Aberdeen Investment Funds ICVC

Annual Long Report

For the year ended 31 July 2018

Aberdeen

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Report of the Authorised Corporate Director

Aberdeen Investment Funds ICVC (the Company) is an open-ended investment company with variable capital. The Company is registered and authorised in the United Kingdom by the Financial Conduct Authority (the FCA) and has Undertakings for Collective Investment in Transferable Securities (UCITS) status. The Company is structured as an umbrella scheme for the purposes of the Collective Investment Schemes Sourcebook (COLL) and consists of a number of separate sub-funds.

Appointments

Authorised Corporate Director
Aberdeen Fund Managers Limited

Head Office
10 Queens Terrace
Aberdeen
AB10 1XL

Registered Office
Bow Bells House
1 Bread Street London
EC4M 9HH

Depositary
BNP Paribas Securities Services
London Branch
10 Harewood Avenue London
NW1 6AA

Auditors
KPMG LLP
St Vincent Plaza,
319 St Vincent Street,
Glasgow
G2 5AS

Registrar
DST Financial Services Europe Limited
DST House
St. Nicholas Lane
Basildon
Essex SS15 5FS
(the register of shareholders can be inspected at this address)

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

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

Financial details and Fund Managers' reviews of the individual sub-funds for the year ended 31 July 2018 are given in the following pages of this report.

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

Report of the Authorised Corporate Director

The sub-funds are valued on a mid-price basis and dealt at a single price regardless of whether a purchase or sale is being affected. The daily price for each sub-fund appears on the Aberdeen website at **aberdeen-asset.co.uk**.

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

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

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

Developments and prospectus updates since 31 July 2017

- Product reference numbers were added;
- Consistent terminology was applied in respect of existing stock lending disclosures;
- A and I share classes of the Aberdeen Sterling Long Dated Corporate Bond Fund were closed;
- The table setting out Operating, Administrative and Servicing Expenses was updated to reflect reductions made during the year to 31 July 2018 and any share class closures;
- The complaints section was updated;
- Updated various details regarding BNP (including but not limited to the address);
- Updated sections 36 and 37 of the "Investment and Borrowing Powers" (regarding derivatives);
- Change of Registrar name – IFDS has been renamed as DST Financial Services Europe Limited;
- The list of directors was updated;
- On 22 September 2017 Aberdeen Absolute Return Bond Fund name changed to Aberdeen Target Return Bond Fund;
- MIFID II: Several compulsory regulatory updates were made resulting from MIFID II, including updates to our order execution and conflicts of interest policies, and amendments to the Investor Profiles to align prospectus wording with the target market assessments that are sent to distributors (a new MIFID II requirement);
- Aberdeen Asian Bond Fund (an empty Fund shell that was not launched) was removed from the prospectus;
- References to the Japan investment management entity were amended to Aberdeen Standard Investments (Japan) Limited;
- On 1 November 2017 the Annual Management Charge for Aberdeen Emerging Markets Bond Fund Share classes I Accumulation and I Income were reduced to 0.75%;
- On 11 May 2018 the following share classes were closed: Aberdeen Corporate Bond Fund K Inc, Aberdeen Corporate Bond Fund Z Inc, Aberdeen Responsible UK Equity Fund Z Inc, Aberdeen Sterling Bond Fund Z Inc, Aberdeen Sterling Government Bond Fund Z Inc, Aberdeen Sterling Long Dated Corporate Bond Fund K Inc, Aberdeen UK Equity Fund Z Acc and Aberdeen World Equity Fund Z Acc;
- Performance and dilution figures were refreshed, as appropriate;
- The registered address of the sub-adviser Aberdeen Standard Investments (Japan) Limited was updated;
- The address of the Fund's auditor (KPMG) was updated;
- The post code of the registered office of the Investment Manager (Aberdeen Asset Managers Limited) was changed following a database correction at Royal Mail;
- The Taxation sections were refreshed as appropriate;
- The registered address of the FCA was updated;
- New disclosures were added in respect of the classification of 'Retail' investors;
- On 28 February 2018 the Annual Management Charge (AMC) temporary fee waivers ended for the Aberdeen UK Equity Fund and Aberdeen World Equity Fund L Share classes;
- On 1 July 2018 the Annual Management Charge for Class A and I shares for the following Funds was reduced: Aberdeen Sterling Government Bond Fund, Aberdeen Sterling Short Term Government Bond Fund, Aberdeen Sterling Index-Linked Bond Fund, Aberdeen Sterling Long Dated Government Bond Fund and Aberdeen Sterling Money Market Fund (Please note that the AMC for the Aberdeen Sterling Money Market Fund Class A shares, which was reduced to 0.20% on 1 December 2016 by partial waiver, will now remain at their current reduced level of 0.20%);
- The list of Eligible Markets was updated;
- The list of sub-custodians was updated;
- New disclosures were added in respect of the EU Benchmark Regulation.

Report of the Authorised Corporate Director

Following the merger of Aberdeen Asset Management PLC and Standard Life plc there have been no amendments to legal entities and naming conventions, and therefore the references to Aberdeen Asset Management throughout this report have not been changed.

Significant event

- Aberdeen World Government Bond Fund closed on 11 August 2017.
- As of the 12th November 2018 the Depositary, Custodian and Fund Administrator moved to Citibank Europe plc, acting through its UK Branch.

Report of the Authorised Corporate Director

Review

Global equities had a bumpy ride in the year under review. The first half of the period saw a broad-based economic recovery, underpinned by a pick-up in global trade and firming commodity prices. Corporate earnings were robust, with many large businesses posting upbeat forecasts. However, volatility returned in the second half: investors were jittery about central bankers' path towards normalisation and the brewing trade war between the US and its major partners. While signs of slowing growth in China and trade concerns weighed on industrial metals, Brent crude rebounded, following OPEC's pledge to curb production and the US withdrawal from the Iran nuclear deal. Several oil-exporting markets, including Russia and Colombia, benefited as a result. Meanwhile, higher energy prices stoked inflation concerns in India and Indonesia.

Defying the tumult elsewhere, US stocks maintained their upward trajectory, amid a favourable macro environment. Second-quarter GDP grew by 4.1%, the highest in four years, while payrolls expanded and unemployment fell. The Federal Reserve raised its benchmark interest rates by 0.75% in three increments, with two more hikes expected for the remainder of the year. Also lifting sentiment was the passage of a sweeping tax reform that encourages companies to repatriate overseas profits.

Further gains were capped by the Trump administration's protectionist rhetoric that aggravated the US relations with its allies. Global tariffs on steel and aluminium took effect, while automobiles imports from Europe and Japan were also under consideration. At the centre of the tit-for-tat trade war was the deepening divide with China. Washington and Beijing have mutually imposed levies on US$34 billion worth of goods, threatening to upend the global integrated supply chain, with a knock-on effect on several export-dependent markets, such as Korea and Taiwan.

Nevertheless, equities in the mainland were resilient, despite signs of moderating economic expansion resulted from the government's shift to focus on growth quality and deleveraging to strengthen the country's financial system. These short-term pains were needed to put the economy on a firmer footing. Likewise, Russia remained robust, shrugging off US sanctions and a diplomatic row with Europe.

Elsewhere in emerging markets, Turkey bore the brunt of the risk-aversion sentiment amid rising US dollar strength. Investors were unnerved by its deteriorating fiscal outlook and President Erdogan's snap-election win that gives him new sweeping executive power. Brazilian stocks came off the boil following a period of outperformance on upbeat economic recovery. Worries about a widening budget deficit persisted, after President Michel Temer failed to push forward the much-needed pension reform and re-instated fuel subsidies to quell a nationwide truckers strike. That said, the macro environment remained supportive, with benign inflation and record-low interest rates. Mexican stocks were volatile in the lead up to the presidential election, amid lingering concerns around NAFTA talks. On a brighter note, fears of a populist government have subsided somewhat, as President-elect Lopez Orbrador turned more positive towards the private sector and reaffirmed his commitment to market-friendly policy.

European equities lost steam, as leading indicators pointed to a decelerating albeit healthy economy. The European Central Bank stayed firm on its normalising path: it will end its bond-purchase programme by this year but keep interest rates unchanged until next summer. Markets there were also hampered by political developments. A coalition between the Five Star Movement and Northern League triggered a selloff in Italian assets, on expectations of increasing social spending and worsening relations with Brussels. Meanwhile, policy uncertainty in Germany and Spain continued to rattle investors. In the UK, the Bank of England raised its benchmark lending rate to 0.75%, its highest since 2009 and reaffirmed that future hikes would be gradual at the time of writing. Brexit progress remained sluggish, as Prime Minister Theresa May's push for a soft exit resulted in a turmoil in the cabinet, with the resignation of several key officials.

Japanese stocks posted solid gains, backed by upbeat earnings and significant improvement in corporate governance. Undeterred by other major central banks elsewhere, the Bank of Japan held steady on its accommodative policy stance, but removed the timeframe to achieve the elusive 2% inflation target.

Outlook

Following a period of synchronised upturn, growth trajectories have diverged across economies. The US appears to have regained its poise, while growth in the rest of the world seems less certain in the turbulence created by the Trump presidency's questionable decisions on trade and diplomacy. Further curbing appetite are tightening financial conditions among major markets on the back of rising inflationary pressure. Risk-aversion, coupled with the greenback's strength, could continue to pressure emerging markets.

Nevertheless, we remain committed to our disciplined investment approach, which focuses on quality and price to construct diversified portfolios that reflect the high conviction we have in our holdings. With their competitive advantage and solid market position, these companies possess compelling long-term prospects that allow them to navigate through challenges and sustain their earnings momentum. Meanwhile, we believe that indiscriminate selling, regardless of fundamentals, will present us with opportunities to introduce new holdings at attractive valuations.

Statement of the Authorised Corporate Director's Responsibilities

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

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then apply them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

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

Authorised Corporate Director's Statement

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

Gary Marshall
Director
Aberdeen Fund Managers Limited
14 November 2018

Aron Mitchell
Director
Aberdeen Fund Managers Limited
14 November 2018

Report of the Depositary to the shareholders of Aberdeen Investment Funds ICVC

The Depositary has a duty to ensure that the Company is managed in accordance with the COLL Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together, the "Regulations"), the Company's Instrument of Incorporation and Prospectus (together, the "Scheme Documents") as detailed below.

The Depositary is responsible for:

- general oversight including overseeing the sale, issue, repurchase, redemption, cancellation and pricing of shares and the application of income of the Company;
- the safekeeping of all property of the Company by holding in custody all custodial assets of the Company and maintaining appropriate record keeping and verifying ownership of other assets of the Company;
- monitoring the cash flows of the Company, ensuring that all payments due to the Company have been received and all cash of the Company is held in accordance with the Regulations.

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

Having carried out such procedures as we considered necessary to discharge our responsibilities and duties as Depositary of the Company, it is our opinion, based upon the information available to us and the explanations provided during the period under review that, in all material respects the Company, acting through the ACD, has carried out:

(i) 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 Scheme Documents, and

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

BNP Paribas Securities Services 14 November 2018

Independent auditor's report to the shareholders of Aberdeen Investment Funds ICVC (the Company)

Opinion

We have audited the financial statements of the Company for the year ended 31 July 2018 which comprise the Statements of Total Return, the **Statements of Changes in Net Assets Attributable to Shareholders, the Balance Sheets, the Related Notes and Distribution Tables** for each of the Company's sub-funds listed on the contents page and the accounting policies set out on pages 8 to 10.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of each of the sub-funds as at 31 July 2018 and of the net revenue and the net capital gains / net capital losses on the property of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

Basis for opinion

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

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

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects for all sub-funds.

Other information

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

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

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

Matters on which we are required to report by exception

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

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

Authorised Corporate Director's responsibilities

As explained more fully in their statement set out on page 5 the Authorised Corporate Director is responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so.

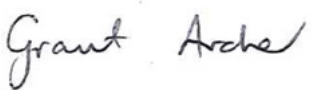
Auditor's responsibilities

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

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

Independent auditor's report to the shareholders of Aberdeen Investment Funds ICVC (the Company)

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



Grant Archer
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants,
St Vincent Plaza,
319 St Vincent Street,
Glasgow
G2 5AS
14 November 2018

Notes to the financial statements of Aberdeen Investment Funds ICVC

For the year ended 31 July 2018

1. Accounting policies

(a) Basis of accounting

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

The financial statements have been prepared on a going concern basis

(b) Revenue recognition

Revenue is included in the Statement of Total Return on the following bases:

Dividends receivable from quoted equity and non equity shares are credited to revenue, net of attributable tax credits, when the security is quoted ex-dividend before the period end. Dividends on unquoted stocks are credited to revenue when the dividend is declared.

Overseas dividends are grossed up at the appropriate rate of withholding tax and the tax consequences are shown within the tax charge. In addition, precompte associated with dividends from French companies is treated as a tax credit rather than a repayment of withholding tax. When offshore reportable income rates are available, the income will be accounted for within the relevant fund.

Dividends from Real Estate Investment Trusts are recognised as distributable revenue when the securities are quoted ex-dividend.

Interest is accrued on a day-to-day basis. In the case of debt securities issued at discount or premium to maturity value, the total revenue arising on such securities, taking into account the amortisation of such discount or premium on an effective interest rate basis, is spread over the period to maturity or an earlier call date if the expectation is for the debt security to redeem early.

Accumulation of revenue relating to accumulation units or shares held in underlying funds is recognised as revenue and included in the amount available for distribution. Equalisation received from distributions or accumulations on units or shares in underlying investments is treated as capital and deducted from the cost of investment.

Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. This revenue forms part of any distribution. In the case of enhanced scrip dividends, the amount by which such dividends exceed the cash dividends is treated as capital and does not form part of the distribution.

Special dividends are treated as revenue unless there is sufficient evidence that they should be treated as a repayment of capital.

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

If any revenue receivable at the balance sheet date is not expected to be received for a significant period after the accounting period end, a provision reflecting the timing of the receipt for the relevant amount will be made.

(c) Treatment of expenses (including Authorised Corporate Director's expenses)

All expenses other than those relating to the purchase and sale of investments are charged against revenue on an accruals basis in the Statement of Total Return, except for the Annual Management Charge (AMC) for the Aberdeen Diversified Income Fund, Aberdeen Emerging Markets Bond Fund, Aberdeen European High Yield Bond Fund, Aberdeen European Property Share Fund, Aberdeen UK Equity Income Fund, Aberdeen World Equity Income Fund and Aberdeen World Opportunistic Bond Fund which is taken from capital. In addition, the Operating, Administrative and Servicing Expenses for the Aberdeen Diversified Income Fund are taken from capital.

Where the sub-fund invests in open-ended collective investments which are operated or managed by the Authorised Corporate Director or an associate of the Authorised Corporate Director, no additional annual management charge will be incurred by the sub-fund on such an investment.

Rebates are applied where Authorised Corporate Director fees are incurred by the underlying investments. The rebates will be accrued daily and payment requested monthly. Where it is the policy of the underlying investment to charge its management fees to capital in determining its distribution, the Fund recognises such management rebates as capital on an accruals basis. Otherwise the rebate is recognised as revenue on an accruals basis and forms part of the distribution.

With the exception of the Authorised Corporate Director's AMC and Operating, Administrative and Servicing Expenses which are directly attributable to individual share classes, all revenue and expenses are allocated to share classes prorate to the value of the net assets of the relevant share class on the day that the revenue or expense is incurred.

Expenses relating to the purchases of investments are charged to the cost of investment and expenses relating to the sales of investments are netted off against the proceeds on sales.

Notes to the financial statements of Aberdeen Investment Funds ICVC

(d) **Distribution policy.**
The distribution policy of each sub-fund is to distribute all available revenue, after deduction of expenses properly chargeable against revenue.

However as the investment objective of the Aberdeen Diversified Income Fund, Aberdeen Emerging Markets Bond Fund, Aberdeen European High Yield Bond Fund, Aberdeen European Property Share Fund, Aberdeen UK Equity Income Fund, Aberdeen World Equity Income Fund and Aberdeen World Opportunistic Bond Fund concentrates on the generation of revenue as a higher priority than capital growth, the Authorised Corporate Director and the Depositary have agreed that 100% of the Authorised Corporate Director's AMC is to be taken to capital for the purpose of calculating the distribution, as permitted by the regulations. The distribution currently payable reflects this treatment together with any associated tax effect. All other expenses for Aberdeen Diversified Income Fund are paid from capital.

Gains and losses on non-derivative investments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution. For derivative investments, where positions are undertaken to enhance capital return, the gains and losses are taken to capital, otherwise where they generate revenue, the amounts are included as revenue or expense and are reflected in the amount available for distribution.

(e) **Basis of valuation of investments.**
The valuation point is close of business on 31 July 2018. Listed investments are valued at fair value which is the bid price.

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

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

In the case of certain investments, valuations reflect the quoted premium to local market prices which such investments may command.

Authorised unit trusts are valued at the cancellation prices for trusts managed by the Authorised Corporate Directors and at the bid prices for other trusts. OEIC sub-funds are valued at the quoted price.

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-funds disclosed in the Balance sheet and Portfolio statement of the individual sub-funds.

(f) **Derivatives**
Open forward currency exchange contracts are valued using forward rates of exchange applicable at the balance sheet date for the remaining period until maturity. All unrealised gains and loses are recognised in the Statement of Total Return. Currently forward positions are not collaterised.

Future contracts are valued at the exchange quoted price at close of business on 31 July 2018. Initial margin deposits are made in cash upon entering into future contracts. During the period the future contract is open, changes in the value of the contract are recognised as unrealised gains and losses by marking to market on a daily basis to reflect the market value of the contract at the end of each day's trading. Variation margin payments are made or received, depending upon whether unrealised losses or gains are incurred. Variation margin payments are recorded in the futures margin account in the Balance sheet and related movements on unrealised results are recorded in the Statement of Total Return. When the contract is closed, the sub-fund records a realised gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the opening transaction.

Some of the sub-funds may enter into swap agreements such as credit default swaps, interest rate swaps, swaptions, overnight index swaps and inflation linked swaps. Gains or losses resulting from swap contracts are recognised in the Statement of Total Return. Swaps are valued at fair value determined at close of business on 31 July 2018 using external independent third party supplied prices as determined in good faith, pursuant to procedures established by the Authorised Corporate Director.

Some of the sub-funds may enter into write/sell or purchase agreements of put and call options. Gains or losses resulting from option contracts are recognised in the Statement of Total Return. Options are valued at the exchange price at close of business on 31 July 2018.

Cash flows associated with derivative transactions are allocated between the revenue and capital property of the sub-funds according to the motives and circumstances of the particular derivative strategy. Such cash flows include premiums on option contracts and credit default swaps and the interest paid/received on swap contracts. The investment manager articulates the motives and circumstances underlying the derivative strategy and the ACD assesses these in association with financial reporting constraints enshrined within the SORP to allocate the cash flows accordingly.

(g) **Exchange rates.**
Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at close of business on 31 July 2018.

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

Notes to the financial statements of Aberdeen Investment Funds ICVC

(h) Dilution adjustment

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

(i) Taxation.

The charge for taxation is based on the results for the year. In general, the tax accounting treatment follows that of the principal amount, regarding the allocation between revenue and capital.

To meet the Fund's investment objective and to increase the distribution available to investors, Aberdeen Diversified Income Fund does not recognise marginal tax relief.

Deferred tax is provided on all timing differences that have originated but not reversed at the balance sheet date other than those recorded as permanent differences. Deferred tax is provided at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money. Provision of deferred tax assets are only made to the extent the timing difference is expected to be of future benefit.

(j) Stock lending

Stock lending revenue is treated as revenue on an accruals basis and is disclosed in the notes to the Financial Statements net of security lending agent fees payable to BNP Paribas Security Services. The value of the collateral must always exceed the value of the stock on loan. The accepted collateral includes cash, equities, certain types of bonds and money market instruments as agreed with the Depositary.

2. Risk exposures and risk management policies

Generic risks that the Aberdeen range of funds are exposed to and the risk management techniques employed are disclosed below. Numerical disclosures and specific risks related to the Trust, where relevant, are disclosed within the financial statements.

Risk Management Process (RMP)

Regulated funds must establish, implement and maintain an adequate and documented Risk Management Process ("RMP") for identifying the risks to which a fund is, or might be, exposed. The RMP must comprise of such procedures as are necessary to enable a management company to assess the exposure of each fund it manages to market risk, liquidity risk, counterparty risk, operational risk and all other risks that might be material for that fund.

The risk management policy must address at least the following elements:

1. the techniques, tools and arrangements that enable compliance with the applicable COLL and FUND rules;
2. the allocation of responsibilities pertaining to risk management; and
3. the terms, contents and frequency of reporting of the risk management function.

The RMP provides explanations, descriptions and demonstrations of the control environment for the funds. It also provides an overview of the governance arrangements set by Aberdeen Fund Managers Limited (AFML), as the Management Company (either the Authorised Corporate Director (ACD) or Alternative Investment Fund Manager (AIFM)); a subsidiary of Aberdeen Asset Management PLC; as well as explaining the processes and allocation of responsibilities relating to risk management including the form, content and frequency of reporting. It also provides details of the policies, arrangements, processes and techniques used in the identification, monitoring and measurement of the material risks for the funds to ensure compliance with regulatory and internal limits.

There is also a requirement in the FCA COLL and FUND rules (the "Rules") that a manager uses a risk management process to enable it to monitor and measure at any time the risk of its funds' positions and their contribution to the overall risk profile of those funds.

Further information on the RMP is available on request.

Types of risks

Funds are broadly exposed to many types of risk, all of which can have an impact on the return from an investment. These can be categorised into:

- Market Risk
- Counterparty Risk
- Liquidity Risk
- Operational Risk

The first three are primarily focussed on the investment itself and the financial losses associated with it. Within the Group these risks are monitored independently by the Investment Risk Department. Operational risk is defined as the risk of loss that can arise from inadequate or failed internal processes, people and systems, or from external events such as fraud. Within the Group these risks are monitored by the Business Risk Department.

Notes to the financial statements of Aberdeen Investment Funds ICVC

General Market Risks Affecting All Asset Types
Below is a non-exhaustive list:

Country risk - an adverse change in the outlook (or, the perceived outlook) for a country, can result in the price of the assets in that country fluctuating and the portfolio experiencing a loss. Emerging market and frontier countries tend to fluctuate more (i.e. be more volatile) than developed countries and as a result are perceived to be more risky.

Sector risk - when the outlook (or, the perceived outlook) for a sector changes, the price of the securities in that sector adjust and the portfolio can experience a loss.

Asset-class risk - changes in the outlook (or, the perceived outlook) for a specific asset-class, can result in the price of the underlying securities within that asset-class to shift, thus the portfolio can experience a loss.

Inflation/deflation risk - the risk that the value of assets or income from investments will be worth less in the future as inflation erodes the value of money.

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

Currency risk - fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

Derivatives risk - utilising derivatives can increase leverage and risk. This can result in the portfolio having higher volatility, where small market moves can lead to a more than proportionate increase in profits or losses. Additionally where derivatives are used for hedging purposes, there may be situations where hedge positions are not perfectly correlated with the underlying asset, which may lead to losses arising from market movements.

Concentration risk - the risk associated with any single exposure or group of exposures with the potential to produce large enough losses to materially threaten the portfolio's value. This may be from concentration in a single name or an industry.

Default risk - the risk of a loss arising from an issuer that is unlikely to pay its loan obligations in full. Default risk will impact all credit- sensitive transactions, including loans, securities and derivatives.

Equity Risk
Equity risk - an adverse change in the price of a stock, sector or index (e.g. Vodafone, Utilities, FTSE 100, etc.).

Market capitalisation - smaller companies, due to their size can be more sensitive to both market and stock specific information. As a result smaller companies tend to be more volatile and less liquid than larger companies.

Fixed Income Risk
Sovereign risk - the risk of a portfolio loss arising from a sovereign state freezing foreign currency payments or when it defaults on its obligations. The probability of these events occurring tends to be linked with the country's economic performance and its political stability.

Ratings risk - an unfavourable change in the credit ratings (e.g. general downgrades from S&P, Moody's, or Fitch) can result in a loss in value for the portfolio.

Issuer risk - changes in the creditworthiness of an issuer, or group of issuers can affect the price of a security resulting in a loss in the value for the portfolio.

Direct Property Risks
Refinancing risk – the risk that upon a specific refinancing date an asset's valuation has fallen below the value of the financing.

Covenant risk – the risk that a property or portfolio of properties fail(s) a covenant due to falling valuation or a fall in interest coverage ratios.

Re-letting risk – the risk that a property no longer meets the requirements of prospective tenants and ceases to be an attractive rental opportunity, and the subsequent impact on resale value.

Development risk – the risk that a development or a redevelopment of a property fails to deliver the expected uplift in income or valuation, or that the costs of development are materially higher than budgeted.

Property Multi-Manager Risks
Direct property risk – the risks that all direct property investments are exposed to as detailed above.

Manager risk – the risk that the underlying manager of an investment fails to carry out its duties as set out in the constitutional documents or its legal obligations to the fund and its investors.

Multi-Asset Funds, Fund of Long-Only Funds and Fund of Hedge Funds Risks
These types of funds have the ability to invest in all the other assets classes, and therefore will be subject to the relevant market risks. Additionally the funds can invest into other asset classes where risks may be relevant, such as:

Commodity risk - an adverse change in commodity prices (e.g. cotton, gold, natural gas, crude oil, etc.).

Funding/Liquidity risk - the risk that an underlying fund is unable to meet margin calls to fund its open positions (particularly relevant in the Fund of Hedge Funds business where underlying managers may use significant levels of leverage).

Manager risk – the risk that the underlying manager of an investment fund fails to carry out its duties as set out in the constitutional documents or its legal obligations to the fund and its investors.

Private Equity Risks
Funding/Liquidity risk – risk that debt facility or unfunded commitments cannot be funded when they fall due.

Returns risk – the possibility that targeted returns are not achieved.

Manager risk – the risk that the underlying manager of an investment Fund fails to carry out its duties as set out in the constitutional documents or its legal obligations to the fund and its investors.

Infrastructure Risks
Portfolio risk – risk that deals/transactions do not close; targeted returns are not achieved; market conditions are not optimal for asset disposals.

Project risk – risk that the fund incurs a loss of equity; a lack of alignment of interest arising between sponsor and other shareholders; a deviation from the business plan; a lack of diversification in terms of contractors used on projects; and Counterparty risk pertaining to external counsels with respect to local knowledge.

Construction risk – The risk of partial or full loss during a project's construction period.

Funding/Liquidity risk – risk that unfunded commitments cannot be funded when they fall due.

Refinancing Risk - The risk of adverse market conditions changing terms and conditions of refinancing.

Factors that cause changes in market risks include, but are not limited to: future perceived prospects (i.e. changes in perception regarding the future economic position of countries, companies, sectors, etc.); shifts in demand and supply of products and services; political turmoil, changes in interest rate/inflation/taxation policies; major natural disasters; recessions; and terrorist attacks.

How Market Risk is measured
The RMP uses several ways to review and measure Market Risk:

Leverage: has the effect of gearing a fund's expected performance by allowing it to gain greater exposure to underlying investment opportunities (gains and losses). The higher the leverage the greater the risk (potential loss).

Volatility, Value-at-Risk (VaR) and Conditional VaR (CVaR): Volatility indicates how a fund is expected to perform. The higher the volatility the higher the risk. VaR measures with a degree of probability the minimum the fund could expect to lose in any given time frame. Assuming a normal (Gaussian) distribution, this is a function of the volatility. The higher the volatility, the higher the VaR, the greater the risk. CVaR determines the expected loss, given that the VaR has been reached.

Tracking Error (TE): Measures the expected magnitude of divergence of returns between the fund and benchmark over a given time.

"Systematic" and "Stock Specific" Risk: systematic risk represents the proportion of a fund's risk that is attributable to market exposure; and specific risk represents the risk that is intrinsic to individual stocks (i.e. particular to a given stock's attributes).

Sensitivity Analysis: Effective duration and dollar value per basis point (DV01) measures allow the quantification of the interest rate risk across portfolios.

Stress Tests and Scenario Analysis: This captures how much the current portfolio will make or lose if certain conditions occur.

Concentration Risk: By grouping the portfolio into various different exposures (e.g. country, sector, issuer, asset, etc.), we are able to see where, if any, concentration risk exists.

Tenant and Rent Roll Risk: This measure considers property vacancies, lease rolls, tenant quality and tenant concentration at an asset level (being direct funds at a property level, Property Multi-Manager at a target fund level) to provide an indication of the stability of income.

Debt Risk: After a certain level, debt can significantly increase the volatility of return and limit the capacity of managing the asset appropriately. This measure considers and weights the loan to gross asset value, debt expiry, current and potential covenant breach and cost of debt at asset level to provide an indication of whether debt is endangering the stability of income and the capacity of the fund management team to follow the fund's strategy.

Loan-To-Value (LTV): similar to leverage, but is debt facility specific, giving a portfolio increased exposure to a particular asset through the use of a secured bank loan. Unequal application of LTV within a portfolio can lead to outsized exposure to investment risk, particularly if gearing is at high levels.

Refinancing Risk: This measure considers the risks inherent in refinancing any debt held within a portfolio.

Notes to the financial statements of Aberdeen Investment Funds ICVC

Returns Risk: Within Private Equity the market uses Total Value to Paid-In (TVPI) and Distributions to Paid-In (DPI) ratio's, to help monitor the fund's performance.

Managing Risk
For some of the risk measurements above, specific risk limits appropriate for each fund will be set. The limits will generally be either hard limits or soft limits.

Hard limits are strictly enforced to ensure the Management Company does not inadvertently (or deliberately) breach them and add additional risk exposure to the fund. Where possible, this is hard coded into the front office dealing system, Charles River (used for equities, fixed income, multi-asset and the fund of long-only funds businesses). This is done in a pre-trade capacity, preventing the fund manager adding to these exposures and breaching the set limits before the trade is actually executed. Investment Control monitor this activity, escalating any breaches immediately.

Soft limits, are generally internal limits or guidelines, and are designed to highlight any potential issues. These soft limits will be measured on individual basis and any exceptions from the limits will be discussed with the Management Company and where necessary rectified within a reasonable timeframe.

Additionally, the Investment Risk Department reviews all positions on each fund on an appropriate basis, generally monthly, to ensure that the Fund is not overly concentrated in any one specific area or issuer. Where the mandate is expressly focused in one particular country, region or asset class, the Investment Risk Department will take this into account. Any issues or concerns arising from these concentrations are immediately investigated and discussed with the fund manager, and any remedial action is taken and the implementation monitored.

Various risk management reports are produced regularly and circulated to various business areas including the relevant Board meetings. As stated above, Risk can be separated into market risk, counterparty risk and liquidity risk. Each type of risk is discussed in turn below.

Market Risk
Market Risk is a type of Investment Risk and measures the exposures to underlying market factors. It is the risk of loss resulting from fluctuations in the market value of a Fund's portfolio attributable to changes in market variables.

Specific Risk (sometimes called Idiosyncratic Risk) is the part of risk directly associated with a particular asset, outside the realms of and not captured by Systematic Risk. In other words, it is the component of risk that is peculiar to a specific asset, and may manifest itself in various guises, for example: corporate actions, fraud or bankruptcy.

Market risk is monitored through factor modelling and discounted cash flow techniques used to calculate both absolute and relative ex ante quantities such as tracking error ("TE") and Value at Risk ("VaR"). The market risk is further monitored through the computation of the level of leverage by both the gross and net approach. The leverage is calculated by converting each financial derivative instrument into the equivalent position in the underlying assets of those derivatives, on a net asset value basis. The market risk linked to the concentration risk is mitigated through investment restrictions set according to the basic principle of diversification.

Types of Market Risk include foreign currency risk and interest rate risk. Exposure to each is disclosed within the Trusts' financial statements.

a) **Foreign currency risk**
Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

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

c) **Global Exposure**
The funds must ensure that global exposure relating to derivatives and forward transactions held does not exceed the net value of the scheme property. Global exposure can be calculated as either as: (1) the incremental exposure and leverage generated through the use of derivatives and forward transactions, which may not exceed 100% of the net value of the scheme property (the commitment approach, refer to Leverage); or (2) the market risk of the scheme property (the VaR approach). The method suitable is determined by the investment strategy; types and complexities of the derivatives; and the proportion of the Trust comprising derivatives.

Notes to the financial statements of Aberdeen Investment Funds ICVC

Objectives and limitations of the VaR Methodology
The Advanced Portfolio Technologies (APT) model uses statistical factor techniques to capture a maximal spanning set under its component model. Risk is subsequently decomposed according to explanatory variable regression techniques. The APT bond model provides an integrated framework to measure and decompose the risk of portfolios of all fixed income securities. These can include government and corporate bonds, convertibles, and various categorisations of swaps, futures and option contracts. Portfolios are modelled at the asset level to ensure every position is represented within the component approach. The VaR model is designed to measure market risk in a normal market environment.

The use of VaR has limitations because it is based on historical correlations and volatilities in market price returns and assumes that future price movements will follow a statistical distribution. Due to the fact that VaR relies significantly on historical data to provide information and may not clearly predict the future changes and modifications of the risk factors, the probability of large market moves may be underestimated if changes in risk factors fail to align with the given distribution assumption. VaR may also be under- or over-estimated due to the assumptions placed on risk factors and the relationship between such factors for specific instruments.

