. On redemption of shares, investors may receive back an amount less than the original amount of their investment. The assets of the Funds will be in a variety of currencies, and therefore movements in the value of currencies may affect the value of an investor's holdings and the income from the holdings may fluctuate in value in money terms.

## Prospectus

The Fund Prospectus, an important document describing each Fund in detail, is available from the ACD, which is responsible for the management and administration of the Funds.

The ACD for Vanguard LifeStrategy Funds ICVC is Vanguard Investments UK, Limited, located at 4th Floor, The Walbrook Building, 25 Walbrook, London EC4N 8AF.

## Types of Shares Available

Each of the LifeStrategy 40% Equity, 60% Equity, 80% Equity and 100% Equity Funds offers two classes of shares: A GBP Income Shares and A GBP Accumulation Shares. The LifeStrategy 20% Equity Fund has two share classes: A GBP Gross Income and A GBP Gross Accumulation.

Each of the Target Retirement Funds offers one class of shares: A GBP Accumulation Shares.

## Switching

Investors may sell their shares and transfer the proceeds into any of the other Funds by calling our dealing desk on 0800 408 2065.

## Distributions

The existing Funds allocate revenue to shareholders once a year, on 31 May.

## Publication of Prices

The most recent share prices are published daily on <https://global.vanguard.com>.

## Cross Holdings

On 31 March 2020 there were no shares in any sub-fund held by other sub-funds of the Vanguard LifeStrategy Funds ICVC.

## Remuneration Disclosure

The Vanguard UK Consolidation Group publishes annually its Pillar 3 disclosures, including certain information on remuneration. The latest Pillar 3 disclosures can be found at <https://global.vanguard.com/documents/pillar3-disclosures.pdf>.

Vanguard personnel providing services to the ACD are subject to the Vanguard European Remuneration Policy (the "Remuneration Policy"). The Remuneration Policy includes the remuneration requirements of the UCITS V Directive (2014/91/EU). Details of the Remuneration Policy are available through <https://www.vanguard.co.uk/uk/portal/investment-information.jsp>, which will be updated periodically to reflect changes to the policy.

The governance of remuneration within Vanguard Europe is undertaken through a tiered structure, including Vanguard's Global Remuneration Committee and the European Remuneration Committee ("ERC"). The Compensation Committee also operates at The Vanguard Group level and oversees the overall compensation programmes of The Vanguard Group. The ERC is responsible for implementing the remuneration programmes in accordance with our total rewards philosophy and global organisation, including overseeing the Remuneration Policy.

The Remuneration Policy provides for an appropriate balance of fixed salary; benefits, such as pension; and annual bonus and long-term incentive arrangements. Incentives are based on the overall business performance of The Vanguard Group, or individual, team, business unit and fund performance. The incentive plans are reviewed and approved by the ERC (and other applicable groups) in order to ensure that plans appropriately assess financial and non-financial performance and do not encourage conflicts of interest, and to ensure that risk or compliance issues are appropriately reflected.

The ERC also reviews and approves the list of UCITS code staff annually. Identified code staff are notified and understand the code staff responsibilities.

Under the UCITS V Directive, the ACD is required to disclose information relating to the remuneration paid to its staff for the financial year, split into fixed and variable remuneration. The table below presents the aggregate total remuneration paid to staff who provide services to the Funds and the aggregate total remuneration paid to all relevant UCITS code staff.

	Headcount <sup>1,2</sup>	Total Remuneration (£000) <sup>3</sup>
<b>Funds, of which</b>	<b>388</b>	<b>15,769</b>
Fixed Remuneration	388	10,225
Variable Remuneration	388	5,545
Performance Fees	n/a	n/a
<b>UCITS Code Staff, of which</b>	<b>14</b>	<b>3,035</b>
Senior Management	8	2,464
Other Code Staff	6	570

1 This is the total number of employees who are fully or partly involved in the activities of the Funds.

2 The staff in this table may provide services to other entities within The Vanguard Group.

3 Remuneration disclosed is apportioned based on total assets under management by Vanguard Investments UK, Limited, from total European assets under management.