Even though positions may change throughout the day, the VaR only represents the risk of the portfolios at the close of each business day. In practice, the actual trading results will differ from the VaR calculation and, in particular, the calculation does not provide a meaningful indication of profits and losses in stressed market conditions. To determine the reliability of the VaR models, actual outcomes are monitored regularly to test the validity of the assumptions and the parameters used in the VaR calculation, i.e. the model is back tested. Market risk positions are also subject to regular stress tests to measure the response of the fund to an extreme market event.

Leverage
Funds may achieve some leverage through the use of derivatives and other efficient portfolio management techniques. The use of leverage allows the manager to commit a relatively small amount of cash (generally known as premium or margin) to obtain exposure to the full returns of the associated underlying asset. Funds which use derivatives for investment purposes rather than for hedging or efficient portfolio management only may be more highly leveraged than funds which use derivatives solely for efficient portfolio management.

Leverage can be calculated in two ways. The Commitment Approach converts the derivative into the market value of the equivalent position in the underlying asset, adds leverage from reinvestment of collateral in non risk-free assets to the net asset value (NAV) of the fund and then divides this amount by the NAV. The derivative calculation can be reduced for any netting and/or hedging arrangement. The manager applies very limited hedging strategies for this purpose, mainly forward FX transactions used for hedging currency and exchange rate risks and other derivatives for duration hedging. The sum of notional approach takes the notional derivative positions without hedging reductions described above and provides an overall total of the absolute values, adds leverage from reinvestment of collateral in non risk-free assets, adds the NAV and then divides the total by the NAV. The figures may therefore appear elevated especially when short term interest rate products are used (which require significantly larger notionals to achieve a similar degree of sensitivity/exposure to short term key rates of an interest rate curve compared to longer term rates).

The Risk Management Process (RMP) provides further details on the calculation methodologies and any netting arrangements and further information is available on request.

Funds which have an average leverage figure/ratio greater than 3 or 300% are considered to employ significant leverage.

Counterparty Risk
Credit Risk is an explicit or implicit exposure of ASI to the default of a counterparty which arises as an indirect consequence of the financial instrument or investment activity being procured or undertaken. This is conceptually distinct from the fundamental risk or exposure that is being actively taken through the relevant investment decision-making process (e.g. when purchasing an equity or bond) where the client mandate or equivalent directs that this investment exposure is take to meet the objectives of the mandate. Credit Risk may arise from a number of sources, including but not limited to money market instruments, bank deposits, commercial paper, derivative instruments, custodian balances etc.

The ASI Global Credit Counterparty Policy ensures that appropriate governance standards and processes are in place to mitigate, monitor and control Credit Risk. In this regard it establishes: the requirement that all counterparties are approved before Credit Risk can be taken against them, the need for regular credit assessments to be completed, and, where appropriate, exposure limits to be set for all such counterparties, and; the limit-setting and exposure calculation methodologies.

The ASI Global Credit Counterparty Policy and the underlying processes it establishes are supported and governed primarily by the ASI Credit Committee, a committee which forms a part of the ASI Global Investment Governance Committee framework. It is the ASI Credit Committee's responsibility to approve the terms of the ASI Global Credit Counterparty Policy; approve individual counterparties based on detailed credit assessments; agree any counterparty exposure limits, and; ensure that agreed limits are monitored and enforced.

Notes to the financial statements of Aberdeen Investment Funds ICVC

Specific terms applicable to Derivatives
For the avoidance of doubt. Transactions involving OTC derivatives are entered into with counterparties that are approved by the ASI Credit Committee.

OTC derivatives are traded under the terms of an ISDA Master agreement which defines the rights and obligations of parties engaging in derivatives trading. The Credit Support Annex (CSA) to the ISDA Master agreement contains the collateral terms applicable to the OTC derivatives contracts. The CSA highlights credit and operational thresholds that collateral movements are subject to.

Liquidity risk
Liquidity Risk is the probability of an adverse change in capital markets affecting the availability of debt and equity financing (liability side) and the lack of ability to dispose of investments to redeem equity and/or debt without incurring losses (asset side).

The Management Company has a Liquidity Risk Policy in place applicable to the funds and set out in accordance with its overall Risk Management Process, relative to the size, scope and complexity of the funds. Liquidity Risk is monitored on both the asset and liability sides. To measure and monitor asset liquidity risk the management company employs a number of methods specific to the underlying assets. In all cases, the approach is to reference the actual holdings of the Trust against a true measure of the market at both an aggregate and a position level. A Group Pricing Committee is responsible for the review and monitoring of asset pricing, in addition to the approval of pricing methodologies and asset-level fair value price adjustments and the Group Investor Protection Committee which looks at fund-level fair value approaches. The Management Company has implemented a Group Pricing Policy which details the operational responsibilities for pricing assets. On the liability side, investor transactions and, beyond this, investor behaviour are the main driver of liquidity within the Trust. In this context, the articles and prospectuses contain certain key provisions or limits which provide protection to the Trust and ultimately investors, in situations where liquidity might become a concern. In addition, the Trust receives and analyses periodic reports in respect of the unitholder concentration within the Trust. Any unitholder concentrations and transactional behaviour are identified and any particular concerns noted are escalated to the relevant Group Committee and respective Boards, if material.

Risk Limits
During the reporting year, none of the Funds breached any of the risk limits under which they operate.

Notes to the financial statements of Aberdeen Investment Funds ICVC

Cross Holding Table as at 31 July 2018

		Holding Fund					
		Aberdeen European High Yield Bond Fund		Aberdeen Sterling Government Bond Fund		Aberdeen Strategic Bond Fund	
		Number of Units	Market Value £'000	Number of Units	Market Value £'000	Number of Units	Market Value £'000
Investor Fund	Aberdeen Corporate Bond Fund	19,559,282	23,027	-	-	18,971,711	30,603
	Aberdeen Multi-Asset Fund	-	-	14,190,804	15,096	-	-
	Aberdeen Sterling Opportunistic Corporate Bond Fund	-	-	-	-	14,692,146	23,700

No other such cross-holdings, between other sub-funds in the Aberdeen Investment Funds ICVC, were held as at 31 July 2018.

Cross Holding Table as at 31 July 2017

		Holding Fund					
		Aberdeen European High Yield Bond Fund		Aberdeen European Smaller Companies Equity Fund		Aberdeen Sterling Government Bond Fund	
		Number of Units	Market Value £'000	Number of Units	Market Value £'000	Number of Units	Market Value £'000
Investor Fund	Aberdeen Corporate Bond Fund	26,367,024	30,280	-	-	-	-
	Aberdeen European Equity Fund	-	-	585,767	10,210	-	-
	Aberdeen Multi-Asset Fund	-	-	-	-	33,978,749	35,705

		Holding Fund			
		Aberdeen Strategic Bond Fund		Aberdeen UK Smaller Companies Equity Fund	
		Number of Units	Market Value £'000	Number of Units	Market Value £'000
Investor Fund	Aberdeen Corporate Bond Fund	23,431,989	37,266	-	-
	Aberdeen Sterling Opportunistic Corporate Bond Fund	17,802,847	28,314	-	-
	Aberdeen UK Equity Fund	-	-	1,357,934	5,832

No other such cross-holdings, between other sub-funds in the Aberdeen Investment Funds ICVC, were held as at 31 July 2017.

Aberdeen Asia Pacific and Japan Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The objective of the Fund is to achieve capital growth by investing in countries of the Asia Pacific region, including Japan.

Performance review

For the year ended 31 July 2018, the value of Aberdeen Asia Pacific and Japan Equity Fund - A Accumulation Shares increased by 3.38% compared to an increase of 7.48% in the benchmark, the MSCI AC Asia Pacific Index.

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

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

Market review

Asian equities posted decent returns over the year despite macroeconomic and monetary policy worries increasingly coming to the fore. In the second half of 2017, markets were boosted by steady global growth, upbeat earnings results, and optimism over Chinese internet stocks and US tax reforms. Japanese stocks also did well amid positive growth data.

Subsequently, however, volatility returned as investors grew skittish over a potentially faster pace of interest-rate hikes in the US, as well as escalating trade tensions between America and its major trading partners, particularly China. Most Asian currencies depreciated against the US dollar, with the Indian rupee, Philippine peso and Indonesian rupiah losing the most ground. These three markets were also hurt by rising oil prices, given that they are net-oil importers, and all tightened monetary policy as a result. In contrast, Japan's central bank maintained an accommodative policy stance and downgraded its inflation projections. Meanwhile, mainland equities and the renminbi were further hindered by fears of moderating growth, which prompted policymakers to boost liquidity and introduce fresh stimulus measures.

Portfolio review

The Fund lagged the benchmark. Our stock choices in Japan, particularly in the consumer staples sector, were a key reason for the underperformance. Japan Tobacco's share price was pressured by its rivals competing novel nicotine products that took market share from its domestic cigarette sales. Japan Tobacco has its own novel nicotine product called Ploom Tech, but production issues hindered the company from supplying sufficient volumes in an environment where smokers' preferences have shifted towards reduced-risk products. The company has since changed its senior management and resolved the production issues, while continuing to extend its presence in emerging markets outside of Japan through acquisitions. Although valuations for the stock remain favourable, we have since lowered Japan Tobacco's weighting in light of our concerns as we await evidence of success in key milestones after its recent stumbles. Snack-maker Calbee was another key detractor, as it struggled to execute on overseas expansion. While Calbee delivered on profitability domestically, its market dominance is being eroded by slowing growth, and we decided to exit the position.

Our technology-sector exposures also dampened returns, especially in Japan and China. In Japan, Yahoo Japan was weak as it increased investments to build its e-commerce and data-analytics capabilities. However, Japan's largest search-portal operator is still well-placed to capture opportunities from online advertising. Elsewhere, our underweight to Chinese internet names, in particular the lack of exposure to Alibaba and our lower-than-benchmark weighting to Tencent for most of the review period proved costly, given their rally. That said we've seen this underperformance narrow in more recent periods.

We introduced Tencent in late 2017 following extensive due diligence around their corporate structure and founder. Tencent's gaming dominance and consumer reach via its messaging app WeChat provide a moat to its business model whilst its strong cash generation and growth trajectory support its valuation. We see good potential in its longer-term advertising business as Tencent starts to monetise its dominant social networking platforms and payment system. We have used recent share price weakness to continue building up our position in Tencent on the back of near-term margin pressures from ongoing investments into its powerful ecosystem.

More positively, the Fund's healthcare positions in Japan mitigated losses. Laboratory-testing equipment manufacturer Sysmex rose on robust sales of its medical-testing machines and associated consumables that underpin recurring revenues. Chugai Pharmaceutical also did well amid positive tests for its hemophilia treatment Hemlibra.

Meanwhile, our mainland holdings added to performance. The position in the Aberdeen Global – China A Share Fund was beneficial, owing to the market's relative resilience and positive sentiment ahead of the inclusion of A shares into MSCI's indices, and good performances from its underlying holdings. The Fund offers a selection of Chinese companies that are supported by rising consumption and a growing middle class. Our direct holding in cement maker Anhui Conch Cement was positive, as it rallied on the back of rising cement prices, due to better industry discipline and supply-side reforms.

Elsewhere, Australia also contributed positively. The lack of exposure to major lenders, such as Commonwealth Bank, was a boon as the financial sector was pressured by increased regulatory scrutiny following reports of misconduct. Among our holdings, miner Rio Tinto benefited from improving commodity prices.

Apart from the aforementioned portfolio changes, we had mentioned in the interim report the introductions of developer China Resources Land and financial conglomerate Ping An in China, Hong Kong-listed chipmaker ASM Pacific, Korean chemicals group LG Chem, along with innovative drug developer Shionogi & Co, semiconductor maker Renesas Electronics and auto parts manufacturer Denso Corporation in Japan.

Aberdeen Asia Pacific and Japan Equity Fund

In the latter half, China and Japan remained the focus of portfolio adjustments. Although we remain underweight China, our comfort with mainland corporates is increasing, having found more interesting companies with robust business models. We believe companies are increasingly benefiting from rising consumption, growing middle-class affluence and emerging structural technology trends. As such, we added four new mainland holdings: Autohome, Huazhu, Sunny Optical and Wuxi Biologics.

Autohome is the dominant online destination for car buyers in China. It benefits from the powerful network-effect characteristics of a classifieds-advertising business, while its comprehensive content attracts high-quality user traffic. Hotel chain Huazhu boasts a multi-brand portfolio, and is a proxy for China's consumer and tourism growth. Management's solid track record, and its partnership with Accor, should aid further margin improvements. Sunny Optical is a leading lens and camera module maker that counts Huawei, Xiaomi, Samsung and Sony among its major clients. We are positive about its long-term outlook, as trends such as assisted-driving systems and autonomous cars increase demand for auto cameras and vehicle lenses. Wuxi is a leading contract research organisation for biologics in China. Its management had the foresight to establish a solid platform in the industry's early days. It now benefits from the growing trend of outsourcing research and development of biologic drugs, as stricter technical requirements are imposed on the industry that is also facing rising costs.

In Japan, we re-introduced industrial paints company Nippon Paint, after exiting our position earlier in the year. This followed several positive developments. We were able to work with the company's leading shareholder, Wuthelam, to improve its board structure, which we believe will lead to continued focus on its business across Asia and improved shareholder returns. The proposal for the board changes came after the management's botched attempt to expand in more mature markets, a strategy we disagreed with. Alongside Wuthelam, we were vocal supporters of the proposal, and shareholders overwhelmingly voted in favour for the changes. We believe this was a rare case of shareholders being able to implement substantial board changes at a Japanese company. Separately, other than Calbee, we also exited railway company JR East, due to a muted outlook for its core operations; and telco KDDI in favour of better opportunities elsewhere.

Elsewhere we initiated a position in Aristocrat Leisure, an Australian gaming-machine manufacturer that has shown robust operating momentum. It has evolved its business model by increasing sales of participation games to reduce earnings volatility, while prospects for its digital-games business are also promising.

Against this, we divested Indian IT-services major Infosys, following the departure of former CEO Vishal Sekka, given our concerns over strategy and leadership; Hong Kong's MTR Corporation, as we felt it had reached fair value; and Singapore defence company Singapore Technologies Engineering, as its valuations appeared stretched relative to its growth prospects.

Outlook

Asian markets are expected to remain on tenterhooks over the next few months. Trade tensions between the US and its major trading partners will continue to weigh on investors' minds. They will also be keeping a close watch on how major central banks manage liquidity and currency fluctuations. Upcoming elections in India and Indonesia are also important, as their outcomes may decide the fortunes of these two vast economies. Nevertheless, the global economy is still expanding steadily. Increased economic activity will lift commodity prices and inflation, which could further boost growth if well managed. Amid this supportive macroeconomic backdrop, governments in Asia are engaging in reforms that will strengthen their economies in the longer term. This should put economic growth in the region on a more stable footing. Asian central banks are also vigilant in ensuring that monetary policy remains appropriate, which should help calm foreign-exchange volatility and keep inflation in check. These robust long-run fundamentals should continue to support corporate earnings. Our portfolios remain resilient and well-positioned for future growth. More broadly, as true active managers, our long-time focus on quality and value should serve us well, with our holdings having the wherewithal to withstand the short-term volatility.

Asia Pacific Equity Team **August 2018**

Aberdeen Asia Pacific and Japan Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Emerging Markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries and this may mean your money is at greater risk.
- Chinese Domestic Securities Market: The Fund may invest directly or indirectly in Chinese domestic securities markets via various channels, which involves additional risks as further described in the Fund's Prospectus.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Asia Pacific and Japan Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	230.82	194.91	173.34
Return before operating charges*	13.97	40.10	24.76
Operating charges	(4.61)	(4.19)	(3.19)
Return after operating charges*	9.36	35.91	21.57
Distributions on accumulation shares	(0.51)	(0.20)	(1.35)
Retained distributions on accumulation shares	0.51	0.20	1.35
Closing net asset value per share	240.18	230.82	194.91
* after direct transaction costs of:	0.10	0.11	0.06
Performance			
Return after charges	4.06%	18.42%	12.44%
Other information			
Closing net asset value (£'000s)	40,153	45,158	46,647
Closing number of shares	16,718,059	19,563,631	23,932,171
Operating charges	1.93%	1.95%	1.95%
Direct transaction costs	0.04%	0.05%	0.03%
Prices			
Highest share price (pence)	252.53	234.84	197.26
Lowest share price (pence)	224.82	193.10	145.51

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

Aberdeen Asia Pacific and Japan Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	152.69	127.97	112.97
Return before operating charges*	9.26	26.42	16.29
Operating charges	(1.87)	(1.70)	(1.29)
Return after operating charges*	7.39	24.72	15.00
Distributions on accumulation shares	(1.54)	(1.20)	(1.69)
Retained distributions on accumulation shares	1.54	1.20	1.69
Closing net asset value per share	160.08	152.69	127.97
* after direct transaction costs of:	0.07	0.07	0.04
Performance			
Return after charges	4.84%	19.32%	13.28%
Other information			
Closing net asset value (£'000s)	88,615	96,091	90,439
Closing number of shares	55,357,612	62,931,565	70,672,353
Operating charges	1.18%	1.20%	1.20%
Direct transaction costs	0.04%	0.05%	0.03%
Prices			
Highest share price (pence)	167.65	155.19	129.50
Lowest share price (pence)	148.86	126.78	95.22

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

Aberdeen Asia Pacific and Japan Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 89.84% (2017: 90.43%)					
Equities 89.84% (2017: 90.43%)					
Australia 1.71% (2017: 1.17%)					
Aristocrat Leisure			35,600	649	0.50
CSL			13,921	1,550	1.21
				2,199	**1.71**
China 8.46% (2017: 0.95%)					
Anhui Conch Cement			273,500	1,335	1.04
Autohome (ADR)			12,682	934	0.73
China Resources Land			854,000	2,377	1.85
Ping An Insurance∞			286,500	2,025	1.57
Tencent			122,500	4,224	3.27
				10,895	**8.46**
Hong Kong 10.55% (2017: 13.15%)					
AIA			442,200	2,943	2.29
ASM Pacific Technology			62,000	567	0.44
China Mobile			152,000	1,044	0.81
Hang Lung			218,000	488	0.38
Hang Lung Properties			361,000	579	0.45
Hong Kong Exchanges & Clearing			64,028	1,441	1.12
Jardine Strategic			98,839	3,000	2.33
Sunny Optical Technology			40,400	508	0.39
Swire Pacific 'B'			452,500	616	0.48
Swire Properties			597,100	1,790	1.39
WuXi Biologics (Cayman)			79,000	611	0.47
				13,587	**10.55**
India 5.87% (2017: 5.22%)					
Grasim Industries			77,690	885	0.69
Hindustan Unilever			41,100	791	0.61
Housing Development Finance			79,541	1,758	1.36
ITC			365,500	1,209	0.94
Kotak Mahindra Bank			73,190	1,063	0.83
Tata Consultancy Services			71,112	1,536	1.19
UltraTech Cement			6,914	322	0.25
				7,564	**5.87**
Indonesia 3.79% (2017: 3.31%)					
Astra International			2,969,000	1,118	0.87
Bank Central Asia			2,603,700	3,180	2.47
Unilever Indonesia			255,200	583	0.45
				4,881	**3.79**

Aberdeen Asia Pacific and Japan Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Japan 23.76% (2017: 28.54%)					
Amada Co			189,500	1,442	1.12
Chugai Pharmaceutical Co			46,600	1,799	1.40
Daikin Industries Ltd			17,300	1,568	1.22
Denso Corp			27,200	1,015	0.79
FANUC Corp			18,500	2,762	2.14
Japan Exchange Group Inc			177,400	2,397	1.86
Japan Tobacco Inc			79,200	1,713	1.33
Keyence Corp			8,200	3,285	2.55
Makita Corp			48,100	1,641	1.27
Nippon Paint Holdings Co∞			24,700	817	0.63
Renesas Electronics Corp			214,100	1,451	1.13
Seven & i Holdings Co			72,300	2,242	1.74
Shin-Etsu Chemical Co			45,500	3,490	2.72
Shionogi & Co			24,200	1,001	0.78
Sysmex Corp			32,200	2,318	1.80
Yahoo Japan Corp∞			570,200	1,650	1.28
				30,591	**23.76**
Malaysia 0.80% (2017: 0.72%)					
Public Bank			227,447	**1,025**	**0.80**
Philippines 2.30% (2017: 2.30%)					
Ayala			91,960	1,318	1.02
Ayala Land			499,300	292	0.23
Bank of the Philippine Islands			957,931	1,345	1.05
				2,955	**2.30**
Singapore 6.86% (2017: 10.54%)					
City Developments			272,900	1,530	1.19
DBS			124,133	1,860	1.44
Keppel			349,200	1,343	1.04
Oversea-Chinese Banking			299,536	1,940	1.52
Singapore Telecommunications			570,200	1,022	0.79
United Overseas Bank			75,270	1,139	0.88
				8,834	**6.86**
South Korea 6.12% (2017: 5.30%)					
Amorepacific			5,501	359	0.28
Amorepacific (PREF)			8,437	811	0.63
LG Chem			4,407	1,126	0.87
Naver			3,273	1,595	1.24
Samsung Electronics (PREF)			153,150	3,992	3.10
				7,883	**6.12**

Aberdeen Asia Pacific and Japan Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Taiwan 4.37% (2017: 3.70%)					
Taiwan Mobile			445,107	1,169	0.91
TSMC			729,504	4,460	3.46
				5,629	**4.37**
Thailand 4.66% (2017: 4.04%)					
Aberdeen New Thai Investment Trust[†#°]			824,036	4,541	3.53
Bangkok Dusit Medical Services (Alien)			1,216,000	738	0.57
Siam Cement (Alien)			69,900	721	0.56
				6,000	**4.66**
United Kingdom 8.91% (2017: 10.29%)					
Aberdeen Asian Smaller Companies Investment Trust[†#°]			480,000	5,041	3.92
BHP Billiton			91,044	1,597	1.24
HSBC			246,681	1,788	1.39
Rio Tinto			48,550	2,037	1.58
Standard Chartered			146,584	1,008	0.78
				11,471	**8.91**
United States 1.68% (2017: 1.20%)					
Huazhu			20,166	615	0.48
Yum China			56,500	1,554	1.20
				2,169	**1.68**
Total Equities				**115,683**	**89.84**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**115,683**	**89.84**
Open Ended Investment Funds 8.95% (2017: 8.46%)					
Aberdeen Global - China A Share Equity Fund Z Acc USD[†]			748,951	8,418	6.54
Aberdeen Global - Indian Equity Fund Z Acc USD[†]			182,020	3,104	2.41
				11,522	**8.95**
Total Open Ended Investment Funds				**11,522**	**8.95**
Total investments				**127,205**	**98.79**
Other net assets				**1,563**	**1.21**
Total net assets				**128,768**	**100.00**

[†] Managed by subsidiaries of Standard Life Aberdeen plc.
[∞] A portion of this security is on loan at the year end.
[°] Listed on the London Stock Exchange.
[#] Regional investment vehicle.
Comparative figures are as at 31 July 2017.

Aberdeen Asia Pacific and Japan Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	2,207	1.73	1.71

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Canada (Government of)	126	Government Bond	Investment grade	BNP Paribas
Heineken	82	Equity	Main market listing	BNP Paribas
Amadeus IT	82	Equity	Main market listing	BNP Paribas
Bayer	82	Equity	Main market listing	BNP Paribas
Nestle	81	Equity	Main market listing	BNP Paribas
Unicredit	80	Equity	Main market listing	BNP Paribas
Ocado	78	Equity	Main market listing	BNP Paribas
Hermes International	71	Equity	Main market listing	BNP Paribas
Schneider Electric	71	Equity	Main market listing	BNP Paribas
UPM-Kymmene	66	Equity	Main market listing	BNP Paribas
Other Equity	1,542	Equity	Main market listing	BNP Paribas
Other Government Bond	79	Government Bond	Investment grade	BNP Paribas
Total collateral received	**2,440**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	2,440	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	71
CAD	127
CHF	108
DKK	43
EUR	1,478
GBP	255
JPY	159
SEK	43
USD	156
Total collateral received	**2,440**

Aberdeen Asia Pacific and Japan Equity Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Citigroup	1,470	United States	Tri-party
BNP Paribas	637	France	Tri-party
Societe Generale	100	France	Tri-party
Total market value of securities lending	**2,207**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	44	161	2,235	**2,440**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	2,207	**2,207**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	15	125.00
Direct operational costs (securities lending agent costs)	(3)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(3)	(25.00)
Net return	**12**	**100.00**

Aberdeen Asia Pacific and Japan Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		5,322		23,341
Revenue	2	3,071		2,968	
Expenses	3	(1,902)		(1,976)	
Net revenue before taxation		1,169		992	
Taxation	4	(182)		(151)	
Net revenue after taxation			987		841
Total return before distributions			**6,309**		**24,182**
Distributions	5		(990)		(844)
Change in net assets attributable to shareholders from investment activities			**5,319**		**23,338**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**141,249**		**137,086**
Amounts receivable on issue of shares	2,736		5,270	
Amounts payable on cancellation of shares	(21,471)		(25,239)	
		(18,735)		(19,969)
Change in net assets attributable to shareholders from investment activities		5,319		23,338
Retained distributions on accumulation shares		935		794
Closing net assets attributable to shareholders		**128,768**		**141,249**

Aberdeen Asia Pacific and Japan Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		127,205	139,685
Current assets:			
Debtors	6	1,452	3,202
Cash and bank balances		1,278	2,644
Total assets		**129,935**	**145,531**
Liabilities:			
Provisions for liabilities	7	89	-
Creditors:			
Bank overdrafts		-	41
Other creditors	8	1,078	4,241
Total liabilities		**1,167**	**4,282**
Net assets attributable to shareholders		**128,768**	**141,249**

Aberdeen Asia Pacific and Japan Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital gains**

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	5,341	23,395
Other currency losses	(19)	(54)
Net capital gains	**5,322**	**23,341**

2. **Revenue**

	2018 £'000	2017 £'000
UK dividends	528	372
Interest on debt securities	-	3
Distributions from collective investment schemes:		
Offshore distributions - non-taxable	158	32
Overseas dividends	2,325	2,269
Stock dividends	46	272
Stock lending commission	12	3
Bank interest	2	-
Management fee rebates taken to revenue	-	17
Total revenue	**3,071**	**2,968**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,689	1,727
Operating, administrative and servicing fees	213	249
Total expenses	**1,902**	**1,976**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. **Taxation**

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	182	151
Current tax charge	**182**	**151**
Total taxation	**182**	**151**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	1,169	992
Corporation tax at 20% (2017 - 20%)	234	198
Effects of:		
UK dividends*	(105)	(105)
Non-taxable overseas dividends*	(506)	(484)
Excess management expenses	377	391
Irrecoverable overseas withholding tax	182	151
Total taxation	**182**	**151**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £5,766,000 (2017 - £5,389,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
Final	935	794
Add: Revenue deducted on cancellation of shares	58	67
Deduct: Revenue received on issue of shares	(3)	(17)
Distributions for the year	**990**	**844**
Total distributions	**990**	**844**

Details of the distribution per share are set out in the distribution tables on page 39.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	987	841
Add:		
Movement between share classes due to conversions	3	3
Distributions	**990**	**844**

Aberdeen Asia Pacific and Japan Equity Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	206	186
Amounts receivable for issue of shares	16	124
Overseas withholding tax reclaimable	15	7
Sales awaiting settlement	948	620
Currency transactions awaiting settlement	247	2,245
Other debtor	20	20
Total debtors	**1,452**	**3,202**

7. Provisions for liabilities

	2018 £'000	2017 £'000
The provisions for liabilities comprise:		
CGT liability	89	-
Total provisions for liabilities	**89**	**-**

8. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	146	171
Amounts payable for cancellation of shares	365	160
Purchases awaiting settlement	320	1,675
Currency transactions awaiting settlement	247	2,235
Total other creditors	**1,078**	**4,241**

9. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 28. £482,000 was due to the ACD (2017 - £185,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £21,104,000 (2017 - 21,297,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.75%
Class 'I': 1.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 21 to 22. The distribution per share class is given in the distribution tables on page 39. All share classes have the same rights on winding up.

Share reconciliation
As at 31 July 2018

	A Accumulation shares	I Accumulation shares
Opening number of shares	19,563,631	62,931,565
Creations during the year	930,700	341,800
Cancellations during the year	(3,236,500)	(8,729,200)
Shares converted during the year	(539,772)	813,447
Closing shares in issue	**16,718,059**	**55,357,612**

11. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Aberdeen Asia Pacific and Japan Equity Fund

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
BNP Paribas	637	708	Equity
Citigroup	1,276	1,414	Equity
Citigroup	194	205	Government Bond
Societe Generale	100	113	Equity
Total	**2,207**	**2,440**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	15	3	12

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
Citigroup	2,715	3,010	Equity
Citigroup	892	939	Government Bond
Total	**3,607**	**3,949**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	4	1	3

Aberdeen Asia Pacific and Japan Equity Fund

12. **Risk management policies and disclosures**

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Australian Dollar	-	2,199	2,199
Hong Kong Dollar	-	22,335	22,335
Indian Rupee	147	7,565	7,712
Indonesian Rupiah	-	4,881	4,881
Japanese Yen	61	30,591	30,652
Korean Won	29	7,883	7,912
Malaysian Ringgit	-	1,025	1,025
New Taiwan Dollar	71	5,629	5,700
Philippine Peso	-	2,955	2,955
Pound Sterling	749	14,224	14,973
Singapore Dollar	63	8,834	8,897
Thai Baht	490	1,459	1,949
US Dollar	(47)	17,625	17,578
Net assets	**1,563**	**127,205**	**128,768**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Australian Dollar	-	1,655	1,655
Hong Kong Dollar	-	18,771	18,771
Indian Rupee	23	7,370	7,393
Indonesian Rupiah	(94)	4,681	4,587
Japanese Yen	89	40,302	40,391
Korean Won	11	7,487	7,498
Malaysian Ringgit	-	1,023	1,023
New Taiwan Dollar	73	5,227	5,300
Philippine Peso	-	3,253	3,253
Pound Sterling	1,439	15,992	17,431
Singapore Dollar	23	14,886	14,909
Thai Baht	-	1,459	1,459
US Dollar	-	17,579	17,579
Net assets	**1,564**	**139,685**	**141,249**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £11,380,000 (2017 - £12,382,000).

Interest rate risk profile of financial assets and financial liabilities

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

In the prior year, the majority of the Fund's financial assets were equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk was considered insignificant.

Aberdeen Asia Pacific and Japan Equity Fund

Other price risk

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £6,360,000 (2017 - £6,984,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Provision for liabilities	-	-	89	-	89
Other creditors	-	1,078	-	-	1,078
Total financial liabilities	**-**	**1,078**	**89**	**-**	**1,167**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Bank overdrafts	-	41	-	-	41
Other creditors	-	4,241	-	-	4,241
Total financial liabilities	**-**	**4,282**	**-**	**-**	**4,282**

Aberdeen Asia Pacific and Japan Equity Fund

13. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Bonds	-	-	-	571
Collective Investment Schemes	1,965	10,504	4,370	7,406
Equities	24,629	26,541	40,385	48,976
Trades in the year before transactions costs	**26,594**	**37,045**	**44,755**	**56,953**
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	11	16	(14)	(22)
Total commissions	**11**	**16**	**(14)**	**(22)**
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	12	5	(14)	(19)
Total taxes	**12**	**5**	**(14)**	**(19)**
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	1	1	(7)	(10)
Total other expenses	**1**	**1**	**(7)**	**(10)**
Total transaction costs	**24**	**22**	**(35)**	**(51)**
Total net trades in the year after transaction costs	**26,618**	**37,067**	**44,720**	**56,902**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	0.04	0.06	0.04	0.04
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	0.05	0.02	0.03	0.04
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	-	0.01	0.02	0.02

Aberdeen Asia Pacific and Japan Equity Fund

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.02	0.02
Taxes	0.02	0.02
Other expenses	0.01	0.01
Total costs	**0.05**	**0.05**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £15,000 in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.24% (2017 - 0.25%).

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1

Quoted prices in active markets for identical securities.

Level 2

Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3

Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	115,683	-	127,732	-
Level 2	11,522	-	11,953	-
Level 3	-	-	-	-
Total	**127,205**	**-**	**139,685**	**-**

Aberdeen Asia Pacific and Japan Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Final dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.50624	-	0.50624	0.19826
Group 2	0.40784	0.09840	0.50624	0.19826
I Accumulation shares				
Group 1	1.53572	-	1.53572	1.20069
Group 2	0.98053	0.55519	1.53572	1.20069

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

Aberdeen Asia Pacific Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The objective of the Fund is to achieve capital growth by investing in the countries of the Asia Pacific region excluding Japan.

Performance review

For the year ended 31 July 2018, the value of Aberdeen Asia Pacific Equity Fund - A Accumulation Shares increased by 2.87% compared to an increase of 6.13% in the benchmark, the MSCI AC Asia Pacific ex Japan Index.

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

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

Market review

Asian equities posted decent returns over the year despite macroeconomic and monetary policy worries increasingly coming to the fore. In the second half of 2017, markets were boosted by steady global growth, upbeat earnings results, and optimism over Chinese internet stocks and US tax reforms.

Subsequently, however, volatility returned as investors grew skittish over a potentially faster pace of interest-rate hikes in the US, as well as escalating trade tensions between America and its major trading partners, particularly China. Most Asian currencies depreciated against the US dollar, with the Indian rupee, Philippine peso and Indonesian rupiah losing the most ground. These three markets were also hurt by rising oil prices, given that they are net-oil importers, and all tightened monetary policy as a result. Meanwhile, mainland equities and the renminbi were further hindered by fears of moderating growth, which prompted policymakers to boost liquidity and introduce fresh stimulus measures.

Portfolio review

The Fund underperformed its benchmark. The lighter exposure to the technology sector dampened returns. In particular, our underweight to Chinese internet names, especially the lack of exposure to Alibaba and our lower-than-benchmark weighting to Tencent proved costly, given their rally. That said we've seen this underperformance narrow in more recent periods. We introduced Tencent in late 2017 following extensive due diligence around their corporate structure and founder. Tencent's gaming dominance and consumer reach via its messaging app WeChat provide a moat to its business model whilst its strong cash generation and growth trajectory support its valuation. We see good potential in its longer-term advertising business as Tencent starts to monetise its dominant social networking platforms and payment system. We have used recent share price weakness to continue building up our position in Tencent on the back of near-term margin pressures from ongoing investments into its powerful ecosystem.

The exposure to Hong Kong also cost the Fund. Developer Hang Lung slid on concerns over the sustainability of the recent strength in Hong Kong's property sector. UK-listed lender Standard Chartered was pressured by regulatory infractions and capital rebuilding. Our key questions remain over whether management can follow through on its plans and the timeframe for a recovery and revenue. However, the bank continues to have an excellent franchise, while investors have started to see lower credit costs and benefits from rising interest rates.

In Southeast Asia, our overweight to Singapore was another detractor. The market lagged its regional peers as it succumbed to profit-taking towards the period-end. Stock selection also hurt relative performance. Singtel was buffeted by intensifying competition domestically and for its overseas subsidiaries, which weighed on its earnings. We continue to like the telco for its steady cash flows, attractive dividend yield and growing digital presence. Defence-technology group Singapore Technologies Engineering was also weak as its marine division continued to grapple with cyclical challenges. Given its valuations appeared stretched relative to its long-term growth prospects, we exited the stock. Elsewhere, our heavier exposure to the Philippines was also negative, as macroeconomic concerns dented investor sentiment.

Conversely, Australia was a key contributor to returns. The lack of exposure to major lenders, such as Commonwealth Bank, was a boon as the sector was pressured by increased regulatory scrutiny following reports of misconduct. Our holdings fared better. Miner Rio Tinto did well on improving commodity prices, while biotechnology firm CSL rose on optimism about its robust suite of products amid positive sectoral dynamics.

Mainland equities were relatively resilient for most of the period, supported by healthy growth data and the strength of internet stocks. While the Fund's lower exposure was negative, this was offset by good performances from our holdings. The position in the Aberdeen Global – China A Share Fund was beneficial, due to positive sentiment ahead of the inclusion of A shares into MSCI's indices and good performances from its underlying holdings. The Fund offers a selection of Chinese companies that are supported by rising consumption and a growing middle class. Our direct holding in cement maker Anhui Conch Cement was also positive, as its shares rallied on the back of rising cement prices, which were due to better industry discipline and supply-side reforms. China Resources Land, which we introduced recently, also buoyed relative performance as it reported good results, and reaffirmed our investment case that its portfolio of investment properties will drive higher returns.

Apart from the aforementioned portfolio movements, we had mentioned in the interim report the introductions of Chinese financial conglomerate Ping An, Hong Kong-listed semiconductor company ASM Pacific and Korean chemicals business LG Chem.

Aberdeen Asia Pacific Equity Fund

In the latter half, China remained a key focus of portfolio activity. Although we remain underweight, our comfort with mainland corporates is increasing, having found more interesting companies with robust business models. We believe mainland companies are increasingly benefiting from rising consumption and growing middle-class affluence, as well as the expansion of emerging structural-technology trends. As such, we added four new holdings: Autohome, Huazhu, Sunny Optical and Wuxi Biologics.

Autohome is the dominant online destination for car buyers in China. It benefits from the powerful network-effect characteristics of a classifieds-advertising business, while its comprehensive content attracts high-quality user traffic. Hotel chain Huazhu boasts a multi-brand portfolio, and is a proxy for China's consumer and tourism growth. Management's solid track record, and its partnership with Accor, should aid further margin improvements.

Sunny Optical is a leading lens and camera module maker that counts Huawei, Xiaomi, Samsung and Sony among its major clients. We are positive about its long-term outlook, as new technologies such as assisted-driving systems and autonomous cars increase demand for auto cameras and vehicle lenses. Wuxi is a leading contract research organisation for biologics in China. Its management had the foresight to establish a solid platform in the industry's early days. It now benefits from the growing trend of outsourcing research and development of biologic drugs, as stricter technical requirements are imposed on the industry that is also facing rising costs.

Against this, we divested Indian IT-services major Infosys, following the departure of former CEO Vishal Sekka, given our concerns over its strategy and leadership; Malaysia's CIMB Bank, as its efforts to become a successful regional lender were hampered by asset-quality issues; and Hong Kong's MTR Corporation, as we felt it had reached fair value.

Outlook

Asian markets are expected to remain on tenterhooks, given geopolitical uncertainties and monetary policy shifts over the next few months. Trade tensions between the US and its major trading partners will continue to weigh on investors' minds. They will also be keeping a close watch on how major central banks manage liquidity and currency fluctuations. Upcoming elections in India and Indonesia are also important, as their outcomes may decide the fortunes of these two vast economies.

Nevertheless, the global economy is still expanding steadily. Increased economic activity will lift commodity prices and inflation, which could further boost growth if well managed. Amid this supportive macroeconomic backdrop, governments in Asia are engaging in reforms that will strengthen their economies in the longer term. This should put economic growth in the region on a more stable footing. Asian central banks are also vigilant in ensuring that monetary policy remains appropriate, which should help calm foreign-exchange volatility and keep inflation in check. These robust long-run fundamentals should continue to support corporate earnings. Our portfolios remain resilient and well-positioned for future growth. More broadly, as true active managers, our long-time focus on quality and value should serve us well, with our holdings having the wherewithal to withstand the short-term volatility.

Asia Pacific Equity Team **August 2018**

Aberdeen Asia Pacific Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Emerging Markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries and this may mean your money is at greater risk.
- Chinese Domestic Securities Market: The Fund may invest directly or indirectly in Chinese domestic securities markets via various channels, which involves additional risks as further described in the Fund's Prospectus.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Asia Pacific Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	261.74	214.42	196.00
Return before operating charges*	14.91	51.96	21.96
Operating charges	(5.26)	(4.64)	(3.54)
Return after operating charges*	9.65	47.32	18.42
Distributions on accumulation shares	(1.34)	(1.09)	(1.90)
Retained distributions on accumulation shares	1.34	1.09	1.90
Closing net asset value per share	271.39	261.74	214.42
* after direct transaction costs of:	0.06	0.15	0.14
Performance			
Return after charges	3.69%	22.07%	9.40%
Other information			
Closing net asset value (£'000s)	295,801	322,674	319,315
Closing number of shares	108,993,397	123,279,877	148,918,951
Operating charges	1.96%	1.95%	1.95%
Direct transaction costs	0.02%	0.06%	0.08%
Prices			
Highest share price (pence)	281.03	264.07	218.33
Lowest share price (pence)	253.56	213.55	160.24

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

Aberdeen Asia Pacific Equity Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	236.42	194.49	179.37
Return before operating charges*	13.47	47.13	20.09
Operating charges	(4.75)	(4.22)	(3.23)
Return after operating charges*	8.72	42.91	16.86
Distributions on income shares	(1.21)	(0.98)	(1.74)
Closing net asset value per share	243.93	236.42	194.49
* after direct transaction costs of:	0.05	0.14	0.13
Performance			
Return after charges	3.69%	22.06%	9.40%
Other information			
Closing net asset value (£'000s)	21,970	23,477	20,940
Closing number of shares	9,006,661	9,930,082	10,766,265
Operating charges	1.96%	1.95%	1.95%
Direct transaction costs	0.02%	0.06%	0.08%
Prices			
Highest share price (pence)	253.84	239.52	199.80
Lowest share price (pence)	229.03	193.69	146.65

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

Aberdeen Asia Pacific Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	281.89	229.21	207.95
Return before operating charges*	16.11	55.74	23.59
Operating charges	(3.51)	(3.06)	(2.33)
Return after operating charges*	12.60	52.68	21.26
Distributions on accumulation shares	(3.62)	(3.09)	(3.48)
Retained distributions on accumulation shares	3.62	3.09	3.48
Closing net asset value per share	294.49	281.89	229.21
* after direct transaction costs of:	0.06	0.17	0.15
Performance			
Return after charges	4.47%	22.98%	10.22%
Other information			
Closing net asset value (£'000s)	539,646	809,196	809,692
Closing number of shares	183,247,520	287,055,830	353,259,550
Operating charges	1.21%	1.20%	1.20%
Direct transaction costs	0.02%	0.06%	0.08%
Prices			
Highest share price (pence)	303.77	284.34	233.36
Lowest share price (pence)	273.42	228.28	170.70

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

Aberdeen Asia Pacific Equity Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	134.91	110.91	102.17
Return before operating charges*	7.70	26.98	11.59
Operating charges	(1.68)	(1.49)	(1.14)
Return after operating charges*	6.02	25.49	10.45
Distributions on income shares	(1.73)	(1.49)	(1.71)
Closing net asset value per share	139.20	134.91	110.91
* after direct transaction costs of:	0.03	0.08	0.07
Performance			
Return after charges	4.46%	22.98%	10.23%
Other information			
Closing net asset value (£'000s)	26,136	56,584	48,177
Closing number of shares	18,774,844	41,940,775	43,436,149
Operating charges	1.21%	1.20%	1.20%
Direct transaction costs	0.02%	0.06%	0.08%
Prices			
Highest share price (pence)	145.38	137.59	114.66
Lowest share price (pence)	130.85	110.47	83.88

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

Aberdeen Asia Pacific Equity Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	310.99	250.35	224.88
Return before operating charges*	17.84	61.20	25.89
Operating charges	(0.68)	(0.56)	(0.42)
Return after operating charges*	17.16	60.64	25.47
Distributions on accumulation shares	(7.24)	(6.19)	(5.89)
Retained distributions on accumulation shares	7.24	6.19	5.89
Closing net asset value per share	328.15	310.99	250.35
* after direct transaction costs of:	0.07	0.18	0.16
Performance			
Return after charges	5.52%	24.22%	11.33%
Other information			
Closing net asset value (£'000s)	91,054	91,365	83,368
Closing number of shares	27,747,781	29,379,181	33,300,481
Operating charges	0.21%	0.20%	0.20%
Direct transaction costs	0.02%	0.06%	0.08%
Prices			
Highest share price (pence)	337.31	313.59	254.86
Lowest share price (pence)	302.12	249.34	185.59

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

Aberdeen Asia Pacific Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 91.43% (2017: 92.75%)					
Equities 91.43% (2017: 92.75%)					
Australia 1.98% (2017: 1.96%)					
CSL			173,279	**19,292**	**1.98**
China 9.85% (2017: 1.96%)					
Anhui Conch Cement			2,662,000	12,995	1.33
Autohome (ADR)			75,044	5,525	0.57
China Resources Land			6,944,000	19,327	1.98
Ping An Insurance∞			2,429,500	17,171	1.76
Tencent			1,187,000	40,937	4.21
				95,955	**9.85**
Hong Kong 16.63% (2017: 19.13%)					
AIA			4,352,200	28,963	2.97
ASM Pacific Technology			1,009,100	9,225	0.95
China Mobile			2,158,600	14,826	1.52
Hang Lung			2,553,000	5,717	0.59
Hang Lung Properties∞			2,035,220	3,262	0.33
Hong Kong Exchanges & Clearing			838,306	18,862	1.94
Jardine Strategic			1,606,052	48,766	5.01
Sunny Optical Technology			353,800	4,448	0.46
Swire Pacific 'B'			12,536,200	17,075	1.75
Swire Properties			1,956,218	5,863	0.60
WuXi Biologics (Cayman)			640,000	4,949	0.51
				161,956	**16.63**
India 12.04% (2017: 13.18%)					
Grasim Industries			1,920,675	21,876	2.24
Hero MotoCorp			265,407	9,714	1.00
Hindustan Unilever			265,445	5,110	0.52
Housing Development Finance			1,359,305	30,049	3.09
ITC			6,131,161	20,277	2.08
Kotak Mahindra Bank			902,500	13,112	1.35
Tata Consultancy Services			792,916	17,124	1.76
				117,262	**12.04**
Indonesia 3.84% (2017: 4.17%)					
Astra International			19,446,500	7,325	0.75
Bank Central Asia			21,146,600	25,824	2.65
Unilever Indonesia			1,885,721	4,307	0.44
				37,456	**3.84**
Malaysia 0.98% (2017: 2.19%)					
Public Bank			2,125,395	**9,574**	**0.98**

Aberdeen Asia Pacific Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Philippines 3.89% (2017: 3.91%)					
Ayala Land			31,261,740	18,310	1.88
Bank of the Philippine Islands			13,982,882	19,631	2.01
				37,941	**3.89**
Singapore 10.98% (2017: 16.39%)					
City Developments			3,880,200	21,751	2.23
DBS			1,315,155	19,701	2.02
Keppel			4,525,100	17,409	1.79
Oversea-Chinese Banking			4,479,225	29,022	2.98
Singapore Telecommunications			5,235,879	9,383	0.96
United Overseas Bank			647,235	9,794	1.00
				107,060	**10.98**
South Korea 9.86% (2017: 8.43%)					
Amorepacific			45,116	2,945	0.30
Amorepacific (PREF)			40,575	3,899	0.40
E-Mart			61,639	9,178	0.94
LG Chem			33,500	8,561	0.88
Naver			32,809	15,987	1.64
Samsung Electronics (PREF)			2,131,150	55,552	5.70
				96,122	**9.86**
Sri Lanka 1.08% (2017: 1.55%)					
DFCC Bank			5,438,669	2,649	0.27
John Keells			11,891,083	7,921	0.81
				10,570	**1.08**
Taiwan 5.60% (2017: 5.08%)					
Taiwan Mobile			3,706,305	9,737	1.00
TSMC			7,330,827	44,816	4.60
				54,553	**5.60**
Thailand 3.52% (2017: 3.26%)					
Aberdeen New Thai Investment Trust[†#°]			1,786,130	9,842	1.01
Bangkok Dusit Medical Services (Alien)			11,288,600	6,855	0.70
Central Pattana (Alien)			847,100	1,465	0.15
Siam Cement (Alien)			1,564,400	16,130	1.66
				34,292	**3.52**
United Kingdom 9.33% (2017: 10.34%)					
Aberdeen Asian Smaller Companies Investment Trust[†#°]			1,203,400	12,636	1.30
BHP Billiton			1,163,300	20,411	2.09
HSBC			2,937,310	21,288	2.18
Rio Tinto			552,440	23,182	2.38
Standard Chartered			1,948,355	13,405	1.38
				90,922	**9.33**

Aberdeen Asia Pacific Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
United States 1.85% (2017: 1.20%)					
Huazhu[∞]			124,868	3,806	0.39
Yum China			518,300	14,256	1.46
				18,062	**1.85**
Total Equities				**891,017**	**91.43**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**891,017**	**91.43**
Open Ended Investment Funds 6.96% (2017: 5.88%)					
Aberdeen Global - China A Share Equity Fund Z Acc USD[†]			5,776,817	64,930	6.66
Aberdeen Global - Indian Equity Fund Z Acc USD[†]			173,025	2,950	0.30
				67,880	**6.96**
Total Open Ended Investment Funds				**67,880**	**6.96**
Total investments				**958,897**	**98.39**
Other net assets				**15,710**	**1.61**
Total net assets				**974,607**	**100.00**

[†] Managed by subsidiaries of Standard Life Aberdeen plc.
[∞] A portion of this security is on loan at the year end.
[°] Listed on the London Stock Exchange.
[#] Regional investment vehicle.
Comparative figures are as at 31 July 2017.

Aberdeen Asia Pacific Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	9,231	0.96	0.95

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Anheuser-Busch InBev	504	Equity	Main market listing	BNP Paribas
Banco de Sabadell	361	Equity	Main market listing	BNP Paribas
Intesa Sanpaolo	361	Equity	Main market listing	BNP Paribas
Macquarie	361	Equity	Main market listing	BNP Paribas
Red Electrica	361	Equity	Main market listing	BNP Paribas
QBE Insurance	361	Equity	Main market listing	BNP Paribas
Assicurazioni Generali	361	Equity	Main market listing	BNP Paribas
Mediobanca	361	Equity	Main market listing	BNP Paribas
Eni	361	Equity	Main market listing	BNP Paribas
Unicredit	361	Equity	Main market listing	BNP Paribas
Other Equity	6,517	Equity	Main market listing	BNP Paribas
Total collateral received	**10,270**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	10,270	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	721
EUR	6,155
GBP	931
JPY	2,463
Total collateral received	**10,270**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
BNP Paribas	6,491	France	Tri-party
NATIXIS	2,740	France	Tri-party
Total market value of securities lending	**9,231**		

Aberdeen Asia Pacific Equity Fund

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	-	10,270	**10,270**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	9,231	**9,231**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	26	125.00
Direct operational costs (securities lending agent costs)	(5)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(5)	(25.00)
Net return	**21**	**100.00**

Aberdeen Asia Pacific Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		36,442		254,556
Revenue	2	31,937		32,253	
Expenses	3	(16,494)		(17,077)	
Net revenue before taxation		15,443		15,176	
Taxation	4	(1,648)		(1,288)	
Net revenue after taxation			13,795		13,888
Total return before distributions			**50,237**		**268,444**
Distributions	5		(13,819)		(13,950)
Change in net assets attributable to shareholders from investment activities			**36,418**		**254,494**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**1,303,296**		**1,281,492**
Amounts receivable on issue of shares	6,345		17,145	
Amounts payable on cancellation of shares	(382,292)		(261,858)	
		(375,947)		(244,713)
Dilution adjustment		731		-
Change in net assets attributable to shareholders from investment activities		36,418		254,494
Retained distributions on accumulation shares		10,109		12,017
Unclaimed distributions > 6 years		-		6
Closing net assets attributable to shareholders		**974,607**		**1,303,296**

Aberdeen Asia Pacific Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		958,897	1,285,393
Current assets:			
Debtors	6	10,555	10,539
Cash and bank balances		11,168	20,268
Total assets		**980,620**	**1,316,200**
Liabilities:			
Provisions for liabilities	7	1,178	-
Creditors:			
Other creditors	8	4,400	12,180
Distribution payable		435	724
Total liabilities		**6,013**	**12,904**
Net assets attributable to shareholders		**974,607**	**1,303,296**

Aberdeen Asia Pacific Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital gains**

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	37,214	255,559
Other currency losses	(772)	(1,004)
Net capital gains	**36,442**	**254,555**

2. **Revenue**

	2018 £'000	2017 £'000
UK dividends	5,021	3,186
Interest on debt securities	-	6
Distributions from collective investment schemes:		
Offshore distributions - non-taxable	1,142	372
Overseas dividends	24,824	24,454
Stock dividends	909	4,050
Stock lending commission	21	39
Bank interest	20	2
Management fee rebates taken to revenue	-	144
Total revenue	**31,937**	**32,253**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	14,087	14,611
Operating, administrative and servicing fees	2,407	2,466
Total expenses	**16,494**	**17,077**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. **Taxation**

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	1,648	1,288
Current tax charge	**1,648**	**1,288**
Total taxation	**1,648**	**1,288**

Aberdeen Asia Pacific Equity Fund

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	15,443	15,176
Corporation tax at 20% (2017 - 20%)	3,089	3,035
Effects of:		
UK dividends*	(1,004)	(966)
Non-taxable overseas dividends*	(5,375)	(5,457)
Excess management expenses	3,290	3,388
Irrecoverable overseas withholding tax	1,648	1,288
Total taxation	**1,648**	**1,288**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £46,490,000 (2017 - £43,200,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised. The prior year figure was revised to reflect the prior year accounts as submitted to HMRC.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**

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

	2018 £'000	2017 £'000
Final	10,544	12,741
Add: Revenue deducted on cancellation of shares	3,303	1,326
Deduct: Revenue received on issue of shares	(28)	(117)
Distributions for the year	**13,819**	**13,950**
Total distributions	**13,819**	**13,950**

Details of the distribution per share are set out in the distribution tables on page 64.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	13,795	13,888
Add:		
Undistributed revenue brought forward	-	40
Movement between share classes due to conversions	24	22
Distributions	**13,819**	**13,950**

Aberdeen Asia Pacific Equity Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	1,753	1,223
Amounts receivable for issue of shares	18	96
Overseas withholding tax reclaimable	273	84
Sales awaiting settlement	3,919	2,159
Currency transactions awaiting settlement	1,271	3,656
Other debtor	3,321	3,321
Total debtors	**10,555**	**10,539**

7. Provisions for liabilities

	2018 £'000	2017 £'000
The provisions for liabilities comprise:		
CGT liability	1,178	-
Total provisions for liabilities	**1,178**	**-**

8. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	1,231	1,467
Amounts payable for cancellation of shares	1,897	4,418
Purchases awaiting settlement	-	2,623
Currency transactions awaiting settlement	1,272	3,672
Total other creditors	**4,400**	**12,180**

9. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 53. £2,925,000 was due to the ACD (2017 - £5,578,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £90,358,000 (2017 - £98,647,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.75%
Class 'I': 1.00%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 43 to 47. The distribution per share class is given in the distribution tables on page 64. All share classes have the same rights on winding up.

Aberdeen Asia Pacific Equity Fund

Share reconciliation
As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	123,279,877	9,930,082	287,055,830	41,940,775
Creations during the year	348,000	143,022	388,000	2,634,524
Cancellations during the year	(11,274,061)	(305,900)	(106,527,126)	(28,764,600)
Shares converted during the year	(3,360,419)	(760,543)	2,330,816	2,964,145
Closing shares in issue	**108,993,397**	**9,006,661**	**183,247,520**	**18,774,844**

	Z Accumulation shares
Opening number of shares	29,379,181
Creations during the year	110,600
Cancellations during the year	(1,742,000)
Shares converted during the year	-
Closing shares in issue	**27,747,781**

11. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a "per Approved Borrower" basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Aberdeen Asia Pacific Equity Fund

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
BNP Paribas	6,491	7,213	Equity
NATIXIS	2,740	3,057	Equity
Total	**9,231**	**10,270**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	26	5	21

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
BNP Paribas	2,676	2,952	Equity
Citigroup	3,250	3,604	Equity
Citigroup	1,066	1,122	Government Bond
Societe Generale	13,457	14,869	Equity
Societe Generale	678	714	Government Bond
Total	**21,127**	**23,261**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	49	10	39

12. Risk management policies and disclosures

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Australian Dollar	-	19,292	19,292
Hong Kong Dollar	-	224,907	224,907
Indian Rupee	(764)	117,262	116,498
Indonesian Rupiah	-	37,456	37,456
Korean Won	451	96,122	96,573
Malaysian Ringgit	-	9,574	9,574
New Taiwan Dollar	753	54,553	55,306
Philippine Peso	-	37,941	37,941
Pound Sterling	14,504	79,476	93,980
Singapore Dollar	766	107,060	107,826

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Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
Sri Lanka Rupee	-	10,570	10,570
Thai Baht	-	24,451	24,451
US Dollar	-	140,233	140,233
Net assets	**15,710**	**958,897**	**974,607**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Australian Dollar	-	25,501	25,501
Hong Kong Dollar	-	240,259	240,259
Indian Rupee	509	171,815	172,324
Indonesian Rupiah	(217)	54,335	54,118
Korean Won	722	109,889	110,611
Malaysian Ringgit	325	28,559	28,884
Philippine Peso	-	50,918	50,918
Pound Sterling	15,523	111,318	126,841
Singapore Dollar	284	213,629	213,913
Sri Lanka Rupee	-	20,235	20,235
New Taiwan Dollar	757	66,193	66,950
Thai Baht	-	33,250	33,250
US Dollar	-	159,492	159,492
Net assets	**17,903**	**1,285,393**	**1,303,296**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £88,063,000 (2017 - £117,646,000).

Interest rate risk profile of financial assets and financial liabilities

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £47,945,000 (2017 - £64,270,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Provisions for liabilities	-	-	1,178	-	1,178
Other creditors	-	4,400	-	-	4,400
Distribution payable	-	435	-	-	435
Total financial liabilities	**-**	**4,835**	**1,178**	**-**	**6,013**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	12,180	-	-	12,180
Distribution payable	-	724	-	-	724
Total financial liabilities	**-**	**12,904**	**-**	**-**	**12,904**

13. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Bonds	-	-	-	1,435
Collective Investment Schemes	19,711	81,420	45,193	77,311
Equities	170,281	154,452	512,755	403,894
Trades in the year before transactions costs	**189,992**	**235,872**	**557,948**	**482,640**
Commissions				
Bonds	-	-	-	(1)
Collective Investment Schemes	-	-	-	-
Equities	67	134	(278)	(255)
Total commissions	**67**	**134**	**(278)**	**(256)**
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	121	93	(359)	(237)
Total taxes	**121**	**93**	**(359)**	**(237)**
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	9	10	(160)	(111)
Total other expenses	**9**	**10**	**(160)**	**(111)**
Total transaction costs	**197**	**237**	**(797)**	**(604)**
Total net trades in the year after transaction costs	**190,189**	**236,109**	**557,151**	**482,036**

Aberdeen Asia Pacific Equity Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	0.04	0.09	0.05	0.06
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	0.07	0.06	0.07	0.06
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	0.01	0.01	0.03	0.03

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.03	0.03
Taxes	0.04	0.03
Other expenses	0.01	0.01
Total costs	**0.08**	**0.07**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £203,000 in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.20% (2017 - 0.24%).

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Aberdeen Asia Pacific Equity Fund

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	891,017	-	1,208,729	-
Level 2	67,880	-	76,664	-
Level 3	-	-	-	-
Total	**958,897**	**-**	**1,285,393**	**-**

Aberdeen Asia Pacific Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Final dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	1.33808	-	1.33808	1.08594
Group 2	0.85222	0.48586	1.33808	1.08594
A Income shares				
Group 1	1.20864	-	1.20864	0.98498
Group 2	0.76724	0.44140	1.20864	0.98498
I Accumulation shares				
Group 1	3.62465	-	3.62465	3.08605
Group 2	2.17260	1.45205	3.62465	3.08605
I Income shares				
Group 1	1.73470	-	1.73470	1.49330
Group 2	1.05820	0.67650	1.73470	1.49330
Z Accumulation shares				
Group 1	7.24125	-	7.24125	6.19466
Group 2	3.78203	3.45922	7.24125	6.19466

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

Aberdeen Corporate Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Investment grade corporate Debt and debt-related securities denominated in (or hedged back to) Sterling.

The Fund may also invest in other transferable securities, including Investment grade and sub-Investment grade Debt and debt-related securities denominated in any currency, including those issued by governments, public bodies and supra-national issuers, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Performance review

For the year ended 31 July 2018, the value of Aberdeen Corporate Bond Fund - A Accumulation Shares decreased by 1.11% compared to a decrease of 0.10% in the benchmark, the iBoxx Sterling Collateralized & Corporate Index.

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

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

Market review

Sterling corporate bonds underperformed UK government bonds over the 12 months to July 2018. Underlying gilt yields ended the 12 months modestly higher, with the 10-year yield rising by circa 0.10% and ending July 2017 at 1.33%. Hawkish rhetoric on interest rates in September 2017 from the Bank of England set the tone all the way through to the end of February 2018 for higher yields. At the end of February, volatility returned to equity markets and growth concerns returned to the global economy pushing yields from their peak this year of 1.65%.

In credit, the positive start to the period also ended in February 2018. From this point, spreads moved considerably wider, led by subordinated financials which had been the outperformer to this point. The positive tone ending 2017 and starting 2018 led credit markets to some of the tightest levels in spread seen since the global financial crisis in 2008/9.

The main drivers of volatility were an escalation in fears of a trade war between the world's two largest economies, China and the US, along with rising inflation and some softer economic data globally. Credit spreads continued to widen from April through to June as European politics once again caused some concerns – in particular the General Election in Italy. So, too, did increased fears of a material trade war between the US and its major trading partners. Sector-wise, both banks and insurers were among the weakest while safe haven sectors were stronger performers.

July was a positive month for global credit markets. Yield spreads between corporate bonds and government bonds tightened in Europe and the US, and also in the UK, albeit to a lesser extent. Early in the month, trade concerns pushed spreads wider, but positive US economic data throughout July illustrated how little impact the talk of tariff increases was having. Subordinated insurance bonds were particularly strong, and energy-related bonds performed well.

Portfolio review

In August 2017 the Fund modestly underperformed its benchmark as spreads moved wider. Subordinated insurance exposure was reduced in August and we added to housing association exposure. An overweight in the lower parts of the financial capital structure also boosted relative performance. High yield spreads moved tighter in September, and the Fund's allocation to the Aberdeen European High Yield Fund and Strategic Bond Fund added to performance. At the end of August Fund duration was reduced, and further reduced to neutral in September after the Bank of England indicated a number of interest rate hikes in the coming months.

From October through to December, bonds issued by banks and insurers outperformed materially. Bonds issued by insurance companies have benefited from a stronger regulatory regime and from improving financial markets. Some bonds were sold in the financial sectors following a period of strong performance, including bonds issued by Rabobank and Barclays. Purchases of new issues from SEGRO, Liberty Living and Severn Trent were notable.

The Fund marginally underperformed its benchmark index in the first three months of 2018. Banks and insurers continued to exert a positive impact on returns early on; however, financials ranked among the weakest performers as the quarter progressed, Residential mortgage-backed securities added performance, with their floating rate nature offsetting a rise in yields. Against that, Dignity Finance materially underperformed after a profits warning; ratings agency Standard & Poor's put the bonds on review towards the end of January, ultimately downgrading them by several notches in March. Between April and June, the "risk-off" environment exerted a negative impact on returns. While exposure to some of the higher risk (and therefore underperforming) regions such as Italy is light, overweight positions in some of the more volatile and sectors such as financials detracted. Exposure in the Fund to AAA rated quasi-government agencies benefited the Fund. One of the issues which had previously damaged returns, Dignity Finance, performed well as trading recovered strongly in the first quarter.

During July, the Fund's overweight in higher-risk assets added value as corporate bonds rallied. For asset allocation, the largest contributors were the Fund's overweight position in subordinated insurance, and an underweight in water utilities. In terms of asset allocation, our US dollar energy positions boosted performance. Energy Transfer Partnership made a good contribution, with yield spreads tightening after the completion of a merger that reduced group borrowings. Hybrid corporate securities also made a useful contribution.

Outlook

Given a fairly benign economic environment, market levels appear attractive once again. Further volatility or well-priced new issuance is likely to provide an opportunity to add risk to funds. Looking ahead, we will use any market rally to reduce some of the Fund's riskier positions such as subordinated insurance ahead of what we expect to be higher volatility in the next year or two.