Remuneration reflects fixed pay (salary) and performance-related pay (annual and long-term incentives). Individual incentive outcomes under the plans are based on performance assessed by reference to an appropriate balance of quantitative and qualitative measures, such as behaviour, including compliance with all applicable policies. The individual incentive outcome is fully discretionary and, if appropriate, outcomes based on financial performance can be overridden based on the qualitative measures.

#### Assessment of Value

Under rules laid out in COLL 6.6.20R of the Financial Conduct Authority's Handbook, the ACD is required to inform investors annually whether its funds are providing value to investors and then publish an annual statement summarising the outcome of this process. Details of the statement are available at <https://www.vanguard.co.uk/adviser/adv/about-vanguard/assessment-of-value>.

#### Synthetic Ongoing Charges Figure

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. Because the Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), it is required to disclose a synthetic OCF that accounts for the ongoing charges incurred in the underlying CIUs.

The Synthetic OCF Charge for each shareclass as at 31 March 2020:

	Vanguard LifeStrategy 20% Equity Fund (%)	Vanguard LifeStrategy 40% Equity Fund (%)	Vanguard LifeStrategy 60% Equity Fund (%)	Vanguard LifeStrategy 80% Equity Fund (%)	Vanguard LifeStrategy 100% Equity Fund (%)	Vanguard Target Retirement 2015 Fund (%)	Vanguard Target Retirement 2020 Fund (%)	Vanguard Target Retirement 2025 Fund (%)
<b>A GBP Accumulation Shares</b>								
Fund Direct Charge	0.06	0.07	0.08	0.09	0.10	0.12	0.11	0.11
Synthetic element	0.16	0.15	0.14	0.13	0.12	0.12	0.13	0.13
Total Synthetic OCF	0.22	0.22	0.22	0.22	0.22	0.24	0.24	0.24
<b>A GBP Income Shares</b>								
Fund Direct Charge	0.06	0.07	0.08	0.09	0.10	—	—	—
Synthetic element	0.16	0.15	0.14	0.13	0.12	—	—	—
Total Synthetic OCF	0.22	0.22	0.22	0.22	0.22	—	—	—
	Vanguard Target Retirement 2030 Fund (%)	Vanguard Target Retirement 2035 Fund (%)	Vanguard Target Retirement 2040 Fund (%)	Vanguard Target Retirement 2045 Fund (%)	Vanguard Target Retirement 2050 Fund (%)	Vanguard Target Retirement 2055 Fund (%)	Vanguard Target Retirement 2060 Fund (%)	Vanguard Target Retirement 2065 Fund (%)
<b>A GBP Accumulation Shares</b>								
Fund Direct Charge	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11
Synthetic element	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Total Synthetic OCF	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24

The Synthetic OCF Charge for each shareclass as at 31 March 2019:

	Vanguard LifeStrategy 20% Equity Fund (%)	Vanguard LifeStrategy 40% Equity Fund (%)	Vanguard LifeStrategy 60% Equity Fund (%)	Vanguard LifeStrategy 80% Equity Fund (%)	Vanguard LifeStrategy 100% Equity Fund (%)	Vanguard Target Retirement 2015 Fund (%)	Vanguard Target Retirement 2020 Fund (%)	Vanguard Target Retirement 2025 Fund (%)
<b>A GBP Accumulation Shares</b>								
Fund Direct Charge	0.03	0.05	0.07	0.09	0.09	0.09	0.09	0.09
Synthetic element	0.19	0.17	0.15	0.13	0.13	0.15	0.15	0.15
Total Synthetic OCF	0.22	0.22	0.22	0.22	0.22	0.24	0.24	0.24
<b>A GBP Income Shares</b>								
Fund Direct Charge	0.03	0.05	0.07	0.09	0.09	—	—	—
Synthetic element	0.19	0.17	0.15	0.13	0.13	—	—	—
Total Synthetic OCF	0.22	0.22	0.22	0.22	0.22	—	—	—
	Vanguard Target Retirement 2030 Fund (%)	Vanguard Target Retirement 2035 Fund (%)	Vanguard Target Retirement 2040 Fund (%)	Vanguard Target Retirement 2045 Fund (%)	Vanguard Target Retirement 2050 Fund (%)	Vanguard Target Retirement 2055 Fund (%)	Vanguard Target Retirement 2060 Fund (%)	Vanguard Target Retirement 2065 Fund (%)
<b>A GBP Accumulation Shares</b>								
Fund Direct Charge	0.10	0.10	0.10	0.11	0.11	0.11	0.11	0.11
Synthetic element	0.14	0.14	0.14	0.13	0.13	0.13	0.13	0.13
Total Synthetic OCF	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24