Sterling IG Aggregate Team **August 2018**

Aberdeen Corporate Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 3 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Corporate Bond Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	163.28	159.37	145.34
Return before operating charges*	0.31	5.92	16.56
Operating charges	(1.80)	(1.80)	(1.65)
Return after operating charges*	(1.49)	4.12	14.91
Distributions on accumulation shares	(3.41)	(3.99)	(4.40)
Retained distributions on accumulation shares	3.41	3.78	3.52
Closing net asset value per share	161.79	163.28	159.37
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.91%)	2.59%	10.26%
Other information			
Closing net asset value (£'000s)	3,080	3,530	3,570
Closing number of shares	1,903,778	2,161,853	2,239,859
Operating charges	1.10%	1.13%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	166.55	165.48	159.58
Lowest share price (pence)	161.15	154.25	141.26

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

Aberdeen Corporate Bond Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	116.58	116.52	108.83
Return before operating charges*	0.25	4.12	11.53
Operating charges	(1.28)	(1.32)	(1.23)
Return after operating charges*	(1.03)	2.80	10.30
Distributions on income shares	(2.42)	(2.74)	(2.61)
Closing net asset value per share	113.13	116.58	116.52
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.88%)	2.40%	9.46%
Other information			
Closing net asset value (£'000s)	373,680	416,957	460,739
Closing number of shares	330,316,081	357,655,935	395,422,015
Operating charges	1.10%	1.13%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	118.94	120.97	117.26
Lowest share price (pence)	113.53	112.16	104.43

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

Aberdeen Corporate Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	187.86	182.51	165.77
Return before operating charges*	0.35	6.80	18.97
Operating charges	(1.13)	(1.16)	(1.06)
Return after operating charges*	(0.78)	5.64	17.91
Distributions on accumulation shares	(4.88)	(5.49)	(5.85)
Retained distributions on accumulation shares	4.88	5.20	4.68
Closing net asset value per share	187.08	187.86	182.51
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.42%)	3.09%	10.80%
Other information			
Closing net asset value (£'000s)	12,385	16,336	16,718
Closing number of shares	6,619,886	8,695,942	9,160,166
Operating charges	0.60%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	192.04	190.14	182.74
Lowest share price (pence)	185.92	176.88	161.49

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

Aberdeen Corporate Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	120.38	120.32	112.35
Return before operating charges*	0.24	4.21	11.82
Operating charges	(0.72)	(0.76)	(0.71)
Return after operating charges*	(0.48)	3.45	11.11
Distributions on income shares	(3.10)	(3.39)	(3.14)
Closing net asset value per share	116.80	120.38	120.32
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.40%)	2.87%	9.89%
Other information			
Closing net asset value (£'000s)	12,588	14,053	15,897
Closing number of shares	10,776,801	11,674,462	13,213,064
Operating charges	0.60%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	122.87	124.94	121.20
Lowest share price (pence)	117.26	115.85	107.86

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

Aberdeen Corporate Bond Fund

I Gross Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	214.62	208.26	187.85
Return before operating charges*	0.41	7.70	21.61
Operating charges	(1.29)	(1.34)	(1.20)
Return after operating charges*	(0.88)	6.36	20.41
Distributions on accumulation shares	(5.58)	(6.24)	(6.67)
Retained distributions on accumulation shares	5.58	6.24	6.67
Closing net asset value per share	213.74	214.62	208.26
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.41%)	3.05%	10.87%
Other information			
Closing net asset value (£'000s)	1,228	1,163	13,723
Closing number of shares	574,378	541,678	6,589,678
Operating charges	0.60%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	219.39	217.22	208.52
Lowest share price (pence)	212.40	202.15	183.75

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

Aberdeen Corporate Bond Fund

K Income shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	106.51	106.45	100.00[B]
Return before operating charges*	0.48	3.70	7.47
Operating charges	(0.37)	(0.51)	(0.47)
Return after operating charges*	0.11	3.19	7.00
Distributions on income shares	(2.23)	(3.13)	(0.55)
Final cancellation price per share	(104.39)	-	-
Closing net asset value per share	-	106.51	106.45
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.10%	3.00%	7.00%
Other information			
Closing net asset value (£'000s)	-	17	70
Closing number of shares	-	15,713	65,513
Operating charges	0.45%	0.48%	0.48%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	108.74	110.56	107.14
Lowest share price (pence)	103.99	102.51	99.55

[A] K Income share class launched on 13 May 2016 and closed 11 May 2018.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Corporate Bond Fund

P Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	113.55	113.50	105.99
Return before operating charges*	0.25	3.95	11.09
Operating charges	(0.40)	(0.43)	(0.40)
Return after operating charges*	(0.15)	3.52	10.69
Distributions on income shares	(3.21)	(3.47)	(3.18)
Closing net asset value per share	110.19	113.55	113.50
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.13%)	3.10%	10.09%
Other information			
Closing net asset value (£'000s)	95,371	72,326	37,151
Closing number of shares	86,553,128	63,692,503	32,732,759
Operating charges	0.35%	0.38%	0.38%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	115.94	117.87	114.38
Lowest share price (pence)	110.64	109.30	101.75

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

Aberdeen Corporate Bond Fund

P Gross Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	117.00	116.95	109.22
Return before operating charges*	0.24	4.27	12.26
Operating charges	(0.41)	(0.44)	(0.42)
Return after operating charges*	(0.17)	3.83	11.84
Distributions on income shares	(3.30)	(3.78)	(4.11)
Closing net asset value per share	113.53	117.00	116.95
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.15%)	3.27%	10.84%
Other information			
Closing net asset value (£'000s)	3,982	2,648	1,679
Closing number of shares	3,507,607	2,263,307	1,435,407
Operating charges	0.35%	0.38%	0.38%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	119.46	121.50	118.05
Lowest share price (pence)	113.99	112.62	104.88

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

Aberdeen Corporate Bond Fund

Q Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	113.54	113.48	105.99
Return before operating charges*	0.22	3.96	11.06
Operating charges	(0.29)	(0.32)	(0.30)
Return after operating charges*	(0.07)	3.64	10.76
Distributions on income shares	(3.30)	(3.58)	(3.27)
Closing net asset value per share	110.17	113.54	113.48
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.06%)	3.21%	10.15%
Other information			
Closing net asset value (£'000s)	806,074	922,233	841,846
Closing number of shares	731,639,990	812,251,213	741,819,490
Operating charges	0.26%	0.28%	0.28%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	115.94	117.86	114.40
Lowest share price (pence)	110.63	109.30	101.75

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

Aberdeen Corporate Bond Fund

Q Gross Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	117.02	116.97	109.23
Return before operating charges*	0.23	4.28	12.26
Operating charges	(0.30)	(0.33)	(0.31)
Return after operating charges*	(0.07)	3.95	11.95
Distributions on income shares	(3.41)	(3.90)	(4.21)
Closing net asset value per share	113.54	117.02	116.97
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.06%)	3.38%	10.94%
Other information			
Closing net asset value (£'000s)	37,922	48,965	44,308
Closing number of shares	33,399,891	41,845,091	37,879,987
Operating charges	0.26%	0.28%	0.28%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	119.49	121.52	118.09
Lowest share price (pence)	114.01	112.64	104.91

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Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Corporate Bond Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	206.43	199.59	180.58
Return before operating charges*	0.39	7.47	20.72
Operating charges	(0.21)	(0.26)	(0.24)
Return after operating charges*	0.18	7.21	20.48
Distributions on accumulation shares	(6.42)	(7.02)	(7.32)
Retained distributions on accumulation shares	6.42	6.65	5.85
Closing net asset value per share	206.61	206.43	199.59
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.09%	3.61%	11.34%
Other information			
Closing net asset value (£'000s)	320,755	250,552	312,345
Closing number of shares	155,249,358	121,373,858	156,495,828
Operating charges	0.10%	0.13%	0.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	211.47	208.80	199.83
Lowest share price (pence)	204.84	193.68	176.29

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

Aberdeen Corporate Bond Fund

Z Income shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	108.75	106.46	100.00[B]
Return before operating charges*	0.56	4.15	7.20
Operating charges	(0.09)	(0.14)	(0.13)
Return after operating charges*	0.47	4.01	7.07
Distributions on income shares	(2.56)	(1.72)	(0.61)
Final cancellation price per share	(106.66)	-	-
Closing net asset value per share	-	108.75	106.46
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.43%)	3.77%	7.07%
Other information			
Closing net asset value (£'000s)	-	1	11,841
Closing number of shares	-	924	11,122,624
Operating charges	0.10%	0.13%	0.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	111.05	110.56	107.20
Lowest share price (pence)	106.26	102.53	99.56

[A] Z Income share class launched on 13 May 2016 and closed 11 May 2018.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Corporate Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 91.59% (2017: 91.58%)					
Equities 0.34% (2017: 0.35%)					
United Kingdom 0.34% (2017: 0.35%)					
Santander UK			3,466,939	**5,731**	**0.34**
Total Equities				**5,731**	**0.34**
Bonds 91.25% (2017: 91.23%)					
Asset Backed Bonds / Mortgage Backed Bonds 1.75% (2017: 0.90%)					
United Kingdom 1.75% (2017: 0.90%)					
PCL Funding III	FRN	15/06/23	6,873,000	6,863	0.41
Precise Mortgage Funding 2018-2B	FRN	12/03/55	9,067,143	9,020	0.54
RMAC 2018-1	FRN	12/06/46	7,505,000	7,456	0.45
Tolkien Funding Sukuk NO 1	FRN	20/07/52	5,878,746	5,882	0.35
				29,221	**1.75**
Total Asset Backed Bonds / Mortgage Backed Bonds				**29,221**	**1.75**
Corporate Bonds 87.92% (2017: 85.99%)					
Australia 1.98% (2017: 2.78%)					
APT Pipelines (EMTN)∞	3.5000	22/03/30	13,456,000	13,825	0.83
Australia & New Zealand Banking∞	FRN	PERP	6,400,000	3,548	0.21
Commonwealth Bank of Australia (EMTN)∞	1.1250	22/12/21	12,600,000	12,477	0.75
Vicinity Centres (EMTN)	3.3750	07/04/26	2,992,000	3,124	0.19
				32,974	**1.98**
Belgium 0.56% (2017: nil)					
Anheuser-Busch InBev (EMTN)∞	2.8500	25/05/37	9,653,000	**9,278**	**0.56**
Canada 0.15% (2017: 0.27%)					
Bank of Nova Scotia (EMTN)∞	1.2500	08/06/22	2,540,000	**2,495**	**0.15**
Denmark 0.18% (2017: 0.47%)					
Danske Bank (EMTN)	VAR	29/09/21	3,049,000	**3,061**	**0.18**
France 5.72% (2017: 6.67%)					
AXA (EMTN)∞	VAR	PERP	14,898,000	16,034	0.96
AXA (EMTN)	VAR	PERP	5,109,000	5,898	0.35
Cie de Saint-Gobain (EMTN)	5.6250	15/11/24	4,200,000	5,002	0.30
Electricite de France (EMTN)∞	6.1250	02/06/34	8,550,000	11,331	0.68
Electricite de France (EMTN)∞	5.5000	17/10/41	8,400,000	10,587	0.64
Electricite de France (EMTN)	6.0000	23/01/14	4,000,000	5,196	0.31
Electricite de France (EMTN)∞	5.5000	27/03/37	4,000,000	4,935	0.30
Electricite de France (EMTN)	5.1250	22/09/50	3,650,000	4,485	0.27
Electricite de France (EMTN)	5.8750	18/07/31	3,000,000	3,838	0.23

Aberdeen Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Electricite de France (EMTN)∞	6.2500	30/05/28	1,100,000	1,416	0.08
Engie (EMTN)	5.0000	01/10/60	4,200,000	6,173	0.37
Orange (EMTN)	5.3750	22/11/50	5,000,000	6,793	0.41
Natixis (EMTN)	5.8750	24/02/20	6,369,000	6,814	0.41
Total Capital International (EMTN)∞	1.2500	16/12/24	7,000,000	6,764	0.41
				95,266	**5.72**
Germany 3.75% (2017: 4.15%)					
Aroundtown	3.2500	18/07/27	7,230,000	7,085	0.43
E.ON International Finance (EMTN)	6.7500	27/01/39	9,050,000	13,390	0.80
E.ON International Finance (EMTN)∞	6.3750	07/06/32	5,900,000	8,010	0.48
innogy Finance (EMTN)	6.2500	03/06/30	9,450,000	12,408	0.74
innogy Finance (EMTN)	4.7500	31/01/34	6,500,000	7,644	0.46
innogy Finance (EMTN)∞	6.1250	06/07/39	2,450,000	3,415	0.20
KFW (EMTN)	5.5000	18/06/25	5,000,000	6,315	0.38
Volkswagen International Finance∞	VAR	PERP	4,900,000	4,272	0.26
				62,539	**3.75**
Ireland nil (2017: 0.19%)					
Italy 1.77% (2017: 2.08%)					
Enel (EMTN)	5.7500	22/06/37	8,000,000	9,960	0.60
Enel (EMTN)∞	6.2500	20/06/19	5,247,000	5,465	0.33
Enel Finance International (EMTN)	5.7500	14/09/40	4,000,000	5,079	0.30
Enel Finance International (EMTN)	5.6250	14/08/24	994,000	1,153	0.07
FCA Bank Ireland (EMTN)	1.6250	29/09/21	8,000,000	7,857	0.47
				29,514	**1.77**
Mexico 0.88% (2017: 0.35%)					
America Movil	4.9480	22/07/33	4,985,000	6,040	0.36
America Movil	4.3750	07/08/41	5,111,000	6,023	0.36
America Movil	5.7500	28/06/30	1,025,000	1,296	0.08
Petroleos Mexicanos	4.7500	26/02/29	1,543,000	1,393	0.08
				14,752	**0.88**
Netherlands 1.20% (2017: 1.68%)					
ABN AMRO Bank (EMTN)	1.3750	07/06/22	6,300,000	6,223	0.37
Cooperatieve Rabobank (EMTN)	5.3750	03/08/60	2,500,000	3,769	0.23
Cooperatieve Rabobank (EMTN)∞	5.2500	14/09/27	2,050,000	2,360	0.14
Rabobank Nederland (EMTN)∞	4.6250	23/05/29	6,950,000	7,691	0.46
				20,043	**1.20**
New Zealand nil (2017: 0.36%)					
Norway nil (2017: 0.14%)					
Spain 0.37% (2017: 0.76%)					
Telefonica Europe∞	VAR	PERP	7,200,000	**6,132**	**0.37**

Aberdeen Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Supranational nil (2017: 1.23%)					
Sweden 0.48% (2017: 0.57%)					
Scania (EMTN)	1.8750	28/06/22	2,455,000	2,445	0.15
Swedbank (EMTN)	1.2500	29/12/21	5,651,000	5,585	0.33
				8,030	**0.48**
Switzerland 1.17% (2017: nil)					
Credit Suisse∞	VAR	12/09/25	6,700,000	6,415	0.38
UBS London	2.4500	01/12/20	5,731,000	4,273	0.26
UBS London (EMTN)	1.2500	10/12/20	8,818,000	8,765	0.53
				19,453	**1.17**
United Arab Emirates 0.59% (2017: nil)					
IPIC GMTN (EMTN)	6.8750	14/03/26	7,500,000	**9,806**	**0.59**
United Kingdom 58.64% (2017: 55.12%)					
Abbey National Treasury Services (EMTN)	1.8750	17/02/20	8,450,000	8,498	0.51
Abbey National Treasury Services (EMTN)	3.8750	15/10/29	2,289,000	2,519	0.15
Anglian Water Services Financing (EMTN)	6.2930	30/07/30	2,700,000	3,666	0.22
Annington Funding (EMTN)∞	3.9350	12/07/47	6,870,000	7,040	0.42
Annington Funding (EMTN)∞	3.6850	12/07/34	6,590,000	6,692	0.40
Aspire Defence Finance	4.6740	31/03/40	7,110,115	8,552	0.51
Aspire Defence Finance	4.6740	31/03/40	1,770,338	2,129	0.13
Assura	3.0000	19/07/28	3,350,000	3,352	0.20
Autolink Concessionaires M6	8.3900	15/06/22	2,049,840	2,325	0.14
Aviva	VAR	14/11/36	11,000,000	12,341	0.74
Aviva	VAR	PERP	4,000,000	4,391	0.26
Aviva (EMTN)	VAR	03/06/41	9,012,000	9,917	0.59
Aviva (EMTN)	VAR	04/06/50	3,950,000	4,082	0.24
Aviva (EMTN)	VAR	20/05/58	3,000,000	3,702	0.22
Bank of Scotland	VAR	PERP	1,108,000	1,302	0.08
Barclays (EMTN)∞	VAR	06/10/23	17,230,000	16,991	1.03
Barclays (EMTN)	3.2500	17/01/33	10,000,000	9,295	0.56
BAT International Finance (EMTN)∞	1.7500	05/07/21	7,825,000	7,818	0.47
BAT International Finance (EMTN)∞	4.0000	04/09/26	6,630,000	7,176	0.43
BAT International Finance (EMTN)	2.2500	09/09/52	7,847,000	5,879	0.35
BAT International Finance (EMTN)	6.0000	24/11/34	3,918,000	5,182	0.31
BAT International Finance (EMTN)	5.7500	05/07/40	3,820,000	5,109	0.31
BL Superstores Finance	5.2700	04/07/25	2,031,983	2,225	0.13
BP Capital Markets (EMTN)∞	2.0300	14/02/25	15,000,000	14,952	0.90
BP Capital Markets (EMTN)	2.2740	03/07/26	5,175,000	5,191	0.31
British Land (EMTN)	2.3750	14/09/29	5,179,000	4,904	0.29
Broadgate Financing	5.0980	05/04/33	7,188,205	8,287	0.50
Bromford Housing	3.1250	03/05/48	1,960,000	1,951	0.12
BUPA Finance∞	2.0000	05/04/24	7,740,000	7,653	0.46
Cadent Finance (EMTN)	2.6250	22/09/38	2,200,000	2,005	0.12
Canary Wharf Finance II	6.4550	22/04/30	2,316,306	2,914	0.17

Aberdeen Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Catalyst Housing∞	3.1250	31/10/47	3,668,000	3,626	0.22
Channel Link Enterprises Finance	VAR	30/06/50	2,940,000	2,904	0.17
Channel Link Enterprises Finance∞	3.8480	30/06/50	930,000	990	0.06
Circle Anglia Social Housing (EMTN)∞	5.2000	02/03/44	4,248,000	5,767	0.35
City Greenwich Lewisham Rail Link	9.3750	11/10/20	353,212	375	0.02
City Greenwich Lewisham Rail Link	9.3750	11/10/20	56,364	60	-
Clarion Housing (EMTN)	3.1250	19/04/48	5,380,000	5,333	0.32
Community Finance 1 (EMTN) (SINK)∞	5.0170	31/07/34	1,788,000	2,335	0.14
Connect Plus Issuer	2.6070	31/03/39	5,242,000	5,242	0.31
CRH Finance UK (EMTN)	4.1250	02/12/29	3,344,000	3,729	0.22
CYBG	VAR	09/02/26	8,109,000	8,337	0.50
Daily Mail & General Trust	6.3750	21/06/27	7,200,000	8,258	0.50
Dignity Finance	4.6956	31/12/49	8,928,000	8,535	0.51
DS Smith (EMTN)∞	2.8750	26/07/29	2,280,000	2,196	0.13
Eastern Power Networks (EMTN)∞	6.2500	12/11/36	9,475,000	13,536	0.81
Edinburgh Investment Trust	7.7500	30/09/22	1,000,000	1,206	0.07
Eversholt Funding (EMTN)∞	3.5290	07/08/42	3,450,000	3,318	0.20
Experian Finance (EMTN)	2.1250	27/09/24	4,264,000	4,233	0.25
Firstgroup	8.7500	08/04/21	5,952,000	6,904	0.41
Firstgroup	5.2500	29/11/22	1,500,000	1,648	0.10
Gatwick Funding (EMTN)	6.1250	02/03/28	8,436,000	10,436	0.63
Gatwick Funding (EMTN)	3.1250	28/09/39	5,000,000	4,836	0.29
GlaxoSmithKline Capital (EMTN)	5.2500	10/04/42	8,090,000	11,191	0.67
Great Rolling Stock (EMTN)	6.5000	05/04/31	9,129,000	11,396	0.68
Greene King Finance	5.7020	15/12/34	1,105,000	1,029	0.06
Greene King Finance (EMTN)	FRN	15/12/33	2,074,272	2,074	0.12
Greene King Finance (SINK)	4.0643	15/03/35	1,892,332	2,004	0.12
HBOS Capital Funding	6.8500	PERP	7,700,000	5,914	0.35
HBOS Capital Funding	VAR	PERP	4,700,000	4,758	0.29
Heathrow Funding (EMTN)∞	6.4500	10/12/31	13,589,000	18,691	1.13
Heathrow Funding (EMTN)∞	4.6250	31/10/46	7,371,000	9,020	0.54
Heathrow Funding (EMTN)∞	9.2000	29/03/21	4,650,000	5,558	0.33
Heathrow Funding (EMTN)∞	2.7500	09/08/49	4,200,000	3,721	0.22
HSBC (EMTN)	7.0000	07/04/38	10,400,000	14,690	0.88
HSBC (EMTN)	6.0000	29/03/40	8,900,000	11,341	0.68
HSBC (EMTN)	VAR	13/11/26	11,162,000	10,747	0.64
Imperial Tobacco Finance (EMTN)	5.5000	28/09/26	6,014,000	7,068	0.42
InterContinental Hotels (EMTN)	3.7500	14/08/25	10,185,000	10,785	0.65
InterContinental Hotels (EMTN)∞	2.1250	24/08/26	4,000,000	3,772	0.23
Intu Metrocentre Finance	4.1250	06/12/23	6,610,000	7,058	0.42
Land Securities Capital Markets (EMTN)	2.7500	22/09/57	4,885,000	4,748	0.28
Land Securities Capital Markets (EMTN)∞	2.3750	29/03/27	1,789,000	1,798	0.11
LCR Finance	4.5000	07/12/28	5,000,000	6,300	0.38
LCR Finance	4.5000	07/12/28	1,337,000	1,685	0.10
Lloyds Bank∞	9.6250	06/04/23	4,000,000	5,179	0.31
Lloyds Bank	11.7500	PERP	1,900,000	4,083	0.24
Lloyds Bank (EMTN)	VAR	PERP	4,000,000	6,950	0.42
Lloyds Bank (EMTN)	7.6250	22/04/25	4,860,000	6,239	0.37

Aberdeen Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Lloyds Bank (EMTN)	VAR	09/07/25	2,000,000	2,127	0.13
London & Quadrant Housing∞	5.5000	27/01/40	7,400,000	10,040	0.60
London & Quadrant Housing	2.7500	20/07/57	2,000,000	1,806	0.11
London & Quadrant Housing Trust	2.6250	28/02/28	3,590,000	3,570	0.21
London Power Networks (EMTN)∞	5.1250	31/03/23	3,900,000	4,450	0.27
Longstone Finance	4.8960	19/04/36	1,955,000	2,194	0.13
Meadowhall Finance	4.9860	12/01/32	9,810,157	11,858	0.71
Meadowhall Finance∞	4.9880	12/01/32	3,653,928	4,415	0.26
Midland Heart Capital	5.0870	20/09/44	5,000,000	6,643	0.40
National Grid Gas Finance (EMTN)	2.7500	22/09/46	8,320,000	7,473	0.45
National Westminster Bank (EMTN)	VAR	PERP	14,753,000	16,796	1.02
National Westminster Bank (EMTN)	VAR	PERP	13,790,000	12,054	0.72
NewRiver (REIT)	3.5000	07/03/28	6,512,000	6,352	0.38
NGG Finance∞	VAR	18/06/73	10,300,000	11,305	0.68
NIE Finance∞	6.3750	02/06/26	10,162,000	12,978	0.78
Northern Gas Networks	4.8750	30/06/27	5,268,000	6,248	0.37
Northern Powergrid Yorks	7.2500	15/12/22	5,000,000	6,116	0.37
Northumbrian Water Finance	2.3750	05/10/27	5,294,000	5,129	0.31
Northumbrian Water Finance	5.1250	23/01/42	2,820,000	3,681	0.22
Notting Hill Housing Trust	3.2500	12/10/48	4,405,000	4,313	0.26
Notting Hill Housing Trust	4.3750	20/02/54	3,250,000	3,954	0.24
Optivo Finance	3.2830	22/03/48	2,134,000	2,171	0.13
Orbit Capital	3.5000	24/03/45	6,600,000	6,813	0.41
Paragon	VAR	09/09/26	8,237,000	8,772	0.53
Paragon Treasury	3.6250	21/01/47	3,000,000	3,182	0.19
Peabody Capital (EMTN)∞	5.2500	17/03/43	2,000,000	2,669	0.16
PGH Capital (EMTN)	4.1250	20/07/22	11,126,000	11,383	0.68
Premiertel	6.1750	08/05/32	6,606,935	7,415	0.44
Principality Building Society (EMTN)	2.3750	23/11/23	6,375,000	6,278	0.38
Provident Financial (EMTN)∞	7.0000	04/06/23	4,778,000	4,868	0.29
Prudential (EMTN)	VAR	19/12/63	8,160,000	9,358	0.56
Prudential (EMTN)∞	VAR	29/05/39	6,940,000	7,494	0.45
Prudential (EMTN)	VAR	20/07/55	1,200,000	1,263	0.08
Rl Finance Bonds No 3	6.1250	13/11/28	4,950,000	5,468	0.33
RMPA Services	5.3370	30/09/38	8,565,664	10,685	0.64
Royal Bank of Scotland	VAR	PERP	4,069,000	4,085	0.25
RSA Insurance	VAR	10/10/45	5,200,000	5,619	0.34
Santander UK	10.0625	29/10/49	2,500,000	4,090	0.25
Santander UK (EMTN)	3.6250	14/01/26	5,449,000	5,682	0.34
Santander UK (EMTN)∞	5.2500	16/02/29	2,000,000	2,579	0.15
Scottish Power UK (EMTN) (STEP)∞	VAR	31/05/41	3,500,000	5,053	0.30
Scottish Widows	7.0000	16/06/43	5,400,000	6,620	0.40
Scottish Widows	5.5000	16/06/23	2,889,000	3,195	0.19
SEGRO	2.8750	11/10/37	11,880,000	11,339	0.68
Severn Trent Utilities Finance∞	6.2500	07/06/29	4,752,000	6,259	0.38
Severn Trent Utilities Finance	6.1250	26/02/24	5,000,000	6,008	0.36
Severn Trent Utilities Finance (EMTN)∞	1.6250	04/12/22	5,040,000	5,001	0.30
Severn Trent Utilities Finance (EMTN)∞	2.7500	05/12/31	2,000,000	1,957	0.12

Aberdeen Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
South Eastern Power Networks (EMTN)∞	5.6250	30/09/30	1,200,000	1,524	0.09
Southern Gas Networks (EMTN)∞	5.1250	02/11/18	8,413,000	8,493	0.51
Southern Gas Networks (EMTN)∞	4.8750	21/03/29	3,925,000	4,691	0.28
Southern Gas Networks (EMTN)	3.1000	15/09/36	4,650,000	4,627	0.28
Southern Gas Networks (EMTN)∞	6.3750	15/05/40	2,425,000	3,616	0.22
Southern Water Services Finance (EMTN)	VAR	31/03/38	2,500,000	2,659	0.16
SPD Finance UK	5.8750	17/07/26	1,940,000	2,405	0.14
SSE	VAR	PERP	21,000,000	21,399	1.29
SSE (EMTN)∞	6.2500	27/08/38	1,850,000	2,684	0.16
Stagecoach∞	4.0000	29/09/25	9,701,000	10,116	0.61
Standard Chartered (EMTN)	5.1250	06/06/34	8,872,000	9,525	0.57
Standard Life†	VAR	PERP	3,250,000	4,278	0.26
Standard Life (EMTN)†	VAR	04/12/42	6,610,000	7,296	0.44
Swan Housing Capital	3.6250	05/03/48	2,840,000	2,956	0.18
Telereal Securitisation	5.3887	10/12/31	2,899,903	3,427	0.21
Thames Water Utilities Cayman Finance (EMTN)∞	4.3750	03/07/34	5,800,000	6,624	0.40
Thames Water Utilities Cayman Finance (EMTN)	VAR	13/09/30	5,090,000	5,654	0.34
Thames Water Utilities Cayman Finance (EMTN)∞	7.7380	09/04/58	2,510,000	4,675	0.28
Thames Water Utilities Cayman Finance (EMTN)	2.8750	03/05/27	3,640,000	3,493	0.21
Thames Water Utilities Cayman Finance (EMTN)	2.6250	24/01/32	1,700,000	1,607	0.10
Thames Water Utilities Finance (EMTN)	6.7500	16/11/28	5,200,000	6,978	0.42
THFC Funding No 1∞	5.1250	21/12/35	4,037,000	5,090	0.31
THFC Funding No 3 (EMTN)∞	5.2000	11/10/43	6,130,000	8,077	0.48
Trafford Centre Finance	7.0300	28/01/29	1,552,893	1,918	0.12
Trafford Centre Finance	6.5000	28/07/33	110,686	147	0.01
Transport for London (EMTN)	4.5000	31/03/31	1,182,000	1,403	0.08
Tritax Big Box (EMTN) (REIT)	3.1250	14/12/31	8,540,000	8,412	0.50
Tritax Big Box (EMTN) (REIT)	2.6250	14/12/26	3,659,000	3,613	0.22
UNITE USAF II∞	3.3740	30/06/23	3,500,000	3,726	0.22
University of Cambridge	2.3500	27/06/78	2,130,000	2,071	0.12
University of Oxford∞	2.5440	08/12/17	2,500,000	2,371	0.14
University of Southampton	2.2500	11/04/57	4,000,000	3,582	0.21
UPP (EMTN)	4.9023	28/02/40	1,694,694	2,043	0.12
Virgin Media Secured Finance	5.0000	15/04/27	5,010,000	4,904	0.29
Vodafone (EMTN) (LSE)∞	3.0000	12/08/56	5,380,000	4,671	0.28
Vodafone (EMTN)	3.3750	08/08/49	4,773,000	4,486	0.27
Vodafone (EMTN)∞	3.0000	12/08/56	2,519,000	2,187	0.13
Wellcome	2.5170	07/02/18	3,850,000	3,617	0.22
Western Power Distribution	3.6250	06/11/23	6,300,000	6,602	0.40
Western Power Distribution South West∞	5.8750	25/03/27	1,250,000	1,552	0.09
Western Power Distribution West Midlands (EMTN)	5.7500	16/04/32	8,950,000	11,617	0.70
Western Power Distribution West Midlands (EMTN)	5.5000	09/05/25	1,988,000	2,430	0.15
Western Power Distribution West Midlands (EMTN)	3.8750	17/10/24	1,990,000	2,162	0.13
WM Treasury 2	3.2500	20/10/48	3,800,000	3,780	0.23
				977,639	**58.64**

Aberdeen Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
United States 10.48% (2017: 9.17%)					
American International	VAR	15/03/67	5,000,000	4,211	0.25
American International	VAR	15/03/67	4,050,000	3,807	0.23
Apple∞	3.0500	31/07/29	4,770,000	5,118	0.31
AT&T	5.2000	18/11/33	11,790,000	13,934	0.84
AT&T	4.8750	01/06/44	8,418,000	9,546	0.57
AT&T (EMTN)	7.0000	30/04/40	6,000,000	8,648	0.52
Bank of America (EMTN)	2.3000	25/07/25	12,000,000	11,822	0.71
Bank of America (EMTN)	7.0000	31/07/28	4,000,000	5,420	0.33
Citigroup (EMTN)	6.8000	25/06/38	4,622,000	7,011	0.42
Citigroup (EMTN)∞	7.3750	01/09/39	3,960,000	6,396	0.38
Energy Transfer Partners	4.9500	15/06/28	5,348,000	4,167	0.25
Energy Transfer Partners	4.2000	15/04/27	5,000,000	3,697	0.22
GE Capital UK Funding (EMTN)	4.3750	31/07/19	3,736,000	3,841	0.23
General Motors Financial (EMTN)	2.2500	06/09/24	12,632,000	12,237	0.73
Goldman Sachs	7.1250	07/08/25	3,400,000	4,353	0.26
Metropolitan Life Global Funding I (EMTN)	1.1250	15/12/21	9,900,000	9,780	0.59
Morgan Stanley	2.6250	09/03/27	7,000,000	6,899	0.41
SLM Student Loan Trust 2003-12	VAR	15/03/38	3,613,662	3,523	0.21
Time Warner Cable	5.2500	15/07/42	2,917,000	3,197	0.19
Time Warner Cable	5.7500	02/06/31	1,000,000	1,140	0.07
Toyota Motor Credit (EMTN)∞	1.1250	07/09/21	7,332,000	7,256	0.44
United Parcel Service	5.1250	12/02/50	3,950,000	5,817	0.35
Verizon Communications	3.3750	27/10/36	2,603,000	2,561	0.15
Wells Fargo Bank (EMTN)	5.2500	01/08/23	18,750,000	21,119	1.26
Wells Fargo (EMTN)∞	3.5000	12/09/29	4,500,000	4,779	0.29
Welltower	4.8000	20/11/28	3,923,000	4,424	0.27
				174,703	**10.48**
Total Corporate Bonds				**1,465,685**	**87.92**
Government Bonds 1.58% (2017: 4.34%)					
Guernsey nil (2017: 0.11%)					
Mexico 0.06% (2017: 0.15%)					
Mexico (Government of) (EMTN)	5.6250	19/03/14	1,000,000	**1,032**	**0.06**
United Kingdom 1.52% (2017: 3.49%)					
UK Treasury	6.0000	07/12/28	8,540,000	12,303	0.75
UK Treasury	4.5000	07/09/34	7,518,000	10,518	0.63
UK Treasury	5.0000	07/03/25	1,938,000	2,410	0.14
				25,231	**1.52**
Total Government Bonds				**26,263**	**1.58**
Total Bonds				**1,521,169**	**91.25**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**1,526,900**	**91.59**

Aberdeen Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Other transferable securities and money market instruments 2.93% (2017: 2.16%)					
Bonds 2.93% (2017: 2.16%)					
Asset Backed Bonds / Mortgage Backed Bonds 1.77% (2017: 1.82%)					
United Kingdom 1.77% (2017: 1.82%)					
Alba 2006-2	FRN	15/12/38	5,611,494	5,369	0.32
Gemgarto 2015-1	FRN	16/02/47	110,603	111	0.01
Paragon Mortgages No 25	FRN	15/05/50	11,549,000	11,452	0.68
PCL Funding II 2017-1	FRN	15/06/22	4,702,000	4,703	0.28
Precise Mortgage Funding No 1	FRN	12/03/47	117,876	118	0.01
Precise Mortgage Funding 2015-1	FRN	12/03/48	295,296	295	0.02
Precise Mortgage Funding 2017-1B A	FRN	12/03/54	4,694,629	4,687	0.28
Precise Mortgage Funding 2018-1B	FRN	12/12/54	2,802,850	2,789	0.17
				29,524	**1.77**
Total Asset Backed Bonds / Mortgage Backed Bonds				**29,524**	**1.77**
Corporate Bonds 1.16% (2017: 0.34%)					
Australia 0.25% (2017: nil)					
Westfield America Management	2.6250	30/03/29	4,179,000	**4,085**	**0.25**
Luxembourg nil (2017: nil)					
Teksid Aluminum Luxembourg SARL	11.3750	15/07/11	7,007,000	**31**	**-**
United Kingdom 0.17% (2017: 0.07%)					
Porterbrook Rail Finance (EMTN)	4.6250	04/04/29	2,500,000	**2,812**	**0.17**
United States 0.74% (2017: 0.27%)					
Fidelity National Information Services[∞]	1.7000	30/06/22	12,560,000	12,417	0.74
Lehman Brothers (EMTN)	4.6250	14/03/19	12,850,000	-	-
				12,417	**0.74**
Total Corporate Bonds				**19,345**	**1.16**
Total Bonds				**48,869**	**2.93**
Total Other transferable securities and money market instruments				**48,869**	**2.93**
Open Ended Investment Funds 3.22% (2017: 3.86%)					
Aberdeen European High Yield Bond Fund Z-Acc[†]	0.0000	00/01/00	19,559,282	23,027	1.38
Aberdeen Strategic Bond Fund Z-Acc[†]	0.0000	00/01/00	18,971,711	30,603	1.84
				53,630	**3.22**
Total Open Ended Investment Funds				**53,630**	**3.22**

Aberdeen Corporate Bond Fund

Derivatives (0.05%) (2017: (0.18%))

Future contracts nil (2017: (0.02%))

Future	Maturity	Notional	Unrealised Gains/(Losses) £'000	Total Net Assets %
CBT US 10 Year Ultra	19/09/18	(25)	-	-
EUX Euro-Bund	06/09/18	(70)	(36)	-
ICE Long Gilt	26/09/18	(75)	45	-
Unrealised gains on future contracts			**9**	**-**

Forward currency exchange contracts (0.05%) (2017: (0.02%))

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Barclays Capital	EUR	GBP	07/09/18	1,265,000	1,125,294	4	-
Barclays Capital	USD	GBP	07/09/18	5,773,000	4,316,038	78	-
Citigroup	USD	GBP	07/09/18	6,195,000	4,705,895	9	-
Citigroup	USD	GBP	07/09/18	1,175,000	893,383	1	-
Merrill Lynch	GBP	EUR	07/09/18	32,919,975	37,356,000	(442)	(0.02)
Morgan Stanley	GBP	USD	07/09/18	26,431,270	35,332,000	(460)	(0.02)
Royal Bank of Canada	GBP	USD	07/09/18	3,984,987	5,380,000	(110)	(0.01)
UBS	EUR	GBP	07/09/18	1,046,000	934,364	-	-
Unrealised losses on forward currency exchange contracts						**(920)**	**(0.05)**

Swaps nil (2017: (0.14%))

Unrealised losses on derivatives	**(911)**	**(0.05)**
Total investments[≠]	**1,628,488**	**97.69**
Other net assets	**38,577**	**2.31**
Total net assets	**1,667,065**	**100.00**

[†] Managed by subsidiaries of Standard Life Aberdeen plc.
[∞] A portion of this security is on loan at the year end.
[≠] Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen Corporate Bond Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	206,406	12.67	12.38

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Germany (Federal Republic of)	96,018	Government Bond	Investment grade	BNP Paribas
UK Treasury	41,133	Government Bond	Investment grade	BNP Paribas
France (Government of)	26,649	Government Bond	Investment grade	BNP Paribas
Sweden (Kingdom of)	23,356	Government Bond	Investment grade	BNP Paribas
Luxembourg (Grand Duchy of)	19,140	Government Bond	Investment grade	BNP Paribas
Netherlands (Kingdom of)	6,018	Government Bond	Investment grade	BNP Paribas
Australia (Commonwealth of)	5,274	Government Bond	Investment grade	BNP Paribas
Norway (Kingdom of)	2,232	Government Bond	Investment grade	BNP Paribas
Total collateral received	**219,820**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	219,820	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	5,274
EUR	171,181
GBP	41,133
NOK	2,232
Total collateral received	**219,820**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
JPM Chase	146,438	United States	Tri-party
Barclays	48,640	United Kingdom	Tri-party
BNP Paribas	6,744	France	Tri-party
Nomura	2,516	Japan	Tri-party
Credit Suisse	2,068	Switzerland	Tri-party
Total market value of securities lending	**206,406**		

Aberdeen Corporate Bond Fund

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	8,267

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	211,553	-	**219,820**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	3,882	202,524	-	**206,406**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	227	125.00
Direct operational costs (securities lending agent costs)	(45)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(45)	(25.00)
Net return	**182**	**100.00**

Aberdeen Corporate Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(53,566)		4,264
Revenue	2	57,270		62,892	
Expenses	3	(7,850)		(8,118)	
Net revenue before taxation		49,420		54,774	
Taxation	4	-		-	
Net revenue after taxation			49,420		54,774
Total return before distributions			**(4,146)**		**59,038**
Distributions	5		(49,419)		(54,830)
Change in net assets attributable to shareholders from investment activities			**(53,565)**		**4,208**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**1,748,781**		**1,759,887**
Amounts receivable on issue of shares	251,520		317,556	
Amounts payable on cancellation of shares	(289,809)		(343,242)	
		(38,289)		(25,686)
Dilution adjustment		291		1,069
Change in net assets attributable to shareholders from investment activities		(53,565)		4,208
Retained distributions on accumulation shares		9,838		9,285
Unclaimed distributions > 6 years		9		18
Closing net assets attributable to shareholders		**1,667,065**		**1,748,781**

Aberdeen Corporate Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		1,629,536	1,707,141
Current assets:			
Debtors	6	36,698	48,670
Cash and bank balances	7	56,053	16,152
Total assets		**1,722,287**	**1,771,963**
Liabilities:			
Investment liabilities		1,048	3,556
Creditors:			
Amounts held at futures clearing houses and brokers		44	97
Other creditors	8	45,047	7,727
Distribution payable		9,083	11,802
Total liabilities		**55,222**	**23,182**
Net assets attributable to shareholders		**1,667,065**	**1,748,781**

Aberdeen Corporate Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital (losses)/gains

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(52,340)	10,619
Derivative contracts	(491)	(4,185)
Forward currency contracts losses	(824)	(2,187)
Other currency gains/(losses)	74	(155)
Class actions	15	172
Net capital (losses)/gains	**(53,566)**	**4,264**

2. Revenue

	2018 £'000	2017 £'000
UK dividends	360	360
Interest on debt securities	54,028	57,051
Distributions from collective investment schemes:		
UK interest distributions	2,606	5,441
Offshore distributions - taxable	-	2
Stock lending commission	182	30
Bank interest	80	8
Derivative revenue:		
Interest on swap contracts	14	-
Total revenue	**57,270**	**62,892**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	6,882	7,023
Operating, administrative and servicing fees	964	1,094
	7,846	8,117
Other expenses:		
Interest payable and similar charges	4	1
	4	1
Total expenses	**7,850**	**8,118**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

Aberdeen Corporate Bond Fund

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	-	-
Current tax charge	**-**	**-**
Total taxation	**-**	**-**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	49,420	54,774
Corporation tax at 20% (2017 - 20%)	9,884	10,955
Effects of:		
UK dividends*	(72)	(72)
Tax deductible on interest distributions	(9,812)	(10,883)
Total taxation	**-**	**-**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
First interim	12,568	14,188
Second interim	12,308	14,176
Third interim	12,466	12,208
Final	11,703	14,199
	49,045	54,771
Add: Revenue deducted on cancellation of shares	1,197	1,346
Deduct: Revenue received on issue of shares	(823)	(1,287)
Distributions for the year	**49,419**	**54,830**
Total distributions	**49,419**	**54,830**

Details of the distribution per share are set out in the distribution tables on pages 103 to 106.

Aberdeen Corporate Bond Fund

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	49,420	54,774
Add:		
Undistributed revenue brought forward	-	58
Deduct:		
Movement between share classes due to conversions	(1)	(2)
Distributions	**49,419**	**54,830**

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	23,406	24,922
Amounts receivable for issue of shares	270	899
Sales awaiting settlement	10,699	22,146
Currency transactions awaiting settlement	1,620	-
Tax reclaimable	703	703
Total debtors	**36,698**	**48,670**

7. Cash and bank balances

	2018 £'000	2017 £'000
Amounts held at futures clearing houses and brokers	599	1,783
Cash and bank balances	55,454	14,369
Total cash and bank balances	**56,053**	**16,152**

8. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	636	692
Amounts payable for cancellation of shares	38,249	1,785
Purchases awaiting settlement	4,542	5,135
Swap interest payable	-	115
Currency transactions awaiting settlement	1,620	-
Total other creditors	**45,047**	**7,727**

9. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 90. £38,536,000 was due to the ACD (2017 - £1,482,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £65,204,000 (2017 - £67,546,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

Aberdeen Corporate Bond Fund

10. Material shareholders

Boltro Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 27% of the Fund's shares in issue.

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 37% of the Fund's shares in issue.

11. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.00%
Class 'I': 0.50%
Class 'I' Gross: 0.50%
Class 'P': 0.25%
Class 'P' Gross: 0.25%
Class 'Q': 0.25%
Class 'Q' Gross: 0.25%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 67 to 78. The distribution per share class is given in the distribution tables on page 103 to 106. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	2,161,853	357,655,935	8,695,942	11,674,462
Creations during the year	92,934	7,001,300	410,070	226,400
Cancellations during the year	(341,600)	(33,993,191)	(2,503,100)	(3,706,437)
Shares converted during the year	(9,409)	(347,963)	16,974	2,582,376
Closing shares in issue	**1,903,778**	**330,316,081**	**6,619,886**	**10,776,801**

	I Gross Accumulation shares	K Income shares	P Income shares	P Gross Income shares
Opening number of shares	541,678	15,713	63,692,503	2,263,307
Creations during the year	123,700	-	24,088,700	1,320,600
Cancellations during the year	(91,000)	(15,713)	(969,800)	(76,300)
Shares converted during the year	-	-	(258,275)	-
Closing shares in issue	**574,378**	**-**	**86,553,128**	**3,507,607**

	Q Income shares	Q Gross Income shares	Z Accumulation shares	Z Income shares
Opening number of shares	812,251,213	41,845,091	121,373,858	924
Creations during the year	107,962,200	8,664,600	39,364,100	-
Cancellations during the year	(186,437,300)	(17,109,800)	(5,488,600)	(924)
Shares converted during the year	(2,136,123)	-	-	-
Closing shares in issue	**731,639,990**	**33,399,891**	**155,249,358**	**-**

Aberdeen Corporate Bond Fund

12. **Securities on Loan**

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a "per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Barclays	48,640	51,787	Government Bond
BNP Paribas	6,744	7,908	Government Bond
Credit Suisse	2,068	2,203	Government Bond
JPM Chase	146,438	154,663	Government Bond
Nomura	2,516	3,259	Government Bond
Total	**206,406**	**219,820**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	227	45	182

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
JPM Chase	99,587	105,176	Government Bond
Nomura	892	954	Government Bond
Total	**100,479**	**106,130**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	38	8	30

13. Risk management policies and disclosures

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

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

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Euro	20,832	7,556	3,351	31,739
Pound Sterling	277,901	1,298,158	92,587	1,668,646
US Dollar	3,592	18,050	260	21,902
Total financial assets	**302,325**	**1,323,764**	**96,198**	**1,722,287**

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Euro	18,720	12,297	298	31,315
Pound Sterling	247,458	1,352,403	122,335	1,722,196
US Dollar	8,507	9,776	169	18,452
Total financial assets	**274,685**	**1,374,476**	**122,802**	**1,771,963**

Aberdeen Corporate Bond Fund

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Euro	-	-	(1,656)	(1,656)
Pound Sterling	(44)	-	(53,522)	(53,566)
US Dollar	-	-	-	-
Total financial liabilities	**(44)**	**-**	**(55,178)**	**(55,222)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Euro	(97)	(2,352)	(115)	(2,564)
Pound Sterling	-	-	(20,618)	(20,618)
Total financial liabilities	**(97)**	**(2,352)**	**(20,733)**	**(23,182)**

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Sensitivity analysis

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

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	2.58%	2.46%
Maximum VaR	2.75%	2.91%
Average VaR	2.67%	2.67%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	(0.01%)	2.14%	-	0.50%	2.63%
31 July 2017	-	2.13%	-	0.49%	2.62%

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

Aberdeen Corporate Bond Fund

Counterparty risk

Credit quality of debt security investment assets

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

	Market value £'000	Percentage of total net assets %
2018		
Investment grade securities (AAA - BBB)	1,388,157	83.26
Below investment grade (BB and below)	95,441	5.73
Unrated securities	86,440	5.19
Equities	5,731	0.34
Collective Investment Schemes	53,630	3.22
Derivatives*	(911)	(0.05)
Other net assets	38,577	2.31
Net assets	**1,667,065**	**100.00**

	Market value £'000	Percentage of total net assets %
2017		
Investment grade securities (AAA - BBB)	1,478,031	84.52
Below investment grade (BB and below)	96,422	5.52
Unrated securities	58,555	3.35
Equities	6,102	0.35
Collective Investment Schemes	67,546	3.86
Derivatives*	(3,071)	(0.18)
Other net assets	45,196	2.58
Net assets	**1,748,781**	**100.00**

* Please refer to the counterparty risk note on page15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

Financial derivatives

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
Barclays	82	82
Citigroup	10	10
Total exposure	**92**	**92**

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
JPM Chase	145	145
Royal Bank Of Canada	64	64
UBS	179	179
Total exposure	**388**	**388**

The Fund had no collateral pledged or collateral held in respect of derivatives as at 31 July 2018 (2017 - nil).

Aberdeen Corporate Bond Fund

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	1,048	-	-	1,048
Non-derivatives					
Bank overdrafts	44	-	-	-	44
Other creditors	-	45,047	-	-	45,047
Distribution payable	-	9,083	-	-	9,083
Total financial liabilities	**44**	**55,178**	**-**	**-**	**55,222**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	1,205	2,351	-	3,556
Non-derivatives					
Amounts held at futures clearing houses and brokers	97	-	-	-	97
Other creditors	-	7,727	-	-	7,727
Distribution payable	-	11,802	-	-	11,802
Total financial liabilities	**97**	**20,734**	**2,351**	**-**	**23,182**

Aberdeen Corporate Bond Fund

14. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Bonds	804,255	924,384	777,434	874,883
Collective Investment Schemes	-	-	15,001	68,512
Trades in the year before transactions costs	**804,255**	**924,384**	**792,435**	**943,395**
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**804,255**	**924,384**	**792,435**	**943,395**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-

Aberdeen Corporate Bond Fund

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £26,989,000 in the year (2017 - £16,639,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - £1,000).

The average portfolio dealing spread as at 31 July 2018 was 0.79% (2017 - 0.77%).

15. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1[A]	25,276	35	82,745	502
Level 2	1,604,260	1,013	1,624,396	3,054
Level 3	-	-	-	-
Total	**1,629,536**	**1,048**	**1,707,141**	**3,556**

[A] Debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price, amount to £25,232,000 as at 31 July 2018 (2017 - £82,649,000).

Aberdeen Corporate Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

First interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 October 2017

	Revenue	Equalisation	Distribution paid 31/01/18	Distribution paid 31/01/17
A Accumulation shares				
Group 1	0.91106	-	0.91106	0.85592
Group 2	0.46081	0.45025	0.91106	0.85592
A Income shares				
Group 1	0.65048	-	0.65048	0.62577
Group 2	0.20801	0.44247	0.65048	0.62577
I Accumulation shares				
Group 1	1.28671	-	1.28671	1.16487
Group 2	0.49729	0.78942	1.28671	1.16487
I Income shares				
Group 1	0.82445	-	0.82445	0.76793
Group 2	0.47202	0.35243	0.82445	0.76793
I Gross Accumulation shares				
Group 1	1.47032	-	1.47032	1.72434
Group 2	0.74317	0.72715	1.47032	1.72434
K Income shares				
Group 1	0.77173	-	0.77173	0.69645
Group 2	0.77173	-	0.77173	0.69645
P Income shares				
Group 1	0.85098	-	0.85098	0.77979
Group 2	0.36208	0.48890	0.85098	0.77979
P Gross Income shares				
Group 1	0.87676	-	0.87676	1.00256
Group 2	0.36081	0.51595	0.87676	1.00256
Q Income shares				
Group 1	0.87921	-	0.87921	0.80120
Group 2	0.29084	0.58837	0.87921	0.80120
Q Gross Income shares				
Group 1	0.90666	-	0.90666	1.03750
Group 2	0.16494	0.74172	0.90666	1.03750
Z Accumulation shares				
Group 1	1.67624	-	1.67624	1.46507
Group 2	0.44624	1.23000	1.67624	1.46507
Z Income shares				
Group 1	0.89811	-	0.89811	0.79718
Group 2	0.89811	-	0.89811	0.79718

Aberdeen Corporate Bond Fund

Second interim interest distribution
Group 1: Shares purchased prior to 1 November 2017
Group 2: Shares purchased 1 November 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.81209	-	0.81209	0.99464
Group 2	0.28478	0.52731	0.81209	0.99464
A Income shares				
Group 1	0.57661	-	0.57661	0.72322
Group 2	0.26713	0.30948	0.57661	0.72322
I Accumulation shares				
Group 1	1.17565	-	1.17565	1.36560
Group 2	0.59377	0.58188	1.17565	1.36560
I Income shares				
Group 1	0.74816	-	0.74816	0.89442
Group 2	0.30750	0.44066	0.74816	0.89442
I Gross Accumulation shares				
Group 1	1.34341	-	1.34341	1.46183
Group 2	1.02315	0.32026	1.34341	1.46183
K Income shares				
Group 1	0.72980	-	0.72980	0.82379
Group 2	0.72980	-	0.72980	0.82379
P Income shares				
Group 1	0.77831	-	0.77831	0.91574
Group 2	0.55185	0.22646	0.77831	0.91574
P Gross Income shares				
Group 1	0.80180	-	0.80180	0.94544
Group 2	0.56892	0.23288	0.80180	0.94544
Q Income shares				
Group 1	0.80711	-	0.80711	0.94422
Group 2	0.55551	0.25160	0.80711	0.94422
Q Gross Income shares				
Group 1	0.83182	-	0.83182	0.97432
Group 2	0.54969	0.28213	0.83182	0.97432
Z Accumulation shares				
Group 1	1.55979	-	1.55979	1.74606
Group 2	1.29838	0.26141	1.55979	1.74606
Z Income shares				
Group 1	0.83643	-	0.83643	0.91897
Group 2	0.83643	-	0.83643	0.91897

Aberdeen Corporate Bond Fund

Third interim interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 30 April 2018

	Revenue	Equalisation	Distribution paid 31/07/18	Distribution paid 31/07/17
A Accumulation shares				
Group 1	0.83014	-	0.83014	0.88312
Group 2	0.45470	0.37544	0.83014	0.88312
A Income shares				
Group 1	0.58651	-	0.58651	0.63805
Group 2	0.26143	0.32508	0.58651	0.63805
I Accumulation shares				
Group 1	1.18673	-	1.18673	1.22992
Group 2	0.54107	0.64566	1.18673	1.22992
I Income shares				
Group 1	0.75053	-	0.75053	0.79943
Group 2	0.34929	0.40124	0.75053	0.79943
I Gross Accumulation shares				
Group 1	1.35561	-	1.35561	1.41136
Group 2	0.45963	0.89598	1.35561	1.41136
K Income shares				
Group 1	0.72387	-	0.72387	0.74761
Group 2	0.72387	-	0.72387	0.74761
P Income shares				
Group 1	0.77681	-	0.77681	0.82405
Group 2	0.24813	0.52868	0.77681	0.82405
P Gross Income shares				
Group 1	0.80031	-	0.80031	0.84883
Group 2	0.80031	-	0.80031	0.84883
Q Income shares				
Group 1	0.79835	-	0.79835	0.85087
Group 2	0.25373	0.54462	0.79835	0.85087
Q Gross Income shares				
Group 1	0.82291	-	0.82291	0.87678
Group 2	0.18749	0.63542	0.82291	0.87678
Z Accumulation shares				
Group 1	1.56036	-	1.56036	1.59231
Group 2	0.52036	1.04000	1.56036	1.59231
Z Income shares				
Group 1	0.82345	-	0.82345	-
Group 2	0.82345	-	0.82345	-

Aberdeen Corporate Bond Fund

Final interest distribution
Group 1: Shares purchased prior to 1 May 2018
Group 2: Shares purchased 1 May 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.86021	-	0.86021	1.04156
Group 2	0.32884	0.53137	0.86021	1.04156
A Income shares				
Group 1	0.60468	-	0.60468	0.74841
Group 2	0.16426	0.44042	0.60468	0.74841
I Accumulation shares				
Group 1	1.23080	-	1.23080	1.43951
Group 2	0.44549	0.78531	1.23080	1.43951
I Income shares				
Group 1	0.77351	-	0.77351	0.92950
Group 2	0.41258	0.36093	0.77351	0.92950
I Gross Accumulation shares				
Group 1	1.40645	-	1.40645	1.64431
Group 2	1.05241	0.35404	1.40645	1.64431
K Income shares				
Group 1	-	-	-	0.86631
Group 2	-	-	-	0.86631
P Income shares				
Group 1	0.80057	-	0.80057	0.95200
Group 2	0.48322	0.31735	0.80057	0.95200
P Gross Income shares				
Group 1	0.82499	-	0.82499	0.98075
Group 2	0.45679	0.36820	0.82499	0.98075
Q Income shares				
Group 1	0.81977	-	0.81977	0.98065
Group 2	0.41508	0.40469	0.81977	0.98065
Q Gross Income shares				
Group 1	0.84536	-	0.84536	1.01075
Group 2	0.22325	0.62211	0.84536	1.01075
Z Accumulation shares				
Group 1	1.61965	-	1.61965	1.84599
Group 2	0.86965	0.75000	1.61965	1.84599
Z Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-

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

Aberdeen Diversified Income Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund's investment objective is to provide income combined with long term capital growth. It will aim to achieve this by investing in a globally diversified portfolio of assets. The majority of the Fund will be exposed to Equity and Equity-Related securities, Investment grade and sub-Investment grade Debt and debt-related securities issued by governments, government-related bodies, and corporations. The remainder of the Fund may be exposed to cash, cash equivalents, deposits, money market instruments and alternative assets including property and infrastructure. The Fund's holdings may include exposure to emerging markets. The Fund may not include exposure to all of the stated asset classes at any point in time.

The Fund is multi-asset in nature and the Investment Adviser has the flexibility to amend the allocation between different asset classes in line with its view on markets in order to achieve the Fund's objective.

The Fund will mainly gain exposure to the asset classes through direct investment, although exposure to alternative asset classes will be obtained indirectly. When investing indirectly the Fund will gain exposure through investment in collective investment schemes, exchange traded funds (ETFs) and derivatives. When investing indirectly through collective investment schemes, the Fund will mainly invest in products managed by the Investment Adviser and/or its associated group companies where such products are available. The Fund may also invest in collective investment schemes managed by third party managers.

The Fund may use financial derivative instruments for investment purposes and/or efficient portfolio management (including hedging) The Fund may use derivative instruments to create short and / or long positions in currencies other than the base currency.

Performance review

For the year ended 31 July 2018, the value of Aberdeen Diversified Income Fund – A Accumulation Shares increased by 0.92%.

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

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

Market review

The year under review was a positive period for share prices in most markets, although the market received a setback in the second half, as investors became increasingly nervous about rising interest rates and the prospect of trade disputes between the US and the rest of the world.

Emerging market (EM) bonds performed well over the first half of the period. However, these gains were given back in 2018 as prices fell and emerging market currencies declined on aggregate against developed market currencies.

The listed PFI Infrastructure sector de-rated towards the end of 2017 following Shadow Chancellor John McDonnell's comments at the Labour Party conference regarding taking PFI contracts 'back in-house'. This fall was exaggerated further in January by negative sentiment over the collapse of Carillion. However, the sector finished the period strongly with the cash offer for John Laing Infrastructure Fund (JLIF) elevating the share price by almost 20% over the month. It also had positive knock-on effects on the share prices of other social infrastructure holdings.

Insurance-linked securities experienced losses during the period following on from a number of natural catastrophes in August and September. This was compounded by negative returns in May due to increased loss reserve estimates for 2017 hurricanes.

Portfolio review

The Fund benefited from positive contributions from several asset classes including listed equity, infrastructure, asset backed securities, property and special opportunities. Emerging market debt and insurance-linked securities contributed negatively.

We trimmed our exposure to listed equities reflecting the weaker long-term outlook for the asset class given stretched valuations. Similarly, exposure to high yield and loans decreased. These asset classes have performed well and now appear fully valued.

We increased our exposure to local currency emerging market bonds. We continue to believe that they offer an attractive risk/return profile given high yields and good medium-term growth prospects for emerging economies.

We increased our exposure to asset backed securities in the belief that they continue to offer an attractive return compared to corporate bonds for similar levels of credit risk.

In property, we initiated holdings in several sectors including social housing, logistics and healthcare.

We selectively added to our infrastructure positions in the belief that negative political commentary had an excessive impact on share prices resulting in attractive valuations. Towards the end of the period we took profits on some of these funds, most notably John Laing Infrastructure Fund.

We increased our exposure to insurance-linked securities. Following insurance losses from recent natural catastrophes, significantly higher premiums are now on offer, and expected returns are particularly attractive.

Within special opportunities we increased our exposure to asset financing and litigation financing.

We implemented a long US dollar position to add to the resilience of the portfolio in times of market stress. This was funded from the same currencies as the emerging market bond funding currency basket.

In absolute return, we introduced a new market-neutral equity futures strategy to the portfolio. This takes modest positions in six major equity index futures and is market-neutral overall. It builds off a proprietary quantitative approach that has exhibited a strong track record as part of the ASI tactical asset allocation process over the past seven years.

Aberdeen Diversified Income Fund

Outlook

We have decided to focus this section on emerging market bonds given it is our largest asset class position and the asset class has seen some negative headlines recently.

Our emerging market bond investment is in a portfolio of local currency bonds, diversified across region and country. The yield to maturity on the JP Morgan GBI EM Global Diversified index is 6.6%, almost 5% in excess of the yield on developed market government bonds and one of the highest differences since the inception of the index over 15 years ago. Our actively managed emerging market bond portfolio has a markedly higher yield of around 8.5% resulting in an even higher expected return.

We believe that emerging market bonds offer lower volatility/ downside risk and far greater diversification benefits than most people would think, especially against the currency basket that we use. Since its inception at end-2002, the worst 12-month return for the index has been -8.0% which compares favourably to a worst 12 months of -42.5% for the global equities (MSCI World). Also the beta to equities has been only 0.1. We do not hedge the currency exposures as this is a key aspect of the risk premium that we are looking to capture. However, we do not want to have a large underweight exposure to the base currency of the Fund by default. We therefore put on currency forwards such that this position is effectively funded from a basket of six currencies (AUD, NZD, CAD, NOK, SEK, GBP), carefully selected to reflect their sensitivities to economic conditions, commodity prices and debt vulnerabilities. This has the effect of smoothing out returns and enhancing the diversification benefits of the asset class without materially impacting our expected returns.

We remain positive on the outlook for emerging market bonds. Valuations now look more attractive given the increase in yields and cheapening of currencies. We are also positive on the policy responses taken in response to country-specific challenges. Rate hikes are now priced in for a number of economies. Whilst recent or forthcoming elections have created some country-specific uncertainties we see the outlook over the medium-term as very attractive.

Diversified Multi-Assets Team **August 2018**

Aberdeen Diversified Income Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Derivatives: This Fund can use derivatives in order to meet its investment objective. The use of derivatives may result in greater fluctuations in the value of the Fund, and may increase the magnitude of any losses.
- Emerging Markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries and this may mean your money is at greater risk.
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- REITs: The Fund may invest in real estate investment trusts (REITs) which themselves invest directly in real estate. Under adverse market or economic conditions, such assets may become difficult to buy or sell or experience a drop in value.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Diversified Income Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	218.27	200.41	189.41
Return before operating charges*	5.45	20.77	13.62
Operating charges	(3.13)	(2.91)	(2.62)
Return after operating charges*	2.32	17.86	11.00
Distributions on accumulation shares	(11.33)	(10.05)	(6.11)
Retained distributions on accumulation shares	11.33	10.05	6.11
Closing net asset value per share	220.59	218.27	200.41
* after direct transaction costs of:	0.17	0.20	0.10
Performance			
Return after charges	1.06%	8.91%	5.81%
Other information			
Closing net asset value (£'000s)	32,553	35,918	39,777
Closing number of shares	14,757,240	16,455,806	19,847,205
Operating charges	1.43%	1.39%	1.42%
Direct transaction costs	0.08%	0.09%	0.05%
Prices			
Highest share price (pence)	223.43	220.00	200.75
Lowest share price (pence)	215.14	198.51	173.05

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

Aberdeen Diversified Income Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	132.93	128.03	125.01
Return before operating charges*	3.23	13.02	8.71
Operating charges	(1.86)	(1.83)	(1.71)
Return after operating charges*	1.37	11.19	7.00
Distributions on income shares	(6.74)	(6.29)	(3.98)
Closing net asset value per share	127.56	132.93	128.03
* after direct transaction costs of:	0.10	0.12	0.07
Performance			
Return after charges	1.03%	8.74%	5.60%
Other information			
Closing net asset value (£'000s)	1,412	1,422	1,615
Closing number of shares	1,107,277	1,069,386	1,261,366
Operating charges	1.43%	1.39%	1.42%
Direct transaction costs	0.08%	0.09%	0.05%
Prices			
Highest share price (pence)	133.85	135.35	129.31
Lowest share price (pence)	125.87	126.48	112.53

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

Aberdeen Diversified Income Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	137.36	125.47	118.02
Return before operating charges*	3.26	12.86	8.34
Operating charges	(1.08)	(0.97)	(0.89)
Return after operating charges*	2.18	11.89	7.45
Distributions on accumulation shares	(6.98)	(6.14)	(3.69)
Retained distributions on accumulation shares	6.98	6.14	3.69
Closing net asset value per share	139.54	137.36	125.47
* after direct transaction costs of:	0.10	0.12	0.06
Performance			
Return after charges	1.59%	9.48%	6.31%
Other information			
Closing net asset value (£'000s)	38,504	39,039	39,190
Closing number of shares	27,592,838	28,421,025	31,234,851
Operating charges	0.78%	0.74%	0.77%
Direct transaction costs	0.08%	0.09%	0.05%
Prices			
Highest share price (pence)	140.93	138.33	125.68
Lowest share price (pence)	135.85	124.26	108.10

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

Aberdeen Diversified Income Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	116.12	111.11	107.86
Return before operating charges*	2.67	11.18	7.38
Operating charges	(0.89)	(0.85)	(0.80)
Return after operating charges*	1.78	10.33	6.58
Distributions on income shares	(5.76)	(5.32)	(3.33)
Closing net asset value per share	112.14	116.12	111.11
* after direct transaction costs of:	0.09	0.11	0.06
Performance			
Return after charges	1.53%	9.30%	6.10%
Other information			
Closing net asset value (£'000s)	33,239	25,039	10,863
Closing number of shares	29,639,530	21,563,241	9,776,999
Operating charges	0.78%	0.74%	0.77%
Direct transaction costs	0.08%	0.09%	0.05%
Prices			
Highest share price (pence)	116.94	117.98	112.09
Lowest share price (pence)	110.48	109.93	97.34

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

Aberdeen Diversified Income Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	226.75	206.12	192.95
Return before operating charges*	5.12	20.93	13.49
Operating charges	(0.41)	(0.30)	(0.32)
Return after operating charges*	4.71	20.63	13.17
Distributions on accumulation shares	(11.25)	(9.83)	(6.05)
Retained distributions on accumulation shares	11.25	9.83	6.05
Closing net asset value per share	231.46	226.75	206.12
* after direct transaction costs of:	0.17	0.20	0.10
Performance			
Return after charges	2.08%	10.01%	6.83%
Other information			
Closing net asset value (£'000s)	6,795	6,863	6,514
Closing number of shares	2,935,857	3,026,857	3,160,357
Operating charges	0.18%	0.14%	0.17%
Direct transaction costs	0.08%	0.09%	0.05%
Prices			
Highest share price (pence)	233.13	228.21	206.46
Lowest share price (pence)	224.95	204.14	177.18