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4th Floor, The Walbrook Building,  
25 Walbrook, London EC4N 8AF

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# Directory

## **Company's Head Office and Registered Office**

4th Floor, The Walbrook Building  
25 Walbrook  
London  
EC4N 8AF  
United Kingdom

## **Authorised Corporate Director**

Vanguard Investments UK, Limited  
4th Floor, The Walbrook Building  
25 Walbrook  
London  
EC4N 8AF  
United Kingdom

## **Directors of the ACD<sup>1,2</sup>**

James M. Norris  
Sean P. Hagerty  
Katie Smith<sup>3</sup>  
Michael Gower<sup>3</sup>  
Kathleen Bock<sup>3</sup>  
Daniel Waters<sup>4</sup>  
John Bendl<sup>5</sup>  
Maureen Erasmus<sup>6</sup>

## **Administrator and Registrar<sup>7</sup>**

SS&C Financial Services International Limited and  
SS&C Financial Services Europe Limited  
SS&C House  
St. Nicholas Lane  
Basildon  
Essex SS15 5FS  
United Kingdom

## **Investment Adviser**

Vanguard Global Advisers, LLC  
P.O. Box 2600  
Valley Forge, PA 19482  
USA

## **The Depositary**

State Street Trustees Limited  
Quartermile 3  
10 Nightingale Way  
Edinburgh  
EH3 9EG  
United Kingdom

## **Independent Auditors**

PricewaterhouseCoopers LLP  
Level 4  
Atria One  
144 Morrison Street  
Edinburgh  
EH3 8EX  
United Kingdom

<sup>1</sup> Nick Blake resigned as a director of Vanguard Investments UK, Limited, the ACD of the Funds, with effect from 7 June 2019.

<sup>2</sup> Frank L. Satterthwaite and Cynthia Lui resigned as directors of Vanguard Investments UK, Limited, the ACD of the Funds, with effect from 5 July 2019.

<sup>3</sup> Katie Smith, Michael Gower and Kathleen Bock were appointed directors of Vanguard Investments UK, Limited, the ACD of the Funds, with effect from 5 July 2019.

<sup>4</sup> Daniel Waters was appointed director of Vanguard Investments UK, Limited, the ACD of the Funds, with effect from 11 July 2019.

<sup>5</sup> John Bendl was appointed director of Vanguard Investments UK, Limited, the ACD of the Funds, with effect from 20 January 2020.

<sup>6</sup> Maureen Erasmus was appointed director of Vanguard Investments UK, Limited, the ACD of the Funds, with effect from 3 February 2020.

<sup>7</sup> With effect from 31 March 2020, SS&C Financial Services Europe Limited is the trading name of DST Financial Services Europe Ltd following the SS&C's acquisition of DST in 2018.



Vanguard Investments UK, Limited  
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**Client Services**

0800 408 2065

Monday to Friday  
09.00–17.00

This report is intended for the Funds' shareholders. It may not be distributed to prospective investors unless it is preceded or accompanied by the current Prospectus of the Funds.

All comparative mutual fund data are from Lipper, a Thomson Reuters Company, or Morningstar, Inc., unless otherwise noted.

Vanguard Investments UK, Limited, only gives information on products and services and does not give investment advice based on individual circumstances. The Key Investor Information Document ("KIID") and the Prospectus for these Funds are available from Vanguard Investments UK, Limited, via our website [vanguard.co.uk](https://vanguard.co.uk).

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