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

Aberdeen Diversified Income Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 86.13% (2017: 79.44%)					
Equities 61.15% (2017: 61.21%)					
Australia 0.26% (2017: 0.70%)					
AGL Energy			4,258	53	0.04
Ansell			3,224	52	0.05
Atlas Arteria			14,010	52	0.05
Medibank Private			28,553	50	0.04
Metcash			27,989	42	0.04
Platinum Asset Management∞			12,935	40	0.04
				289	**0.26**
Austria 0.04% (2017: nil)					
Telekom Austria			6,403	**43**	**0.04**
Belgium 0.04% (2017: 0.24%)					
UCB			689	**44**	**0.04**
Bermuda 1.11% (2017: 2.18%)					
Blue Capital Global Reinsurance Fund			1,289,440	735	0.66
Blue Capital Reinsurance			59,901	509	0.45
				1,244	**1.11**
Brazil 0.16% (2017: 0.20%)					
Banco BTG Pactual			9,800	39	0.03
Cia de Gas de Sao Paulo 'A' (PREF)			3,530	43	0.04
Itausa Investimentos Itau (PREF)			28,710	61	0.06
Multiplus			6,500	36	0.03
PPLA11 Participations			2,133	-	-
				179	**0.16**
Canada 0.10% (2017: 0.12%)					
CI Financial			4,756	64	0.06
George Weston			763	48	0.04
				112	**0.10**
China nil (2017: 0.16%)					
Czech Republic 0.07% (2017: 0.14%)					
MONETA Money Bank			14,869	39	0.04
O2 Czech Republic			4,268	38	0.03
				77	**0.07**

Aberdeen Diversified Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Denmark 0.06% (2017: 0.22%)					
H Lundbeck			1,258	**70**	**0.06**
Finland 0.25% (2017: 0.33%)					
UPM-Kymmene			10,500	**285**	**0.25**
France 0.09% (2017: 0.24%)					
Atos			443	45	0.04
Eutelsat Communications			3,285	53	0.05
				98	**0.09**
Germany 0.48% (2017: 0.52%)					
Covestro			3,414	250	0.22
Deutsche Lufthansa			4,081	88	0.08
Metro∞			3,995	38	0.03
Siemens Healthineers∞			2,383	81	0.07
Uniper			3,657	87	0.08
				544	**0.48**
Greece 0.04% (2017: 0.08%)					
Motor Oil (Hellas)			2,837	**46**	**0.04**
Guernsey 9.26% (2017: 11.94%)					
Doric Nimrod Air Three (PREF)			296,541	300	0.27
DP Aircraft			357,006	286	0.25
International Public Partnerships∞			1,509,750	2,376	2.10
John Laing Infrastructure Fund			1,224,062	1,721	1.53
Marble Point Loan			755,000	581	0.52
NB Global Floating Rate Income Fund			1,187,188	1,098	0.98
NextEnergy Solar Fund			920,159	998	0.89
Renewables Infrastructure			1,548,157	1,697	1.51
SQN Asset Finance Income Fund			1,102,715	1,010	0.90
SQN Asset Finance Income Fund 'C'			385,819	347	0.31
				10,414	**9.26**
Hong Kong 0.80% (2017: 1.84%)					
CK Asset			37,500	219	0.19
CLP			30,500	266	0.24
i-Cable Communications			15,898	-	-
Kerry Properties			12,500	48	0.04
Lifestyle International			26,500	40	0.04
NWS			30,000	41	0.04
PCCW			108,000	48	0.04
Sino Land			56,000	73	0.07
Vtech			4,800	41	0.04
WH			137,500	84	0.07
Yue Yuen Industrial			19,000	39	0.03
				899	**0.80**

Aberdeen Diversified Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Hungary 0.08% (2017: 0.15%)					
Magyar Telekom			33,371	37	0.03
MOL Hungarian Oil & Gas			7,769	58	0.05
				95	**0.08**
Ireland 0.45% (2017: 0.53%)					
Greencoat Renewables			553,165	**506**	**0.45**
Israel 0.07% (2017: 0.07%)					
Bezeq Israeli Telecommunication			49,291	40	0.04
Oil Refineries			123,233	43	0.03
				83	**0.07**
Italy 0.09% (2017: 0.14%)					
Atlantia			4,351	**98**	**0.09**
Japan 3.08% (2017: 3.12%)					
Astellas Pharma Inc			24,900	308	0.26
Brother Industries Ltd			3,000	46	0.04
Canon Inc			10,800	266	0.24
Capcom Co Ltd			2,600	51	0.05
Daikyo Inc			2,700	41	0.04
Daito Trust Construction Co			600	76	0.07
FamilyMart Holdings Co			500	35	0.03
Fujifilm Holdings Corp			1,400	44	0.04
Fujitsu Ltd			12,000	62	0.06
GungHo Online Entertainment Inc			21,200	34	0.03
Haseko Corp			3,900	39	0.03
Hitachi			8,000	42	0.04
Hoya Corp			1,100	50	0.04
ITOCHU Corporation			23,800	322	0.27
JXTG Holdings			7,900	44	0.04
Kajima Corp			17,000	101	0.09
Kirin Holdings Co Ltd			2,700	53	0.05
K'S Holdings Corporation			4,900	42	0.04
Leopalace 21 Corp			8,900	37	0.03
Marubeni Corp			28,500	165	0.15
Matsumotokiyoshi Holdings Co			1,400	46	0.04
Megmilk Snow Brand Co			2,200	42	0.04
Mitsubishi Chemical Holdings Corp			6,500	43	0.04
Mitsubishi Gas Chemical			3,200	54	0.05
Mitsubishi Shokuhin Co			2,100	43	0.04
Mitsui & Co			25,900	330	0.28
Nikon Corp			3,300	42	0.04
NTT			4,400	155	0.14
Seven & i Holdings Co			1,200	37	0.03
SG Holdings			2,700	45	0.04
Sojitz Corp			14,200	39	0.03

Aberdeen Diversified Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Sumitomo Corp			22,200	277	0.25
Sumitomo Dainippon Pharma Co			2,500	37	0.03
Suntory Beverage & Food			1,300	42	0.04
Suzuken Co			1,400	47	0.04
Taisei Corp			3,900	165	0.15
TIS Corp			1,100	40	0.04
Tosoh Corp			3,300	41	0.04
Ube Industries			2,000	41	0.04
Yamada Denki Co			10,600	40	0.04
				3,464	**3.08**
Luxembourg 1.01% (2017: 1.25%)					
BBGI SICAV∞			779,583	**1,134**	**1.01**
Malaysia 0.04% (2017: 0.30%)					
Berjaya Sports Toto			9,700	4	-
Tenaga Nasional			14,100	42	0.04
				46	**0.04**
Mexico 0.08% (2017: 0.06%)					
Concentradora Fibra Danhos (REIT)			35,300	44	0.04
Nemak			76,200	48	0.04
				92	**0.08**
Netherlands 0.47% (2017: 0.39%)					
Koninklijke Ahold Delhaize∞			17,602	340	0.30
Philips Lighting∞			2,035	43	0.04
Unibail-Rodamco-Westfield			841	142	0.13
				525	**0.47**
New Zealand 0.04% (2017: 0.07%)					
Air New Zealand			27,195	**46**	**0.04**
Norway 0.10% (2017: 0.12%)					
Marine Harvest			6,736	**112**	**0.10**
Poland 0.11% (2017: 0.06%)					
Asseco Poland			4,803	46	0.04
Jastrebska Spolka Weglowa			2,313	38	0.03
LPP			22	41	0.04
				125	**0.11**
Singapore 0.17% (2017: 0.33%)					
Genting Singapore			106,100	76	0.07
HPH			195,900	38	0.03
M1			45,300	42	0.04
Venture			3,900	36	0.03
				192	**0.17**

Aberdeen Diversified Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
South Africa nil (2017: 0.15%)					
South Korea 0.41% (2017: 0.85%)					
Cheil Worldwide			3,354	46	0.04
Hyundai Mobis			351	55	0.05
Kia Motors			5,224	112	0.09
LG Uplus			4,404	46	0.04
Samsung			285	41	0.04
Samsung Electronics			1,750	55	0.05
SK Hynix			745	44	0.04
SK Telecom			390	67	0.06
				466	**0.41**
Spain 0.31% (2017: 0.70%)					
Aena			1,221	169	0.15
Corporacion Financiera Alba			1,035	45	0.04
Endesa			5,130	91	0.08
Mediaset Espana Comunicacion			6,631	40	0.04
				345	**0.31**
Sweden nil (2017: 0.20%)					
Switzerland 0.21% (2017: 0.62%)					
Partners			328	190	0.17
Roche			250	47	0.04
				237	**0.21**
Taiwan 0.51% (2017: 1.08%)					
AU Optronics			165,000	54	0.05
China Motor			67,000	44	0.04
Epistar			42,000	40	0.04
Feng Hsin Iron & Steel			31,000	42	0.04
Formosa Petrochemical			18,000	54	0.05
Innolux			157,000	45	0.04
Novatek Microelectronics			12,000	44	0.04
Oriental Union Chemical			54,000	44	0.04
Synnex Technology International			40,000	43	0.04
Uni-President Enterprises			43,000	87	0.07
United Microelectronics			88,000	38	0.03
Yulon Nissan Motor			6,000	39	0.03
				574	**0.51**
Thailand 0.46% (2017: 0.40%)					
Electricity Generating (Alien)			7,900	42	0.04
Glow Energy (Alien)			22,700	49	0.04
IRPC (Alien)			292,800	43	0.04
Krung Thai Bank (Alien)			109,700	48	0.04
PTT (Alien)			221,500	259	0.22

Aberdeen Diversified Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Ratchaburi Electricity Generating (Alien)			35,700	42	0.04
Thai Oil (Alien)			21,700	40	0.04
				523	**0.46**
Turkey 0.19% (2017: 0.21%)					
Aygaz			25,520	41	0.04
Emlak Konut (REIT)			149,815	41	0.04
Eregli Demir			23,991	41	0.04
TAV Havalimanlari			10,453	47	0.03
Tofas			11,503	41	0.04
				211	**0.19**
United Kingdom 24.64% (2017: 20.33%)					
Aberdeen Diversified Income and Growth Trust†			2,433,498	3,030	2.68
Berkeley			1,569	59	0.05
BioPharma Credit∞			1,780,567	1,452	1.29
Blackstone GSO Loan Financing			600,000	458	0.41
Burford Capital			90,000	1,654	1.47
Centrica			102,956	153	0.14
Civitas Social Housing (REIT)∞			588,073	615	0.55
Civitas Social Housing (REIT) 'C'			540,000	528	0.47
Direct Line Insurance			25,124	86	0.08
Doric Nimrod Air Two (PREF)			469,403	995	0.88
Fair Oaks Income Fund∞			1,656,101	1,187	1.05
Foresight Solar Fund∞			1,005,782	1,126	1.00
Funding Circle SME Income Fund∞			512,445	533	0.47
GCP Student Living∞			988,797	1,475	1.31
Greencoat UK Wind			356,505	446	0.40
HICL Infrastructure			1,818,574	2,910	2.59
International Consolidated Airlines			18,745	133	0.12
Janus Henderson			2,062	51	0.05
John Laing			745,269	2,173	1.93
John Laing Environmental∞			519,802	546	0.49
Persimmon			5,606	139	0.12
PRS (REIT)			1,373,251	1,435	1.28
P2P Global Investments			265,929	2,141	1.90
Quilter			32,253	50	0.04
Residential Secure Income (REIT)∞			929,000	873	0.78
Rio Tinto			7,756	325	0.29
Royal Mail∞			16,960	80	0.07
Target Healthcare (REIT)			502,000	557	0.50
Tate & Lyle			8,545	53	0.05
Taylor Wimpey			58,964	103	0.09
Triple Point Social Housing (REIT)∞			516,098	552	0.49
Vodafone			165,542	308	0.27
Warehouse (REIT)			335,179	340	0.30
3i Infrastructure∞			469,001	1,164	1.03
				27,730	**24.64**

Aberdeen Diversified Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
United States 15.87% (2017: 11.17%)					
Aetna			280	40	0.04
Aflac			1,323	47	0.04
AGNC Investment (REIT)			6,723	100	0.09
Allergan			349	49	0.04
Alliance Data Systems			280	48	0.04
Allstate			775	56	0.05
Ally Financial			2,961	60	0.05
Annaly Capital Management (REIT)			21,218	173	0.15
Anthem			1,864	360	0.32
AT&T			4,088	100	0.09
Best Buy			5,025	287	0.26
Broadridge Financial Solution			601	52	0.05
CA			5,992	202	0.18
CATCo Reinsurance Opportunities Fund			2,450,098	1,158	1.03
CATCo Reinsurance Opportunities Fund 'C'∞			3,420,000	2,607	2.32
CBOE			521	39	0.03
CenterPoint Energy			1,919	42	0.04
Chubb			428	46	0.04
Cigna			372	51	0.05
Cincinnati Financial			1,120	65	0.06
CME			2,475	300	0.27
CNA Financial			1,252	45	0.04
Consolidated Edison			4,936	297	0.26
CVS Health			6,473	320	0.28
Dollar General			619	46	0.04
DXC Technology			1,582	102	0.09
Edison International			2,740	139	0.12
Everest Re			741	123	0.11
Exelon			1,268	41	0.04
Express Scripts			658	40	0.04
FirstEnergy∞			3,921	106	0.09
Foot Locker			2,136	79	0.07
Ford Motor			15,581	119	0.11
Gilead Sciences			1,422	84	0.07
Goldman Sachs i-Select III Series Warrants 28/09/18			7,057	5,373	4.77
HollyFrontier			2,198	125	0.11
HP			16,044	282	0.25
H&R Block			3,663	70	0.06
Humana			1,461	350	0.31
Intercontinental Exchange			795	45	0.04
Intuit			252	39	0.03
J.M. Smucker			2,231	189	0.17
Juniper Networks			2,416	49	0.04
KLA-Tencor			3,117	279	0.25
Kohl's			2,503	141	0.13
Kroger			6,854	151	0.13
Lam Research			1,038	151	0.13

Aberdeen Diversified Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
LyondellBasell Industries 'A'			1,582	134	0.12
Macy's			5,560	168	0.15
Mckesson			455	44	0.04
Nasdaq			667	46	0.04
NetApp∞			5,428	321	0.29
Park Hotels & Resorts (REIT)			2,435	58	0.05
Perrigo			2,350	144	0.13
Perspecta			2,597	43	0.04
Progressive			952	44	0.04
Ralph Lauren			380	39	0.03
Robert Half International			1,289	74	0.07
Ross Stores			1,003	67	0.06
SCANA			2,411	73	0.07
Seagate Technology			2,742	110	0.10
S&P Global			281	43	0.04
Sysco			3,326	170	0.15
T. Rowe Price			3,614	328	0.29
Target			5,332	328	0.29
UnitedHealth			970	187	0.17
Valero Energy			3,967	358	0.32
Walgreens Boots Alliance			5,774	298	0.26
Wal-Mart Stores			953	65	0.06
Western Digital			794	42	0.04
				17,851	**15.87**
Total Equities				**68,799**	**61.15**
Bonds 24.98% (2017: 18.23%)					
Corporate Bonds 0.10% (2017: 1.04%)					
Mexico 0.10% (2017: 0.64%)					
Petroleos Mexicanos	7.1900	12/09/24	2,980,000	**107**	**0.10**
United States nil (2017: 0.40%)					
Total Corporate Bonds				**107**	**0.10**
Government Bonds 24.88% (2017: 17.19%)					
Argentina 0.70% (2017: 0.29%)					
Argentina (Republic of)	FRN	21/06/20	27,685,924	**785**	**0.70**
Brazil 2.77% (2017: 2.45%)					
Brazil (Federal Republic of)	10.0000	01/01/25	9,847,000	1,924	1.71
Brazil (Federal Republic of)	10.0000	01/01/21	3,080,000	639	0.57
Brazil (Federal Republic of)	10.0000	01/01/27	1,880,000	360	0.32
Brazil (Federal Republic of)	10.0000	01/01/29	1,030,000	193	0.17
				3,116	**2.77**

Aberdeen Diversified Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Chile 0.58% (2017: nil)					
Chile (Republic of)	4.5000	01/03/26	550,000,000	**653**	**0.58**
Colombia 1.38% (2017: 1.12%)					
Colombia (Republic of)	7.0000	30/06/32	2,871,000,000	738	0.65
Colombia (Republic of)	7.5000	26/08/26	2,600,000,000	717	0.64
Colombia (Republic of)	7.0000	04/05/22	362,000,000	99	0.09
				1,554	**1.38**
Dominican Republic 0.50% (2017: nil)					
Dominican (Republic of)	11.5000	10/05/24	34,100,000	**561**	**0.50**
Egypt 0.56% (2017: nil)					
Egypt (Republic of)	-	02/04/19	8,650,000	327	0.29
Egypt (Republic of)	-	11/09/18	7,250,000	303	0.27
				630	**0.56**
Ghana 0.51% (2017: 0.16%)					
Ghana (Republic of)	24.7500	19/07/21	3,140,000	**573**	**0.51**
India 2.00% (2017: nil)					
Gujarat (State of)	7.2000	14/06/27	212,320,000	**2,254**	**2.00**
Indonesia 2.57% (2017: 2.28%)					
Indonesia (Republic of)	9.0000	15/03/29	23,700,000,000	1,334	1.19
Indonesia (Republic of)	7.0000	15/05/27	8,650,000,000	432	0.39
Indonesia (Republic of)	8.3750	15/03/34	6,173,000,000	329	0.29
Indonesia (Republic of)	7.8750	15/04/19	5,020,000,000	267	0.24
Indonesia (Republic of)	9.0000	15/09/18	4,332,000,000	230	0.20
Indonesia (Republic of)	5.6250	15/05/23	3,100,000,000	151	0.13
Indonesia (Republic of)	8.2500	15/05/36	1,759,000,000	93	0.08
Indonesia (Republic of)	7.0000	15/05/22	1,013,000,000	52	0.05
				2,888	**2.57**
Malaysia 1.45% (2017: 1.24%)					
Malaysia (Government of)	4.0480	30/09/21	4,330,000	821	0.72
Malaysia (Government of)	4.4980	15/04/30	1,850,000	347	0.31
Malaysia (Government of)	4.3780	29/11/19	1,400,000	266	0.24
Malaysia (Government of)	4.2320	30/06/31	1,100,000	200	0.18
				1,634	**1.45**
Mexico 2.87% (2017: 1.41%)					
Mexico (Government of)	6.5000	09/06/22	44,070,000	1,722	1.52
Mexico (Government of)	10.0000	05/12/24	20,007,400	908	0.81
Mexico (Government of)	7.7500	13/11/42	8,760,000	352	0.31
Mexico (Government of)	8.0000	11/06/20	6,231,600	255	0.23
				3,237	**2.87**

Aberdeen Diversified Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Peru 1.04% (2017: 0.53%)					
Peru (Republic of)	6.1500	12/08/32	2,432,000	586	0.53
Peru (Republic of)	6.9500	12/08/31	2,246,000	579	0.51
				1,165	**1.04**
Poland 1.42% (2017: 1.86%)					
Poland (Republic of)	5.7500	25/10/21	3,200,000	747	0.67
Poland (Republic of)	1.5000	25/04/20	3,040,000	633	0.56
Poland (Republic of)	5.7500	25/04/29	830,000	214	0.19
				1,594	**1.42**
Russian Federation 2.45% (2017: 1.59%)					
Russia (Federation of)	7.0500	19/01/28	164,325,000	1,939	1.73
Russia (Federation of)	6.4000	27/05/20	45,000,000	543	0.48
Russia (Federation of)	7.5000	27/02/19	22,260,000	273	0.24
				2,755	**2.45**
South Africa 2.62% (2017: 1.81%)					
South Africa (Republic of)	10.5000	21/12/26	21,680,000	1,405	1.25
South Africa (Republic of)	8.7500	31/01/44	12,050,000	652	0.58
South Africa (Republic of)	6.2500	31/03/36	15,040,000	647	0.57
South Africa (Republic of)	8.0000	31/01/30	2,400,000	130	0.12
South Africa (Republic of)	7.7500	28/02/23	1,970,000	113	0.10
				2,947	**2.62**
Turkey 1.03% (2017: 2.07%)					
Turkey (Republic of)	10.7000	17/02/21	4,540,000	575	0.51
Turkey (Republic of)	10.7000	17/08/22	3,080,000	358	0.32
Turkey (Republic of)[∞]	10.6000	11/02/26	2,150,000	229	0.20
				1,162	**1.03**
Uruguay 0.43% (2017: 0.38%)					
Uruguay (Republic of)	9.8750	20/06/22	11,600,000	286	0.26
Uruguay (Republic of)	4.3750	15/12/28	4,286,000	195	0.17
				481	**0.43**
Total Government Bonds				**27,989**	**24.88**
Total Bonds				**28,096**	**24.98**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**96,895**	**86.13**

Aberdeen Diversified Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Other transferable securities and money market instruments nil (2017: 4.65%)					
Equities nil (2017: 2.31%)					
United States nil (2017: 2.31%)					
Bonds nil (2017: 2.34%)					
Corporate Bonds nil (2017: 2.34%)					
United States nil (2017: 2.34%)					
Total Other transferable securities and money market instruments				**-**	**-**
Open Ended Investment Funds 9.19% (2017: 8.82%)					
Alpha UCITS SICAV Fair Oaks Dynamic Credit Fund			3,250	3,253	2.89
GCP Asset Backed Income Fund			831,524	856	0.76
MI TwentyFour Asset Backed Opportunities Fund			2,903,490	3,016	2.68
Prytania Diversified Asset-Backed Securities Fund			31,084	3,218	2.86
				10,343	**9.19**
Total Open Ended Investment Funds				**10,343**	**9.19**

Derivatives (0.46%) (2017: (0.01%))

Future contracts 0.04% (2017: 0.01%)

Future	Maturity	Notional	Unrealised Gains/(Losses) £'000	Total Net Assets %
CME S&P 500 E-mini	21/09/18	14	30	0.02
EUX Euro STOXX50	21/09/18	(45)	(1)	-
ICE FTSE 100	21/09/18	(18)	-	-
ICE Mini MSCI Emerging Markets	21/09/18	34	6	0.01
OSE TOPIX Index	13/09/18	(12)	10	0.01
SFE SPI 200	20/09/18	16	(4)	-
Unrealised gains on future contracts			**41**	**0.04**

Forward currency exchange contracts (0.50%) (2017: (0.02%))

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Barclays Capital	USD	GBP	07/09/18	69,000	51,634	1	-
BNP Paribas	GBP	USD	07/09/18	172,489	231,000	(3)	-
BNP Paribas	GBP	EUR	07/09/18	160,151	179,000	-	-
BNP Paribas	GBP	USD	07/09/18	121,015	163,000	(3)	-
Citigroup	GBP	EUR	07/09/18	496,425	559,000	(3)	-
Citigroup	USD	GBP	07/09/18	6,697,000	5,023,252	74	0.07
Citigroup	USD	GBP	07/09/18	1,022,000	775,157	3	-
Deutsche Bank	GBP	USD	07/09/18	12,032,962	16,077,000	(205)	(0.19)
Deutsche Bank	GBP	USD	07/09/18	12,032,214	16,076,000	(205)	(0.18)

Aberdeen Diversified Income Fund

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Deutsche Bank	GBP	JPY	07/09/18	280,785	40,573,000	4	-
Deutsche Bank	USD	GBP	07/09/18	368,000	275,682	4	-
Goldman Sachs	GBP	AUD	07/09/18	5,904,288	10,458,000	(14)	(0.01)
Goldman Sachs	GBP	NZD	07/09/18	5,490,051	10,503,000	48	0.04
Goldman Sachs	GBP	SEK	07/09/18	888,035	10,422,000	(17)	(0.02)
Goldman Sachs	GBP	NZD	07/09/18	781,259	1,510,000	(1)	-
Goldman Sachs	GBP	AUD	07/09/18	773,196	1,387,000	(12)	(0.01)
Goldman Sachs	GBP	NOK	07/09/18	729,055	7,849,000	(5)	-
Goldman Sachs	GBP	CAD	07/09/18	690,367	1,225,000	(26)	(0.02)
HSBC	GBP	JPY	07/09/18	3,430,933	497,360,000	41	0.04
HSBC	USD	GBP	07/09/18	180,000	137,749	(1)	-
JPM Chase	USD	GBP	07/09/18	1,012,000	754,446	16	0.01
Merrill Lynch	GBP	JPY	07/09/18	137,977	20,239,000	-	-
Royal Bank of Canada	GBP	CAD	07/09/18	5,645,544	9,752,000	(59)	(0.05)
State Street	GBP	EUR	07/09/18	2,566,891	2,915,000	(36)	(0.03)
UBS	GBP	NOK	07/09/18	5,447,330	59,133,000	(85)	(0.08)
UBS	GBP	SEK	07/09/18	5,369,747	62,694,000	(77)	(0.07)
UBS	GBP	USD	07/09/18	181,359	241,000	(2)	-
Unrealised losses on forward currency exchange contracts						**(563)**	**(0.50)**
Unrealised losses on derivatives						**(522)**	**(0.46)**
Total investments[≠]						**106,716**	**94.86**
Other net assets						**5,787**	**5.14**
Total net assets						**112,503**	**100.00**

[†] Managed by subsidiaries of Standard Life Aberdeen plc.
[∞] A portion of this security is on loan at the year end.
[≠] Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen Diversified Income Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	5,285	4.95	4.70

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
France (Government of)	282	Government Bond	Investment grade	BNP Paribas
UK Treasury	269	Government Bond	Investment grade	BNP Paribas
Intesa Sanpaolo	231	Equity	Main market listing	BNP Paribas
Eni	216	Equity	Main market listing	BNP Paribas
Assicurazioni Generali	122	Equity	Main market listing	BNP Paribas
British Sky Broadcasting	112	Equity	Main market listing	BNP Paribas
Banco Bilbao Vizcaya Argentaria	102	Equity	Main market listing	BNP Paribas
Mitsubishi UFJ Financial	98	Equity	Main market listing	BNP Paribas
Toyota Motor	95	Equity	Main market listing	BNP Paribas
Ferrari	90	Equity	Main market listing	BNP Paribas
Other Equity	4,217	Equity	Main market listing	BNP Paribas
Other Government Bond	172	Government Bond	Investment grade	BNP Paribas
Total collateral received	**6,006**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	6,006	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	191
CAD	65
CHF	340
DKK	9
EUR	2,587
GBP	731
JPY	802
SEK	19
USD	1,262
Total collateral received	**6,006**

Aberdeen Diversified Income Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
BNP Paribas	2,172	France	Tri-party
JPM Chase	1,963	United States	Tri-party
Citigroup	328	United States	Tri-party
Nomura	232	Japan	Tri-party
ABN Amro	174	Netherlands	Tri-party
Bank of Nova Scotia	150	Canada	Tri-party
Morgan Stanley	143	United States	Tri-party
NATIXIS	102	France	Tri-party
Societe Generale	21	France	Tri-party
Total market value of securities lending	**5,285**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	10	713	5,283	**6,006**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	232	5,053	**5,285**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	40	125.00
Direct operational costs (securities lending agent costs)	(8)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(8)	(25.00)
Net return	**32**	**100.00**

Aberdeen Diversified Income Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(2,980)		5,001
Revenue	2	6,080		5,157	
Expenses	3	(967)		(922)	
Net revenue before taxation		5,113		4,235	
Taxation	4	(521)		(444)	
Net revenue after taxation			4,592		3,791
Total return before distributions			**1,612**		**8,792**
Distributions	5		(5,558)		(4,707)
Change in net assets attributable to shareholders from investment activities			**(3,946)**		**4,085**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**108,281**		**97,959**
Amounts receivable on issue of shares	17,579		19,253	
Amounts payable on cancellation of shares	(13,453)		(16,847)	
		4,126		2,406
Dilution adjustment		11		44
Change in net assets attributable to shareholders from investment activities		(3,946)		4,085
Retained distributions on accumulation shares		4,031		3,787
Closing net assets attributable to shareholders		**112,503**		**108,281**

Aberdeen Diversified Income Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		107,475	101,627
Current assets:			
Debtors	6	3,238	1,070
Cash and bank balances	7	7,011	8,722
Total assets		**117,724**	**111,419**
Liabilities:			
Investment liabilities		759	1,036
Provisions for liabilities	8	-	6
Creditors:			
Amounts held at futures clearing houses and brokers		45	16
Other creditors	9	4,093	1,942
Distribution payable		324	138
Total liabilities		**5,221**	**3,138**
Net assets attributable to shareholders		**112,503**	**108,281**

Aberdeen Diversified Income Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital (losses)/gains

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(3,093)	6,345
Derivative contracts	11	(31)
Forward currency contracts gains/(losses)	45	(1,790)
Other currency gains	57	453
Class actions	-	24
Net capital (losses)/gains	**(2,980)**	**5,001**

2. Revenue

	2018 £'000	2017 £'000
UK dividends	398	534
Interest on debt securities	2,123	1,853
Distributions from collective investment schemes:		
UK interest distributions	116	245
Offshore distributions - taxable	370	202
UK REITs PID Income	85	117
UK REITs non PID Income	64	28
Overseas REIT income	49	93
Overseas dividends	2,418	1,986
Underwriting commission	2	-
Stock dividends	2	76
Stock lending commission	32	13
Bank interest	5	2
Derivative revenue:		
Income from warrants	403	-
Management fee rebates taken to revenue	13	8
Total revenue	**6,080**	**5,157**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	851	811
Operating, administrative and servicing fees	115	110
	966	921
Other expenses:		
Interest payable and similar charges	1	1
	1	1
Total expenses	**967**	**922**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

Aberdeen Diversified Income Fund

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	448	343
Double tax relief	(58)	(17)
Overseas withholding tax	133	116
Current tax charge	**523**	**442**
Deferred tax	(1)	2
Double tax relief on deferred tax items	(1)	-
Deferred tax charge/(credit)	**(2)**	**2**
Total taxation	**521**	**444**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	5,113	4,235
Corporation tax at 20% (2017 - 20%)	1,023	847
Effects of:		
UK dividends*	(93)	(123)
Non-taxable overseas dividends*	(483)	(379)
Double tax relief	(59)	(17)
Irrecoverable overseas withholding tax	133	116
Total taxation	**521**	**444**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax

Provision for deferred taxation	2018 £'000	2017 £'000
Provision at start of year	2	-
Deferred tax (credit) / charge for the year	(2)	2
Provision at end of year	**-**	**2**

Aberdeen Diversified Income Fund

5. **Distributions (including the movement between net revenue and distributions)**

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

	2018 £'000	2017 £'000
First interim	407	1,049
Second interim	406	341
Third interim	403	344
Fourth interim	403	343
Fifth interim	407	393
Sixth interim	405	394
Seventh interim	410	404
Eighth interim	408	409
Ninth interim	416	407
Tenth interim	414	-
Eleventh interim	417	-
Final	1,073	594
	5,569	4,678
Add: Revenue deducted on cancellation of shares	52	87
Deduct: Revenue received on issue of shares	(63)	(58)
Distributions for the year	**5,558**	**4,707**
Total distributions	**5,558**	**4,707**

Details of the distribution per share are set out in the distribution tables on pages 147 to 152.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	4,592	3,791
Add:		
Undistributed revenue brought forward	-	5
Authorised Corporate Director's periodic charge paid from capital	851	811
Operating, administrative and servicing fees paid from capital	115	100
Distributions	**5,558**	**4,707**

6. **Debtors**

	2018 £'000	2017 £'000
Accrued revenue	734	741
Amounts receivable for issue of shares	169	132
Overseas withholding tax reclaimable	38	24
Sales awaiting settlement	1,499	63
Currency transactions awaiting settlement	795	56
Other debtor	2	-
Tax reclaimable	1	54
Total debtors	**3,238**	**1,070**

Aberdeen Diversified Income Fund

7. Cash and bank balances

	2018 £'000	2017 £'000
Amounts held at futures clearing houses and brokers	515	68
Cash and bank balances	6,496	8,654
Total cash and bank balances	**7,011**	**8,722**

8. Provisions for liabilities

	2018 £'000	2017 £'000
The provisions for liabilities comprise:		
CGT liability	-	4
Deferred tax	-	2
Total provisions for liabilities	**-**	**6**

9. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	82	83
Amounts payable for cancellation of shares	265	101
Purchases awaiting settlement	2,751	1,376
Corporation tax payable	203	326
Currency transactions awaiting settlement	792	56
Total other creditors	**4,093**	**1,942**

10. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 129. £168,000 was due to the ACD (2017 - £42,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £3,030,000 (2017 - £5,339,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

11. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.25%
Class 'I': 0.60%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 110 to 114. The distribution per share class is given in the distribution tables on pages 147 to 152. All share classes have the same rights on winding up.

Aberdeen Diversified Income Fund

Share reconciliation
As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	16,455,806	1,069,386	28,421,025	21,563,241
Creations during the year	729,400	327,200	2,304,793	8,882,818
Cancellations during the year	(2,357,400)	(285,199)	(3,224,328)	(835,791)
Shares converted during the year	(70,566)	(4,110)	91,348	29,262
Closing shares in issue	**14,757,240**	**1,107,277**	**27,592,838**	**29,639,530**

	Z Accumulation shares
Opening number of shares	3,026,857
Creations during the year	1,039,500
Cancellations during the year	(1,130,500)
Shares converted during the year	-
Closing shares in issue	**2,935,857**

12. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Aberdeen Diversified Income Fund

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
ABN Amro	174	194	Equity
Bank of Nova Scotia	150	166	Equity
BNP Paribas	2,172	2,397	Equity
Citigroup	284	315	Equity
Citigroup	44	46	Government Bond
JPM Chase	1,800	2,019	Equity
JPM Chase	163	174	Government Bond
Morgan Stanley	26	46	Equity
Morgan Stanley	117	203	Government Bond
NATIXIS	102	120	Equity
Nomura	232	300	Government Bond
Societe Generale	21	25	Equity
Total	**5,285**	**6,006**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	40	8	32

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
ABN AMRO	356	397	Equity
ABN AMRO	558	589	Government Bond
BNP Paribas	1,037	1,144	Equity
Citigroup	364	404	Equity
Citigroup	121	128	Government Bond
JPM Chase	646	717	Equity
Total	**3,082**	**3,379**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	16	3	13

13. Risk management policies and disclosures

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Argentine Peso	(180)	785	605
Australian Dollar	119	(6,419)	(6,300)
Brazilian Real	139	3,295	3,434
Canadian Dollar	1	(6,310)	(6,309)
Chilean Peso	30	653	683
Colombian Peso	140	1,554	1,694
Czech Koruna	-	77	77
Danish Krone	-	70	70
Dominican Peso	14	561	575
Egyptian Pound	-	630	630
Euro	137	(271)	(134)
Ghanaian Cedi	(45)	573	528
Hong Kong Dollar	2	899	901
Hungarian Forint	-	95	95
Indian Rupee	151	2,254	2,405
Indonesian Rupiah	(75)	2,888	2,813
Israeli New Shekel	-	83	83
Japanese Yen	40	(332)	(292)
Korean Won	1	466	467

Aberdeen Diversified Income Fund

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
Malaysian Ringgit	53	1,680	1,733
Mexican Nuevo Peso	488	3,436	3,924
New Taiwan Dollar	21	573	594
New Zealand Dollar	-	(6,179)	(6,179)
Norwegian Krone	1	(6,155)	(6,154)
Peruvian Nuevo Sol	33	1,165	1,198
Polish Zloty	51	1,720	1,771
Pound Sterling	4,201	101,922	106,123
Russian Ruble	117	2,755	2,872
Singapore Dollar	-	153	153
South African Rand	98	2,947	3,045
Swedish Krona	-	(6,352)	(6,352)
Swiss Franc	-	237	237
Thai Baht	-	523	523
Turkish Lira	72	1,373	1,445
Uruguayan Peso	4	481	485
US Dollar	174	4,886	5,060
Net assets	**5,787**	**106,716**	**112,503**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Argentine Peso	2	319	321
Australian Dollar	5	(12,437)	(12,432)
Brazilian Real	-	2,855	2,855
Canadian Dollar	-	59	59
Colombian Peso	62	1,218	1,280
Czech Koruna	-	149	149
Danish Krone	2	238	240
Euro	24	(6,041)	(6,017)
Ghanaian Cedi	19	178	197
Hong Kong Dollar	2	2,060	2,062
Hungarian Forint	-	157	157
Indonesian Rupiah	70	2,464	2,534
Israeli New Shekel	-	72	72
Japanese Yen	4	(5,762)	(5,758)
Korean Won	1	926	927
Malaysian Ringgit	16	1,663	1,679
Mexican Nuevo Peso	34	2,292	2,326
New Taiwan Dollar	25	1,167	1,192
New Zealand Dollar	-	76	76
Norwegian Krone	-	135	135
Peruvian Nuevo Sol	15	576	591

Aberdeen Diversified Income Fund

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
Polish Zloty	40	2,083	2,123
Pound Sterling	7,857	94,442	102,299
Russian Ruble	62	1,716	1,778
Singapore Dollar	1	316	317
South African Rand	21	2,116	2,137
Swedish Krona	-	285	285
Swiss Franc	5	668	673
Thai Baht	-	432	432
Turkish Lira	105	2,469	2,574
Uruguayan Peso	6	407	413
US Dollar	(688)	3,293	2,605
Net assets	**7,690**	**100,591**	**108,281**

Interest rate risk profile of financial assets and financial liabilities

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

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Argentine Peso	785	1	-	786
Australian Dollar	118	-	290	408
Brazilian Real	-	3,115	318	3,433
Canadian Dollar	-	-	112	112
Chilean Peso	-	653	30	683
Colombian Peso	-	1,554	140	1,694
Czech Koruna	-	-	77	77
Danish Krone	-	-	70	70
Dominican Peso	-	561	14	575
Egyptian Pound	-	630	-	630
Euro	110	-	3,517	3,627
Ghanaian Cedi	-	573	3	576
Hong Kong Dollar	2	-	899	901
Hungarian Forint	-	-	95	95
Indian Rupee	128	2,254	22	2,404
Indonesian Rupiah	-	2,888	78	2,966
Israeli New Shekel	-	-	83	83
Japanese Yen	42	-	3,480	3,522
Korean Won	-	-	467	467
Malaysian Ringgit	-	1,634	99	1,733

Aberdeen Diversified Income Fund

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
Mexican Peso	-	3,345	580	3,925
New Taiwan Dollar	1	-	594	595
New Zealand Dollar	-	-	46	46
Norwegian Krone	-	-	112	112
Peruvian Nuevo Sol	-	1,165	33	1,198
Polish Zloty	-	1,594	216	1,810
Pound Sterling	6,376	-	46,766	53,142
Russian Rouble	-	2,755	117	2,872
Singapore Dollar	-	-	153	153
South African Rand	31	2,947	198	3,176
Swiss Franc	-	-	237	237
Thai Baht	-	-	523	523
Turkish Lira	-	1,162	405	1,567
Uruguayan Peso	-	481	4	485
US Dollar	205	-	22,836	23,041
Total financial assets	**7,798**	**27,312**	**82,614**	**117,724**

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Argentine Peso	-	319	29	348
Australian Dollar	5	-	753	758
Brazilian Real	-	2,640	215	2,855
Canadian Dollar	-	-	59	59
Colombian Peso	-	1,218	62	1,280
Czech Koruna	1	-	149	150
Danish Krone	-	-	238	238
Euro	-	-	3,996	3,996
Ghanaian Cedi	-	178	20	198
Hong Kong Dollar	-	-	2,062	2,062
Hungarian Forint	-	-	158	158
Indonesian Rupiah	-	2,464	74	2,538
Israeli New Shekel	-	-	72	72
Japanese Yen	-	-	3,383	3,383
Korean Won	-	-	927	927
Malaysian Ringgit	-	1,340	339	1,679
Mexican Peso	-	2,227	99	2,326
New Taiwan Dollar	3	-	1,188	1,191
New Zealand Dollar	-	-	76	76
Norwegian Krone	-	-	135	135
Peruvian Nuevo Sol	-	576	15	591
Polish Zloty	-	2,017	101	2,118

Aberdeen Diversified Income Fund

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
Pound Sterling	8,631	1	39,248	47,880
Russian Ruble	-	1,716	62	1,778
Singapore Dollar	-	-	316	316
South African Rand	-	1,957	180	2,137
Swedish Krona	-	-	285	285
Swiss Franc	-	-	668	668
Thai Baht	-	-	432	432
Turkish Lira	-	2,245	329	2,574
Uruguayan Peso	-	407	6	413
US Dollar	82	431	27,285	27,798
Total financial assets	**8,722**	**19,736**	**82,961**	**111,419**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Argentine Peso	-	-	(180)	(180)
Australian Dollar	-	-	(4)	(4)
Euro	-	-	(499)	(499)
Ghanaian Cedi	-	-	(48)	(48)
Indonesian Rupiah	-	-	(153)	(153)
Japanese Yen	-	-	(9)	(9)
New Taiwan Dollar	-	-	(265)	(265)
Polish Zloty	-	-	(40)	(40)
Pound Sterling	-	-	(3,729)	(3,729)
South African Rand	-	-	(130)	(130)
Turkish Lira	-	-	(122)	(122)
US Dollar	(36)	-	(6)	(42)
Total financial liabilities	**(36)**	**-**	**(5,185)**	**(5,221)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Argentine Peso	-	-	(27)	(27)
Japanese Yen	-	-	(2)	(2)
Pound Sterling	-	-	(2,032)	(2,032)
US Dollar	(16)	-	(1,061)	(1,077)
Total financial liabilities	**(16)**	**-**	**(3,122)**	**(3,138)**

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Aberdeen Diversified Income Fund

Sensitivity analysis

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

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	1.16%	1.52%
Maximum VaR	1.57%	2.29%
Average VaR	1.40%	1.85%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	0.17%	0.60%	-	0.43%	1.20%
31 July 2017	0.22%	0.98%	-	0.32%	1.52%

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

Counterparty risk

Credit quality of debt security investment assets

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

	Market value £'000	Percentage of total net assets %
2018		
Investment grade securities (AAA - BBB)	13,824	12.29
Below investment grade (BB and below)	7,225	6.42
Unrated securities	7,047	6.27
Equities	68,799	61.15
Collective Investment Schemes	10,343	9.19
Derivatives*	(522)	(0.46)
Other net assets	5,787	5.14
Net assets	**112,503**	**100.00**

Aberdeen Diversified Income Fund

	Market value £'000	Percentage of total net assets %
2017		
Investment grade securities (AAA - BBB)	16,089	14.86
Below investment grade (BB and below)	3,072	2.84
Unrated securities	575	0.53
Equities	71,316	65.86
Collective Investment Schemes	9,554	8.82
Derivatives*	(15)	(0.01)
Other net assets	7,690	7.10
Net assets	**108,281**	**100.00**

* Please refer to the counterparty risk note on page 15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

Financial derivatives

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
Barclays	1	1
Citigroup	77	77
Deutsche Bank	8	8
Goldman Sachs	48	48
HSBC	41	41
JPM Chase	16	16
Total exposure	**191**	**191**

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
BNP Paribas	11	11
Citigroup	392	392
Goldman Sachs	376	376
HSBC	207	207
JPM Chase	8	8
Morgan Stanley	3	3
Royal Bank of Canada	6	6
UBS	2	2
Total exposure	**1,005**	**1,005**

The Fund had no collateral pledged or collateral held in respect of derivatives as at 31 July 2018 (2017 - nil).

Aberdeen Diversified Income Fund

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	759	-	-	759
Non-derivatives					
Amounts held at futures clearing houses and brokers	45	-	-	-	45
Other creditors	-	4,093	-	-	4,093
Distribution payable	-	324	-	-	324
Total financial liabilities	**45**	**5,176**	**-**	**-**	**5,221**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	1,036	-	-	1,036
Non-derivatives					
Provisions for liabilities	-	-	6	-	6
Amounts held at futures clearing houses and brokers	16	-	-	-	16
Other creditors	-	1,942	-	-	1,942
Distribution payable	-	138	-	-	138
Total financial liabilities	**16**	**3,116**	**6**	**-**	**3,138**

Aberdeen Diversified Income Fund

14. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Bonds	21,601	71,827	10,326	53,640
Collective Investment Schemes	6,618	39,763	6,502	68,269
Equities	65,033	102,545	66,603	94,649
Trades in the year before transactions costs	**93,252**	**214,135**	**83,431**	**216,558**
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	1	1	-	-
Equities	22	26	(31)	(28)
Total commissions	**23**	**27**	**(31)**	**(28)**
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	16	68	(5)	(2)
Total taxes	**16**	**68**	**(5)**	**(2)**
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	5	(1)	-
Equities	1	6	(4)	(2)
Total other expenses	**1**	**11**	**(5)**	**(2)**
Total transaction costs	**40**	**106**	**(41)**	**(32)**
Total net trades in the year after transaction costs	**93,292**	**214,241**	**83,390**	**216,526**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	0.02	-	-	-
Equities	0.04	0.03	0.05	0.03
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	0.02	0.07	0.01	-
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	0.01	0.02	-
Equities	-	0.01	0.01	-

Aberdeen Diversified Income Fund

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.05	0.06
Taxes	0.02	0.07
Other expenses	0.01	0.01
Total costs	**0.08**	**0.14**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £69,000 in the year (2017 - £1,064,000 (net sales)).

There were transaction costs in respect of derivatives of £2,000 for the year (2017 - nil). The transaction costs in respect of derivatives expressed as a percentage of net asset value is nil (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.36% (2017 - 0.39%).

15. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	69,168	5	71,331	-
Level 2	38,307	754	30,296	1,036
Level 3	-	-	-	-
Total	**107,475**	**759**	**101,627**	**1,036**

Aberdeen Diversified Income Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

First interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 August 2017

	Revenue	Equalisation	Distribution paid 30/09/17
A Accumulation shares			
Group 1	0.82334	-	0.82334
Group 2	0.70554	0.11780	0.82334
A Income shares			
Group 1	0.50143	-	0.50143
Group 2	0.26405	0.23738	0.50143
I Accumulation shares			
Group 1	0.51835	-	0.51835
Group 2	0.23651	0.28184	0.51835
I Income shares			
Group 1	0.43821	-	0.43821
Group 2	0.19501	0.24320	0.43821
Z Accumulation shares			
Group 1	0.85605	-	0.85605
Group 2	0.55839	0.29766	0.85605

Second interim dividend distribution
Group 1: Shares purchased prior to 1 September 2017
Group 2: Shares purchased 1 September 2017 to 30 September 2017

	Revenue	Equalisation	Distribution paid 31/10/17
A Accumulation shares			
Group 1	0.82090	-	0.82090
Group 2	0.51310	0.30780	0.82090
A Income shares			
Group 1	0.49806	-	0.49806
Group 2	0.30953	0.18853	0.49806
I Accumulation shares			
Group 1	0.51704	-	0.51704
Group 2	0.27714	0.23990	0.51704
I Income shares			
Group 1	0.43544	-	0.43544
Group 2	0.19900	0.23644	0.43544
Z Accumulation shares			
Group 1	0.85418	-	0.85418
Group 2	0.67213	0.18205	0.85418

Aberdeen Diversified Income Fund

Third interim dividend distribution

Group 1: Shares purchased prior to 1 October 2017

Group 2: Shares purchased 1 October 2017 to 31 October 2017

	Revenue	Equalisation	Distribution paid 30/11/17	Distribution paid 30/11/16
A Accumulation shares				
Group 1	0.81977	-	0.81977	2.29849
Group 2	0.41548	0.40429	0.81977	2.29849
A Income shares				
Group 1	0.49551	-	0.49551	1.46831
Group 2	0.29599	0.19952	0.49551	1.46831
I Accumulation shares				
Group 1	0.51656	-	0.51656	1.44085
Group 2	0.22632	0.29024	0.51656	1.44085
I Income shares				
Group 1	0.43340	-	0.43340	1.27588
Group 2	0.23078	0.20262	0.43340	1.27588
Z Accumulation shares				
Group 1	0.85375	-	0.85375	2.36993
Group 2	0.51933	0.33442	0.85375	2.36993

Fourth interim dividend distribution

Group 1: Shares purchased prior to 1 November 2017

Group 2: Shares purchased 1 November 2017 to 30 November 2017

	Revenue	Equalisation	Distribution paid 31/12/17	Distribution paid 31/12/16
A Accumulation shares				
Group 1	0.81978	-	0.81978	0.76208
Group 2	0.41598	0.40380	0.81978	0.76208
A Income shares				
Group 1	0.49367	-	0.49367	0.48136
Group 2	0.32200	0.17167	0.49367	0.48136
I Accumulation shares				
Group 1	0.51680	-	0.51680	0.47793
Group 2	0.26097	0.25583	0.51680	0.47793
I Income shares				
Group 1	0.43197	-	0.43197	0.41847
Group 2	0.11948	0.31249	0.43197	0.41847
Z Accumulation shares				
Group 1	0.85447	-	0.85447	0.78643
Group 2	0.73267	0.12180	0.85447	0.78643

Aberdeen Diversified Income Fund

Fifth interim dividend distribution

Group 1: Shares purchased prior to 1 December 2017

Group 2: Shares purchased 1 December 2017 to 31 December 2017

	Revenue	Equalisation	Distribution paid 31/01/18	Distribution paid 31/01/17
A Accumulation shares				
Group 1	0.82864	-	0.82864	0.77672
Group 2	0.66718	0.16146	0.82864	0.77672
A Income shares				
Group 1	0.49712	-	0.49712	0.48875
Group 2	0.40162	0.09550	0.49712	0.48875
I Accumulation shares				
Group 1	0.52259	-	0.52259	0.48731
Group 2	0.43409	0.08850	0.52259	0.48731
I Income shares				
Group 1	0.43517	-	0.43517	0.42508
Group 2	0.36738	0.06779	0.43517	0.42508
Z Accumulation shares				
Group 1	0.86438	-	0.86438	0.80219
Group 2	0.57149	0.29289	0.86438	0.80219

Sixth interim dividend distribution

Group 1: Shares purchased prior to 1 January 2018

Group 2: Shares purchased 1 January 2018 to 31 January 2018

	Revenue	Equalisation	Distribution paid 28/02/18	Distribution paid 28/02/17
A Accumulation shares				
Group 1	0.82594	-	0.82594	0.77750
Group 2	0.63744	0.18850	0.82594	0.77750
A Income shares				
Group 1	0.49363	-	0.49363	0.48740
Group 2	0.49363	-	0.49363	0.48740
I Accumulation shares				
Group 1	0.52114	-	0.52114	0.48802
Group 2	0.36116	0.15998	0.52114	0.48802
I Income shares				
Group 1	0.43234	-	0.43234	0.42411
Group 2	0.33476	0.09758	0.43234	0.42411
Z Accumulation shares				
Group 1	0.86235	-	0.86235	0.80369
Group 2	0.86016	0.00219	0.86235	0.80369

Aberdeen Diversified Income Fund

Seventh interim dividend distribution

Group 1: Shares purchased prior to 1 February 2018

Group 2: Shares purchased 1 February 2018 to 28 February 2018

	Revenue	Equalisation	Distribution paid 31/03/18	Distribution paid 31/03/17
A Accumulation shares				
Group 1	0.81988	-	0.81988	0.79397
Group 2	0.08517	0.73471	0.81988	0.79397
A Income shares				
Group 1	0.48817	-	0.48817	0.49586
Group 2	-	0.48817	0.48817	0.49586
I Accumulation shares				
Group 1	0.51752	-	0.51752	0.49855
Group 2	0.20021	0.31731	0.51752	0.49855
I Income shares				
Group 1	0.42774	-	0.42774	0.43165
Group 2	0.36364	0.06410	0.42774	0.43165
Z Accumulation shares				
Group 1	0.85668	-	0.85668	0.82135
Group 2	0.76715	0.08953	0.85668	0.82135

Eighth interim dividend distribution

Group 1: Shares purchased prior to 1 March 2018

Group 2: Shares purchased 1 March 2018 to 31 March 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.81201	-	0.81201	0.79909
Group 2	-	0.81201	0.81201	0.79909
A Income shares				
Group 1	0.48168	-	0.48168	0.49720
Group 2	0.29996	0.18172	0.48168	0.49720
I Accumulation shares				
Group 1	0.51277	-	0.51277	0.50198
Group 2	0.03496	0.47781	0.51277	0.50198
I Income shares				
Group 1	0.42221	-	0.42221	0.43301
Group 2	0.15461	0.26760	0.42221	0.43301
Z Accumulation shares				
Group 1	0.84913	-	0.84913	0.82735
Group 2	0.48628	0.36285	0.84913	0.82735

Aberdeen Diversified Income Fund

Ninth interim dividend distribution

Group 1: Shares purchased prior to 1 April 2018

Group 2: Shares purchased 1 April 2018 to 30 April 2018

	Revenue	Equalisation	Distribution paid 31/05/18	Distribution paid 31/05/17
A Accumulation shares				
Group 1	0.82398	-	0.82398	0.81022
Group 2	-	0.82398	0.82398	0.81022
A Income shares				
Group 1	0.48696	-	0.48696	0.50225
Group 2	-	0.48696	0.48696	0.50225
I Accumulation shares				
Group 1	0.52056	-	0.52056	0.50920
Group 2	-	0.52056	0.52056	0.50920
I Income shares				
Group 1	0.42701	-	0.42701	0.43757
Group 2	-	0.42701	0.42701	0.43757
Z Accumulation shares				
Group 1	0.86240	-	0.86240	0.83953
Group 2	-	0.86240	0.86240	0.83953

Tenth interim dividend distribution

Group 1: Shares purchased prior to 1 May 2018

Group 2: Shares purchased 1 May 2018 to 31 May 2018

	Revenue	Equalisation	Distribution paid 30/06/18	Distribution paid 30/06/17
A Accumulation shares				
Group 1	0.81217	-	0.81217	0.81970
Group 2	-	0.81217	0.81217	0.81970
A Income shares				
Group 1	0.47817	-	0.47817	0.50621
Group 2	-	0.47817	0.47817	0.50621
I Accumulation shares				
Group 1	0.51334	-	0.51334	0.51540
Group 2	-	0.51334	0.51334	0.51540
I Income shares				
Group 1	0.41950	-	0.41950	0.44123
Group 2	-	0.41950	0.41950	0.44123
Z Accumulation shares				
Group 1	0.85077	-	0.85077	0.85012
Group 2	-	0.85077	0.85077	0.85012

Aberdeen Diversified Income Fund

Eleventh interim dividend distribution

Group 1: Shares purchased prior to 1 June 2018

Group 2: Shares purchased 1 June 2018 to 30 June 2018

	Revenue	Equalisation	Distribution paid 31/07/18	Distribution paid 31/07/17
A Accumulation shares				
Group 1	0.81115	-	0.81115	0.81853
Group 2	-	0.81115	0.81115	0.81853
A Income shares				
Group 1	0.47578	-	0.47578	0.50359
Group 2	-	0.47578	0.47578	0.50359
I Accumulation shares				
Group 1	0.51291	-	0.51291	0.51489
Group 2	-	0.51291	0.51291	0.51489
I Income shares				
Group 1	0.41758	-	0.41758	0.43914
Group 2	-	0.41758	0.41758	0.43914
Z Accumulation shares				
Group 1	0.85038	-	0.85038	0.84961
Group 2	-	0.85038	0.85038	0.84961

Final dividend distribution

Group 1: Shares purchased prior to 1 July 2018

Group 2: Shares purchased 1 July 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/08/18	Distribution paid 31/08/17
A Accumulation shares				
Group 1	2.30765	-	2.30765	1.39507
Group 2	0.48416	1.82349	2.30765	1.39507
A Income shares				
Group 1	1.34848	-	1.34848	0.85509
Group 2	0.13261	1.21587	1.34848	0.85509
I Accumulation shares				
Group 1	1.28556	-	1.28556	0.70242
Group 2	0.24199	1.04357	1.28556	0.70242
I Income shares				
Group 1	1.04272	-	1.04272	0.59684
Group 2	0.23969	0.80303	1.04272	0.59684
Z Accumulation shares				
Group 1	1.83064	-	1.83064	0.88287
Group 2	0.49271	1.33793	1.83064	0.88287

Equalisation

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

Aberdeen Eastern European Equity Fund

For the year ended 31 July 2018

Investment objective and policy

To achieve long term capital growth primarily in companies of developing European countries, although the Fund may also invest in companies of other European countries. The Fund may invest in investment trusts and collective investments schemes which themselves concentrate on investments in such countries, as well as securities of companies which, whilst listed on established stock exchanges worldwide, conduct a significant proportion of their business in these countries. The ACD's policy is not to generally employ derivatives in equity portfolios, although the Fund may use derivatives for efficient portfolio management and hedging.

Performance review

For the year ended 31 July 2018, the value of Aberdeen Eastern European Equity Fund - A Accumulation Shares decreased by 4.63% compared to an increase of 6.12% in the benchmark, the MSCI EM Europe 10/40 Index.

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

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

Market review

Emerging European equities extended gains in the year under review. Rising optimism, fuelled by the synchronised economic upswing and Eurozone recovery, gave way to renewed volatility, as investors were jittery about the faster-than-expected rate hikes in the US amid rising inflationary pressure and regional political uncertainty. Also curbing appetite was the worsening trade spat between the US and its major partners that threatened to derail growth.

The US dollar continued to strengthen against this backdrop, pressuring emerging market currencies and stocks. Turkey was among the worst hit, given its widening current account deficit and elevated inflation. An emergency rate hike and the central bank's effort to simplify its complex system of interest rates were not sufficient to stem the lira's decline. Further adding to the woes are President Erdogan's interference in the central bank's policy and new US sanctions resulted from the deteriorating relations with Washington over the detention of an American pastor.

Meanwhile, domestic politics weighed on Polish stocks, on fears that a proposed judicial overhaul will weaken its rule of law, stripping it of its EU voting rights. Hungarian markets and the forint were subdued, as policymakers remained dovish, despite a pick-up in inflation.

In contrast, Russia was the best-performing market, shrugging off US sanctions and a diplomatic row with the West over its alleged assassination attempt in the UK. Markets there were supported by a string of interest-rate cuts amid an improving economic environment and firming oil prices. Brent crude climbed, following US President Trump's decision to withdraw from the Iran nuclear accord and reinstate sanctions against Tehran. Sentiment was also upbeat in the Czech Republic, as its economic momentum remained buoyant, underpinned by rising private consumption.

Portfolio review

The Fund fell over the review period, lagging the benchmark's rise, largely due to stock-specific reasons.

In Russia, not holding oil producers Tatneft and Gazprom detracted from performance; both signaled their readiness to raise output, positioning them as higher beta plays on the rising price environment. We continue to prefer Lukoil for its integrated business model, strategic consistency, and focus on cash generation and shareholder returns. Elsewhere, food retailer Magnit slumped after its latest trading update showed a decline in like-for-like sales and gross margins. Its share price came under further pressure following news of founder Sergey Galitsky's resignation, and the sale of most of his stake to VTB Bank's private-equity arm. Nevertheless, we retain our conviction that it remains well-placed to benefit from the ongoing formalisation of the domestic retail sector, as well as the recovery of its more rural customer base as its store-refurbishment programme gains traction. Software developer and consultant Luxoft also declined, in tandem with the sector-wide sell-off on Wall Street.

The Fund's exposure to Turkey proved costly. The local benchmark slumped more than 30% and the currency shed a third of its value over the period. Our holdings, including Coca-Cola Icecek, Cimsa and Logo, succumbed to profit-taking amid broad-based weakness. In view of the deteriorating macroeconomic environment, we exited lenders Akbank and Garanti.

Conversely, the underweight to Poland and what we chose to hold there contributed to performance. Convenience-store operator Dino Polska fared well: its growth and margins continued to beat expectations. Meanwhile, appetite for video-game publisher CD Projekt surged, on the back of positive gamers' feedback on previews of its long-awaited release – Cyberpunk 2077. We introduced CD Projekt, in view of its market potential and increasing profitability, buoyed by an evolving digital distribution model. The lack of exposure to several state-owned and cyclically-oriented stocks also lifted returns, given that these companies lagged the local index.

Elsewhere, the non-benchmark exposure to Belarus via software developer EPAM Systems was beneficial; better-than-expected first-quarter earnings propelled its share price higher. Greek household-product manufacturer Sarantis did well, as its quarterly results beat estimates.

In other key activity, we subscribed to the initial public offering (IPO) of Turkish electricity distributor Enerjisa, given its high potential earnings growth, inflation protection and discounted valuation. This was funded with the proceeds from the sale of our holding in its parent, Sabanci.

Aberdeen Eastern European Equity Fund

This was followed by our participation in the IPO of MLP Care, a private Turkish hospital operator that owns the Medical Park and Liv chain of private hospitals, in view of its defensive fundamentals, compelling growth prospect and attractive valuation.

Other initiations included Polish lender Bank Zachodni WBK, which possesses a decent outlook in expanding margins through its lending mix; Mail.ru, which is poised to benefit from its portfolio of businesses, such as gaming, e-commerce and classifieds; and Sok Marketler, a leading Turkish discount supermarket chain that is well positioned in a high-growth, defensive segment, with industry-leading back-end technology.

Outlook

Volatility is likely to persist over the coming months, as expectations for faster-than-expected policy normalisation in the US and a strengthening greenback curb risk appetite. Escalating global trade tensions are another concern, as supply-chain disruptions could hurt the world economy and corporate profits. Although near-term capital flight and pressure on currencies may result in a degree of monetary tightening in some markets in the short term, the economic trajectory remains one of cyclical recovery. This should also be reflected by a continued rebound in corporate earnings. More importantly, emerging markets are broadly in a far stronger position now to withstand the current headwinds than before. Longer-term structural factors, such as a growing middle class with rising income levels across the developing world, are also supportive. We remain optimistic that our holdings' quality will help them weather the short-term swings and nervousness, and benefit from the asset class' long-term potential.

Global Emerging Markets Equity Team **August 2018**

Aberdeen Eastern European Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Emerging Markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries and this may mean your money is at greater risk.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Eastern European Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	294.41	251.88	214.19
Return before operating charges*	(6.90)	47.85	41.95
Operating charges	(5.35)	(5.32)	(4.26)
Return after operating charges*	(12.25)	42.53	37.69
Distributions on accumulation shares	(3.26)	(2.58)	(0.94)
Retained distributions on accumulation shares	3.26	2.58	0.94
Closing net asset value per share	282.16	294.41	251.88
* after direct transaction costs of:	0.06	0.08	0.10
Performance			
Return after charges	(4.16%)	16.89%	17.60%
Other information			
Closing net asset value (£'000s)	3,991	4,741	5,293
Closing number of shares	1,414,432	1,610,325	2,101,405
Operating charges	1.80%	1.88%	2.00%
Direct transaction costs	0.02%	0.03%	0.05%
Prices			
Highest share price (pence)	318.91	303.21	257.12
Lowest share price (pence)	270.45	247.99	184.97

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

Aberdeen Eastern European Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	311.13	264.19	222.95
Return before operating charges*	(7.40)	50.31	44.09
Operating charges	(3.31)	(3.37)	(2.85)
Return after operating charges*	(10.71)	46.94	41.24
Distributions on accumulation shares	(5.91)	(5.15)	(3.64)
Retained distributions on accumulation shares	5.91	5.15	3.64
Closing net asset value per share	300.42	311.13	264.19
* after direct transaction costs of:	0.06	0.08	0.10
Performance			
Return after charges	(3.44%)	17.77%	18.50%
Other information			
Closing net asset value (£'000s)	12,949	15,256	13,826
Closing number of shares	4,310,370	4,903,650	5,233,397
Operating charges	1.05%	1.13%	1.25%
Direct transaction costs	0.02%	0.03%	0.05%
Prices			
Highest share price (pence)	337.24	320.35	269.59
Lowest share price (pence)	287.32	260.12	193.25

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

Aberdeen Eastern European Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 97.44% (2017: 98.52%)					
Equities 97.44% (2017: 98.52%)					
Czech Republic 2.43% (2017: 2.70%)					
Komercni Banka			12,400	**411**	**2.43**
Georgia nil (2017: 1.74%)					
Greece 4.16% (2017: 1.58%)					
Jumbo			26,000	318	1.88
Sarantis			62,254	387	2.28
				705	**4.16**
Hungary 2.27% (2017: 2.79%)					
Gedeon Richter			28,000	**385**	**2.27**
Netherlands 1.72% (2017: 1.58%)					
DP Eurasia			187,100	**291**	**1.72**
Poland 9.44% (2017: 6.91%)					
Bank Pekao			16,713	389	2.29
Bank Zachodni			3,050	231	1.36
CD Projekt			6,850	282	1.66
Dino Polska			23,805	497	2.95
Orbis			10,724	200	1.18
				1,599	**9.44**
Portugal 2.66% (2017: 3.81%)					
Jeronimo Martins			39,690	**450**	**2.66**
Romania 3.35% (2017: 3.39%)					
BRD-Groupe Societe Generale			214,197	**567**	**3.35**
Russian Federation 46.92% (2017: 41.22%)					
Beluga			35,468	286	1.69
Global Ports Investments (GDR)			56,000	115	0.68
Lenta (GDR)∞			130,600	497	2.93
Lukoil ADR			31,241	1,710	10.09
Magnit			6,498	330	1.95
MD Medical Group Investments (GDR)			121,100	729	4.31
Mobile Telesystems			81,400	261	1.54
Moscow Exchange MICEX-RTS			190,200	239	1.41
NOVATEK			109,700	1,242	7.33
Novolipetsk Steel (GDR)			21,300	419	2.47
Sberbank			547,400	1,433	8.46
Yandex 'A'			25,118	689	4.06
				7,950	**46.92**

Aberdeen Eastern European Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Slovenia 1.35% (2017: 1.52)					
Krka			4,391	**228**	**1.35**
Switzerland 3.81% (2017: 3.55%)					
Coca-Cola HBC			23,600	**645**	**3.81**
Turkey 8.93% (2017: 22.14%)					
AvivaSA Emeklilik ve Hayat			57,823	120	0.71
BIM Birlesik Magazalar∞			30,741	337	1.99
Cimsa Cimento			115,469	179	1.06
Coca-Cola Icecek			34,251	157	0.93
Enerjisa Enerji			206,000	193	1.13
Logo Yazilim Sanayi ve Ticaret			31,293	181	1.07
MLP Saglik Hizmetleri			82,832	174	1.03
SOK Marketler			126,200	172	1.01
				1,513	**8.93**
United Kingdom 4.56% (2017: nil)					
Bank of Georgia			10,800	197	1.16
Georgia Capital			19,500	193	1.14
Globaltrans			20,000	174	1.03
Mail Ru∞			10,100	208	1.23
				772	**4.56**
United States 5.84% (2017: 5.59%)					
EPAM Systems			5,777	573	3.38
Luxoft			14,400	417	2.46
				990	**5.84**
Total Equities				**16,506**	**97.44**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**16,506**	**97.44**
Total investments				**16,506**	**97.44**
Other net assets				**434**	**2.56**
Total net assets				**16,940**	**100.00**

∞ A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen Eastern European Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	683	4.14	4.03

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
UK Treasury	46	Government Bond	Investment grade	BNP Paribas
Intesa Sanpaolo	38	Equity	Main market listing	BNP Paribas
Sony	32	Equity	Main market listing	BNP Paribas
Banco Bilbao Vizcaya Argentaria	25	Equity	Main market listing	BNP Paribas
Mitsubishi UFJ Financial	25	Equity	Main market listing	BNP Paribas
Toyota Motor	24	Equity	Main market listing	BNP Paribas
Eni	24	Equity	Main market listing	BNP Paribas
Ferrari	23	Equity	Main market listing	BNP Paribas
Snam	21	Equity	Main market listing	BNP Paribas
Assicurazioni Generali	19	Equity	Main market listing	BNP Paribas
Other Equity	481	Equity	Main market listing	BNP Paribas
Total collateral received	**758**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	758	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	21
CHF	10
EUR	287
GBP	68
JPY	166
USD	206
Total collateral received	**758**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
JPM Chase	495	United States	Tri-party
Deutsche Bank	188	Germany	Tri-party
Total market value of securities lending	**683**		

Aberdeen Eastern European Equity Fund

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	46	712	**758**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	683	**683**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	5	125.00
Direct operational costs (securities lending agent costs)	(1)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(1)	(25.00)
Net return	**4**	**100.00**

Aberdeen Eastern European Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(1,140)		2,930
Revenue	2	647		651	
Expenses	3	(247)		(267)	
Net revenue before taxation		400		384	
Taxation	4	(77)		(86)	
Net revenue after taxation			323		298
Total return before distributions			**(817)**		**3,228**
Distributions	5		(323)		(298)
Change in net assets attributable to shareholders from investment activities			**(1,140)**		**2,930**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**19,997**		**19,119**
Amounts receivable on issue of shares	2,462		1,377	
Amounts payable on cancellation of shares	(4,686)		(3,723)	
		(2,224)		(2,346)
Dilution adjustment		6		-
Change in net assets attributable to shareholders from investment activities		(1,140)		2,930
Retained distributions on accumulation shares		301		294
Closing net assets attributable to shareholders		**16,940**		**19,997**

Aberdeen Eastern European Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		16,506	19,702
Current assets:			
Debtors	6	79	18
Cash and bank balances		412	496
Total assets		**16,997**	**20,216**
Liabilities:			
Creditors:			
Other creditors	7	57	219
Total liabilities		**57**	**219**
Net assets attributable to shareholders		**16,940**	**19,997**

Aberdeen Eastern European Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital (losses)/gains

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(1,149)	2,929
Other currency gains	9	1
Net capital (losses)/gains	**(1,140)**	**2,930**

2. Revenue

	2018 £'000	2017 £'000
UK dividends	8	9
Overseas dividends	634	640
Stock lending commission	4	2
Bank interest	1	-
Total revenue	**647**	**651**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	185	190
Operating, administrative and servicing fees	62	77
Total expenses	**247**	**267**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	77	86
Current tax charge	**77**	**86**
Total taxation	**77**	**86**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - higher) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	400	384
Corporation tax at 20% (2017 - 20%)	80	77
Effects of:		
UK dividends*	(2)	(2)
Non-taxable overseas dividends*	(52)	(54)
Excess management expenses	(20)	(8)
Tax effect of expensed double taxation relief	(6)	(13)
Irrecoverable overseas withholding tax	77	86
Total taxation	**77**	**86**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £317,000 (2017 - £337,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised. The prior year was revised to reflect the prior year accounts as submitted to HMRC.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions

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

	2018 £'000	2017 £'000
Final	301	294
Add: Revenue deducted on cancellation of shares	24	7
Deduct: Revenue received on issue of shares	(2)	(3)
Distributions for the year	**323**	**298**
Total distributions	**323**	**298**

Details of the distribution per share are set out in the distribution tables on page 171.

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	48	4
Amounts receivable for issue of shares	14	-
Overseas withholding tax reclaimable	12	12
Sales awaiting settlement	5	-
Other debtor	-	2
Total debtors	**79**	**18**

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7. **Other creditors**

	2018 £'000	2017 £'000
Accrued expenses	16	22
Amounts payable for cancellation of shares	41	197
Total other creditors	**57**	**219**

8. **Related parties**

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 162. £40,000 was due to the ACD (2017 - £213,000) at the year end.

The Investment Adviser

As at the year end the Fund held no investments that were managed by subsidiaries of Standard Life Aberdeen plc (2017 - nil).

9. **Material shareholders**

FIL nominee (Shareholdings) Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 22% of the Fund's shares in issue.

10. **Shareholder funds**

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 0.75%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 156 to 157. The distribution per share class is given in the distribution tables on page 171. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	I Accumulation shares
Opening number of shares	1,610,325	4,903,650
Creations during the year	113,300	657,600
Cancellations during the year	(277,500)	(1,280,800)
Shares converted during the year	(31,693)	29,920
Closing shares in issue	**1,414,432**	**4,310,370**

11. **Securities on Loan**

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

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Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a "per Approved Borrower" basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Deutsche	186	204	Equity
Deutsche	2	2	Government Bond
JPM Chase	454	508	Equity
JPM Chase	41	44	Government Bond
Total	**683**	**758**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	5	1	4

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
NATIXIS	673	746	Equity
Total	**673**	**746**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	2	-	2

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12. **Risk management policies and disclosures**

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Czech Koruna	-	411	411
Euro	5	1,383	1,388
Hungarian Forint	-	385	385
Polish Zloty	10	1,599	1,609
Pound Sterling	369	1,326	1,695
Romanian New Leu	-	567	567
Russian Rouble	5	3,791	3,796
Turkish Lira	-	1,513	1,513
US Dollar	45	5,531	5,576
Net assets	**434**	**16,506**	**16,940**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Czech Koruna	-	540	540
Euro	21	1,382	1,403
Hungarian Forint	-	558	558
Polish Zloty	7	1,382	1,389
Pound Sterling	200	1,374	1,574
Romanian New Leu	-	679	679
Russian Rouble	-	4,947	4,947
Turkish Lira	-	4,427	4,427
US Dollar	67	4,413	4,480
Net assets	**295**	**19,702**	**19,997**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £1,525,000 (2017 - £1,842,000).

Other price risk

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £825,000 (2017 - £985,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	57	-	-	57
Total financial liabilities	**-**	**57**	**-**	**-**	**57**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	219	-	-	219
Total financial liabilities	**-**	**219**	**-**	**-**	**219**

13. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Equities	5,517	2,281	7,571	4,386
Trades in the year before transactions costs	**5,517**	**2,281**	**7,571**	**4,386**
Commissions				
Equities	3	2	(5)	(4)
Total commissions	**3**	**2**	**(5)**	**(4)**
Taxes				
Equities	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Equities	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**3**	**2**	**(5)**	**(4)**
Total net trades in the year after transaction costs	**5,520**	**2,283**	**7,566**	**4,382**

	Purchases		Sales	
	2018 %	2017 %	2018 %	2017 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.05	0.09	0.07	0.09
Taxes				
Equities	-	-	-	-
Other expenses				
Equities	-	-	-	-

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	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.03
Taxes	-	-
Other expenses	-	-
Total costs	**0.04**	**0.03**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were no corporate actions in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.35% (2017 - 0.15%).

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	16,506	-	19,702	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total	**16,506**	**-**	**19,702**	**-**

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Distribution table
For the year ended 31 July 2018 (in pence per share)

Final dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	3.26265	-	3.26265	2.57986
Group 2	3.21515	0.04750	3.26265	2.57986
I Accumulation shares				
Group 1	5.91241	-	5.91241	5.15333
Group 2	5.47098	0.44143	5.91241	5.15333

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

Aberdeen Emerging Markets Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The investment objective is to provide an attractive level of income and long-term capital return.

The investment policy is to invest primarily in fixed interest securities which are issued by corporations with their registered office in, and/or government related bodies domiciled in an emerging market country. The Fund may also invest in other transferable securities, money market instruments, cash, near cash, deposits, shares in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates) and derivatives.

The Fund may use financial derivatives instruments for investment purposes and/or efficient portfolio management. The Fund may use derivative instruments to created short and/or long positions in currencies other than the base currency.

Note: For the purposes of this Fund, emerging market means any country that is included in the MSCI Emerging Markets Index or composite thereof (or any successor index or index substituted at the ACD's discretion,) or any country classified by the World Bank as a low to upper middle income country.

Performance review

For the year ended 31 July 2018, the value of the Aberdeen Emerging Markets Bond Fund - A Accumulation Shares decreased by 3.31% compared to a decrease of 1.44% in the benchmark, the JPM EMBI Global Diversified (Hedged GBP 100%) Index.

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

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

Market review

The first two months of the review period were positive for emerging market (EM) debt, with all components of the asset class performing well. That strong performance for the asset class continued through to the end of 2017, capping a year in which numerous idiosyncratic events failed to derail the prevailing positive sentiment. However, the first half of 2018 brought a period of market volatility and weakness - particularly in the emerging market economies. This was most pronounced between April and June, caused largely by increased rhetoric around trade wars and the negative impact this would have on China's economy. The market was also concerned about the future path of US interest rate hikes. The dollar, meanwhile, was strong during the period. A strong US dollar is generally considered negative for EMs. Over the first half of 2018 elections in large EM countries – notably Mexico and Turkey - caused further market weakness, resulting in investor uncertainty. President Erdogan won the Turkish Presidential election as expected; however his economic policies and unorthodox approach to monetary policy has been a concern for investors in Turkey. In Mexico, Andres Lopez Obrador, the left wing candidate, won Mexico's presidential election. Again, this was expected, but the market has become increasingly concerned at his plans to unwind some of the reforms which had occurred under his predecessor, Pena Nieto.

Brazil's long-awaited presidential election takes place in October where market-friendly Geraldo Alckmin is a frontrunner. It is hoped the elections will bring to an end a tumultuous period in the Brazilian political sphere which saw former president Lula imprisoned in April on charges of corruption and money laundering. Brazil grew by 1.0% year-on-year (y/y) in 2017, bouncing back from two consecutive recessionary years. This recovery was driven by household consumption and net exports. Analysts expect the economy to grow by 2.7% y/y this year. The central bank continued on its interest rate-cutting cycle in March, decreasing its policy rate by 25 basis points (bps) to 6.50%, where the markets expects it to remain for the remainder of the year, despite a benign medium-term outlook for inflation.

Russia's GDP grew by 1.5% y/y in 2017, marking the first positive print after two years of recession, although the figure was slightly below the market's expectation of 1.7%, as the economy slowed in the second half of the year. Consumption was the main contributor to growth while net exports were a detractor as imports outpaced exports during the year. In February, Standard and Poor's, the credit-rating agency, returned Russia to an investment-grade rating after three years at "junk". The country now has a BBB- score from both S&P and Fitch, while Moody's has a Ba1 rating with a positive outlook. This should result in a significant inflow of funds into the local bond market as the country will be readmitted to a number of indices (including the Bloomberg Barclays Global Aggregate) that have an investment-grade limit. April saw the latest round of US sanctions focused on Russian oligarchs and companies, which prompted a large selloff in Russian assets. This reflected concerns of further sanctions as relations between Russia and the West continue to deteriorate. Russia's central bank left its policy interest rate on hold in June, but the post-meeting statement adopted a more hawkish tone and suggested that monetary policy will take a more neutral stance going forward where previously there had been a suggestion of further easing. May saw President Putin carry out a government reshuffle, which resulted in ex-President Dmitry Medvedev remaining as Prime Minister, while current Finance Minister Siluanov also becomes new first Deputy Prime Minister.

In November, the Indian government announced a large recapitalisation plan for the public-sector banks, whereby the equivalent of 1.4% of GDP will be injected as capital over the next two fiscal years. There is a marked difference in the quality of public versus private banks, with the non-performing loan ratio at 12.2% for the state sector and 3.4% for the private sector. The Reserve Bank of India's February meeting suggested a more hawkish tone, with the majority of the members of the monetary policy committee becoming more concerned with inflationary risks as fiscal slippage and higher minimum support prices are deemed the key concerns. The meeting resulted in the policy repo rate remaining unchanged at 6.0%, but in June, the Reserve Bank hiked the repo rate by 25 bps to 6.25%. This was against the market expectation of no change to monetary policy, and was the first tightening measure in four years. On the political front, the state elections of Karnataka in May resulted in a hung parliament in which the Bharatiya Janata Party (BJP), Prime Minister Modi's party, won the most seats but failed to form a coalition government, leaving parties Janata Dal (Secular) and Congress to form an alliance. General elections are scheduled to take place next year.

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President Xi Jinping consolidated his power within China's political framework at the 19th Communist Party congress in October. The new Politburo Standing Committee has been stacked with his allies, while the broader Politburo membership also includes further Xi-faithfuls. In terms of economics, there was less emphasis on a growth target and more on the quality of development, including no mention of the goal of doubling national income by 2020. Purchasing managers' indices exhibited mixed results over the quarter, as the manufacturing index declined marginally to 51.3 in January. This was due to declines in the output and new orders sub-indices. This fell further to 50.3 in February, the lowest reading since July 2016, but rebounded by June to 51.5. The US/China trade dispute intensified as President Trump's administration imposed a US$60 billion tariff under the Section 301 investigation, while China's response was more measured as its own restrictions will only affect US$3 billion worth of goods. It reared its ugly head once again in the second quarter of 2018, as President Trump announced that his administration would proceed with tariffs and investment restrictions against China – having previously suggested that an agreement between the two countries was close.

Portfolio review

Security selection and an overweight to Ukraine was the key contributor to performance as bond positioning in Russia and exposure to the country's local currency bonds. Overweight positions in Ecuador and Ghana were also beneficial. On the other side, the Fund's currency exposure in Brazil and Argentina detracted from the Fund, while security selection in Venezuela was also negative for performance.

During the period, we increased the Fund's weighting in Egypt, Lebanon, Nigeria, Oman and Russia, while cutting exposure to Argentina, Azerbaijan, Kazakhstan, Mexico and Turkey. In local currency space, we introduced a holding in the Aberdeen Global – China Onshore Bond Fund, and increased duration in Malaysia and South Africa, while reducing Indonesia and Turkey. In currency space, we reduced our exposure to the Brazilian real, Indonesian rupiah and Turkish lira, while increasing our positions in the Malaysian ringgit, Russian ruble and South African rand.

Outlook

If the yield levels that have resulted from July's rally are maintained during August's holiday period then the new issue pipeline should be fairly robust for both sovereigns and corporates. Investor positioning surveys suggest that cash levels have been increased and overall allocations to emerging markets have been pared, which indicate that demand could be robust. The primary market is likely to be dominated by Middle East credits such as Saudi Arabia and Qatar who still have budget deficits to finance, despite the oil price increase this year. The likely inclusion of Gulf Cooperation Council countries into the main emerging market hard currency index in 2019 could continue to drive demand for these lower yielding investment grade credits. Key elections are largely complete for the year, except in Brazil where October's polls represent an important event for the country's medium-term future.

Global Emerging Market Debt Team **August 2018**

Aberdeen Emerging Markets Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Emerging Markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries and this may mean your money is at greater risk.
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Derivatives: This Fund can use derivatives in order to meet its investment objective. The use of derivatives may result in greater fluctuations in the value of the Fund, and may increase the magnitude of any losses.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

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Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	137.46	129.69	118.91
Return before operating charges*	(2.44)	10.96	14.53
Operating charges	(2.29)	(2.19)	(1.95)
Return after operating charges*	(4.73)	8.77	12.58
Distributions on accumulation shares	(7.99)	(8.66)	(9.00)
Retained distributions on accumulation shares	7.99	7.66	7.20
Closing net asset value per share	132.73	137.46	129.69
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(3.44%)	6.76%	10.58%
Other information			
Closing net asset value (£'000s)	2,131	2,945	2,817
Closing number of shares	1,605,413	2,142,373	2,171,893
Operating charges	1.66%	1.65%	1.66%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	141.70	137.94	130.81
Lowest share price (pence)	128.56	124.73	109.33

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

Aberdeen Emerging Markets Bond Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	99.43	99.38	96.82
Return before operating charges*	(1.57)	7.41	9.82
Operating charges	(1.66)	(1.64)	(1.56)
Return after operating charges*	(3.23)	5.77	8.26
Distributions on income shares	(5.63)	(5.72)	(5.70)
Closing net asset value per share	90.57	99.43	99.38
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(3.25%)	5.81%	8.53%
Other information			
Closing net asset value (£'000s)	1,398	729	797
Closing number of shares	1,542,961	733,519	802,294
Operating charges	1.66%	1.65%	1.66%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	101.75	102.46	101.77
Lowest share price (pence)	88.71	93.82	87.35

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

Aberdeen Emerging Markets Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	117.60	110.39	100.71
Return before operating charges*	(2.10)	9.36	12.38
Operating charges	(1.16)	(1.30)	(1.16)
Return after operating charges*	(3.26)	8.06	11.22
Distributions on accumulation shares	(6.85)	(7.39)	(7.66)
Retained distributions on accumulation shares	6.85	6.54	6.12
Closing net asset value per share	114.34	117.60	110.39
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(2.77%)	7.30%	11.14%
Other information			
Closing net asset value (£'000s)	37,222	46,499	34,135
Closing number of shares	32,555,263	39,541,223	30,921,795
Operating charges	0.98%	1.15%	1.16%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	121.58	118.00	111.34
Lowest share price (pence)	110.65	106.35	92.82

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

Aberdeen Emerging Markets Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	91.71	91.20	88.40
Return before operating charges*	(1.51)	6.82	9.03
Operating charges	(0.88)	(1.05)	(1.00)
Return after operating charges*	(2.39)	5.77	8.03
Distributions on income shares	(5.21)	(5.26)	(5.23)
Closing net asset value per share	84.11	91.71	91.20
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(2.61%)	6.33%	9.08%
Other information			
Closing net asset value (£'000s)	7,318	7,509	17,338
Closing number of shares	8,700,773	8,188,073	19,011,830
Operating charges	0.98%	1.15%	1.16%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	93.90	94.05	93.40
Lowest share price (pence)	82.31	86.26	79.94

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

Aberdeen Emerging Markets Bond Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	144.97	134.73	121.69
Return before operating charges*	(2.64)	11.49	15.10
Operating charges	(0.23)	(0.21)	(0.20)
Return after operating charges*	(2.87)	11.28	14.90
Distributions on accumulation shares	(8.49)	(9.05)	(9.29)
Retained distributions on accumulation shares	8.49	8.01	7.43
Closing net asset value per share	142.10	144.97	134.73
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(1.98%)	8.37%	12.24%
Other information			
Closing net asset value (£'000s)	63,949	28,328	28,151
Closing number of shares	45,002,909	19,541,162	20,893,998
Operating charges	0.16%	0.15%	0.16%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	150.49	145.44	135.87
Lowest share price (pence)	137.40	130.25	112.70

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

Aberdeen Emerging Markets Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 91.08% (2017: 91.93%)					
Bonds 91.08% (2017: 91.93%)					
Corporate Bonds 21.47% (2017: 23.18%)					
Azerbaijan nil (2017: 1.02%)					
Brazil 1.56% (2017: 0.92%)					
Braskem Netherlands Finance	4.5000	10/01/28	720,000	523	0.47
Petrobras Global Finance	6.2500	17/03/24	1,580,000	1,227	1.09
				1,750	**1.56**
Cayman Islands 0.37% (2017: nil)					
Sparc EM SPC Panama Metro Line 2	-	05/12/22	604,000	**420**	**0.37**
Chile 0.92% (2017: 0.91%)					
Empresa Electrica Angamos	4.8750	25/05/29	679,115	506	0.45
Latam Airlines 2015-1 Pass Through Trust A	4.2000	15/08/29	713,226	520	0.47
				1,026	**0.92**
China 0.47% (2017: nil)					
Agile	8.5000	18/07/21	212,000	165	0.15
CNAC HK Finbridge	4.6250	14/03/23	477,000	366	0.32
				531	**0.47**
Colombia 0.52% (2017: 0.55%)					
Bancolombia	VAR	18/10/27	780,000	**584**	**0.52**
Dominican Republic 0.35% (2017: 0.48%)					
Dominican Republic (Mestenio)	8.5000	02/01/20	492,000	**388**	**0.35**
Ecuador 1.05% (2017: 0.45%)					
EP PetroEcuador	FRN	24/09/19	178,947	135	0.12
Petroamazonas	4.6250	16/02/20	1,140,000	844	0.76
Petroamazonas	4.6250	06/11/20	269,877	192	0.17
				1,171	**1.05**
Georgia 1.60% (2017: 1.61%)					
Georgian Oil and Gas	6.7500	26/04/21	950,000	732	0.65
Georgian Railway	7.7500	11/07/22	1,310,000	1,055	0.95
				1,787	**1.60**
India 0.25% (2017: nil)					
Vedanta Resources	6.1250	09/08/24	400,000	**284**	**0.25**

Aberdeen Emerging Markets Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Indonesia 1.78% (2017: 1.39%)					
Pertamina Persero	6.0000	03/05/42	1,640,000	1,295	1.15
Pertamina Persero	6.5000	27/05/41	840,000	702	0.63
				1,997	**1.78**
Kazakhstan 0.82% (2017: 1.78%)					
Kazakhstan Temir Zholy Finance	6.9500	10/07/42	430,000	365	0.33
Tengizchevroil Finance International	4.0000	15/08/26	764,000	555	0.49
				920	**0.82**
Kuwait nil (2017: 0.53%)					
Malaysia 0.53% (2017: nil)					
GOHL Capital	4.2500	24/01/27	810,000	**596**	**0.53**
Mauritius 0.26% (2017: nil)					
Liquid Telecommunications Financing	8.5000	13/07/22	360,000	**286**	**0.26**
Mexico 2.94% (2017: 5.10%)					
BBVA Bancomer Texas	6.7500	30/09/22	700,000	581	0.52
Petroleos Mexicanos	6.5000	02/06/41	2,150,000	1,516	1.34
Petroleos Mexicanos	FRN	11/03/22	850,000	691	0.62
Petroleos Mexicanos	6.7500	21/09/47	730,000	515	0.46
				3,303	**2.94**
Morocco 0.70% (2017: 0.63%)					
OCP∞	6.8750	25/04/44	930,000	**782**	**0.70**
Netherlands 0.48% (2017: 0.48%)					
VEON∞	4.9500	16/06/24	740,000	**540**	**0.48**
Nigeria 0.49% (2017: 0.44%)					
United Bank for Africa	7.7500	08/06/22	310,000	237	0.21
Zenith Bank	7.3750	30/05/22	400,000	308	0.28
				545	**0.49**
Panama 0.26% (2017: 0.52%)					
Global Bank	4.5000	20/10/21	379,000	**287**	**0.26**
Peru 0.54% (2017: 1.09%)					
VM∞	5.3750	04/05/27	803,000	**604**	**0.54**
Russian Federation 1.38% (2017: 1.56%)					
Credit Bank of Moscow Via CBOM Finance	5.5500	14/02/23	810,000	588	0.52
Gazprom	4.3750	19/09/22	570,000	425	0.38
GTLK Europe	5.9500	19/07/21	700,000	538	0.48
				1,551	**1.38**

Aberdeen Emerging Markets Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
South Africa 0.54% (2017: 0.80%)					
MTN Mauritius Investments	6.5000	13/10/26	770,000	**600**	**0.54**
Sri Lanka nil (2017: 0.25%)					
Turkey 0.63% (2017: 0.70%)					
TC Ziraat Bankasi (EMTN)	5.1250	29/09/23	1,070,000	**706**	**0.63**
Ukraine 0.39% (2017: nil)					
Metinvest	8.5000	23/04/26	601,000	**442**	**0.39**
United Arab Emirates 2.64% (2017: 1.97%)					
Abu Dhabi Crude Oil Pipeline (SINK)∞	4.6000	02/11/47	598,000	443	0.40
Abu Dhabi National Energy	4.8750	23/04/30	329,000	256	0.23
ICD Sukuk (EMTN)	5.0000	01/02/27	800,000	606	0.54
MAF Global Securities	VAR	PERP	750,000	550	0.49
Sharjah Sukuk Program (EMTN)	4.2260	14/03/28	739,000	559	0.50
Zahidi	4.5000	22/03/28	720,000	541	0.48
				2,955	**2.64**
Total Corporate Bonds				**24,055**	**21.47**
Government Bonds 69.61% (2017: 68.75%)					
Argentina 6.30% (2017: 6.20%)					
Argentina (Republic of)	7.5000	22/04/26	4,500,000	3,260	2.91
Argentina (Republic of)	FRN	21/06/20	57,700,000	1,622	1.45
Argentina (Republic of)	8.2800	31/12/33	1,542,242	1,126	1.00
Argentina (Republic of)	5.6250	26/01/22	716,000	519	0.46
Argentina (Republic of)	7.8200	31/12/33	509,158	452	0.40
Argentina (Republic of)	18.2000	03/10/21	4,100,000	93	0.08
				7,072	**6.30**
Armenia 0.40% (2017: 0.51%)					
Armenia (Republic of)	7.1500	26/03/25	539,000	**444**	**0.40**
Bahamas 0.14% (2017: nil)					
Bahamas Government International Bond	6.0000	21/11/28	200,000	**156**	**0.14**
Bahrain 1.04% (2017: 0.95%)					
Bahrain (Kingdom of)	7.0000	12/10/28	1,250,000	888	0.79
Bahrain (Kingdom of)	6.7500	20/09/29	400,000	278	0.25
				1,166	**1.04**
Belarus 0.38% (2017: nil)					
Belarus (Republic of)	7.6250	29/06/27	520,000	**426**	**0.38**

Aberdeen Emerging Markets Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Brazil 5.16% (2017: 4.14%)					
Brazil (Federal Republic of)	10.0000	01/01/23	21,800,000	4,384	3.90
Brazil (Federal Republic of)	10.0000	01/01/25	5,620,000	1,098	0.98
Brazil (Federal Republic of)	6.0000	15/08/50	470,000	308	0.28
				5,790	**5.16**
Croatia 0.61% (2017: 0.82%)					
Croatia (Republic of)	5.5000	04/04/23	469,000	381	0.34
Croatia (Republic of)	6.0000	26/01/24	360,000	299	0.27
				680	**0.61**
Dominican Republic 3.59% (2017: 3.19%)					
Dominican (Republic of)	7.4500	30/04/44	1,600,000	1,322	1.18
Dominican (Republic of)	5.8750	18/04/24	1,393,000	1,092	0.97
Dominican (Republic of)	6.8500	27/01/45	1,380,000	1,074	0.96
Dominican (Republic of)	5.9500	25/01/27	690,000	533	0.48
				4,021	**3.59**
Ecuador 1.89% (2017: 2.29%)					
Ecuador (Republic of)	8.7500	02/06/23	1,070,000	815	0.73
Ecuador (Republic of)	10.7500	28/03/22	930,000	764	0.68
Ecuador (Republic of)	9.6500	13/12/26	420,000	323	0.29
Ecuador (Republic of)	8.8750	23/10/27	290,000	213	0.19
				2,115	**1.89**
Egypt 3.60% (2017: 1.11%)					
Egypt (Republic of)∞	7.9030	21/02/48	1,231,000	929	0.83
Egypt (Republic of)	7.5000	31/01/27	1,100,000	872	0.78
Egypt (Republic of)	8.5000	31/01/47	804,000	644	0.58
Egypt (Republic of)	6.1250	31/01/22	470,000	363	0.32
Egypt (Republic of) (EMTN)	5.6250	16/04/30	1,430,000	1,227	1.09
				4,035	**3.60**
El Salvador 1.67% (2017: 1.56%)					
El Salvador (Republic of)	5.8750	30/01/25	2,490,000	1,813	1.62
El Salvador (Republic of)	6.3750	18/01/27	78,000	57	0.05
				1,870	**1.67**
Ethiopia nil (2017: 1.15%)					
Gabon 0.36% (2017: 0.38%)					
Gabon (Republic of)	6.3750	12/12/24	360,000	256	0.23
Gabon (Republic of)	6.9500	16/06/25	200,000	144	0.13
				400	**0.36**
Georgia 0.46% (2017: 0.58%)					
Georgia (Republic of)	6.8750	12/04/21	630,000	**511**	**0.46**

Aberdeen Emerging Markets Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Ghana 1.87% (2017: 1.55%)					
Ghana Government International Bond	8.6270	16/06/49	1,020,000	803	0.72
Ghana (Republic of)∞	8.1250	18/01/26	1,100,000	901	0.80
Ghana (Republic of)	10.7500	14/10/30	400,000	392	0.35
				2,096	**1.87**
Guatemala 0.53% (2017: 0.53%)					
Guatemala (Republic of)	5.7500	06/06/22	745,000	**596**	**0.53**
Honduras 1.38% (2017: 1.29%)					
Honduras (Republic of)	7.5000	15/03/24	940,000	780	0.70
Honduras (Republic of)	6.2500	19/01/27	970,000	762	0.68
				1,542	**1.38**
Hungary nil (2017: 0.48%)					
Indonesia 3.66% (2017: 4.37%)					
Indonesia (Republic of)	5.6250	15/05/23	23,000,000,000	1,118	1.00
Indonesia (Republic of) (EMTN)	5.8750	15/01/24	2,000,000	1,650	1.47
Lembaga Pembiayaan Ekspor Indonesia (EMTN)	3.8750	06/04/24	240,000	178	0.16
Perusahaan Penerbit SBSN Indonesia III	4.3500	10/09/24	860,000	660	0.59
Perusahaan Penerbit SBSN Indonesia III	3.4000	29/03/22	663,000	497	0.44
				4,103	**3.66**
Ivory Coast 0.80% (2017: 1.39%)					
Ivory Coast (Government of)	6.3750	03/03/28	682,000	503	0.45
Ivory Coast (Government of)	5.2500	22/03/30	450,000	390	0.35
				893	**0.80**
Jordan nil (2017: 0.80%)					
Kenya 1.27% (2017: 0.62%)					
Kenya (Republic of)∞	6.8750	24/06/24	690,000	534	0.47
Kenya (Republic of)	7.2500	28/02/28	680,000	523	0.47
Kenya (Republic of)	8.2500	28/02/48	480,000	369	0.33
				1,426	**1.27**
Lebanon 2.21% (2017: nil)					
Lebanon (Republic of)∞	6.7500	29/11/27	1,345,000	850	0.76
Lebanon (Republic of)	6.8500	23/03/27	1,050,000	676	0.60
Lebanon (Republic of) (EMTN)	6.1000	04/10/22	1,400,000	947	0.85
				2,473	**2.21**
Malaysia 1.48% (2017: nil)					
Malaysia (Government of)	4.6420	07/11/33	3,700,000	702	0.63
Malaysia (Government of)	3.8840	15/04/33	2,950,000	509	0.45
Malaysia (Government of)	4.2320	30/06/31	2,460,000	447	0.40
				1,658	**1.48**

Aberdeen Emerging Markets Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Mexico 1.34% (2017: 1.06%)					
Mexico (Government of)	6.0500	11/01/40	1,230,000	1,033	0.93
Mexico (Government of)	5.5500	21/01/45	580,000	464	0.41
				1,497	**1.34**
Mongolia nil (2017: 0.89%)					
Morocco 0.39% (2017: 0.82%)					
Morocco (Government of)	4.2500	11/12/22	560,000	**433**	**0.39**
Namibia 0.66% (2017: 0.18%)					
Namibia (Government of)	5.2500	29/10/25	1,000,000	**735**	**0.66**
Nigeria 1.89% (2017: 0.39%)					
Nigeria (Federal Republic of)	7.8750	16/02/32	1,200,000	945	0.84
Nigeria (Federal Republic of) (EMTN)∞	7.6250	28/11/47	1,600,000	1,170	1.05
				2,115	**1.89**
Oman 0.88% (2017: nil)					
Oman (Government of)	6.7500	17/01/48	1,350,000	**985**	**0.88**
Panama nil (2017: 0.29%)					
Paraguay 0.63% (2017: 2.01%)					
Paraguay (Republic of)	6.1000	11/08/44	850,000	**709**	**0.63**
Peru 1.23% (2017: 1.60%)					
Peru (Republic of)	6.9500	12/08/31	4,500,000	1,160	1.03
Peru (Republic of)	6.1500	12/08/32	920,000	222	0.20
				1,382	**1.23**
Qatar 0.82% (2017: nil)					
Qatar (State of)	5.1030	23/04/48	750,000	584	0.52
Qatar (State of)	3.8750	23/04/23	441,000	337	0.30
				921	**0.82**
Russian Federation 4.94% (2017: 1.83%)					
Russia (Federation of)	5.2500	23/06/47	3,600,000	2,731	2.44
Russia (Federation of)	8.5000	17/09/31	83,500,000	1,087	0.97
Russia (Federation of)	6.4000	27/05/20	66,600,000	804	0.72
Russia (Federation of)	4.8750	16/09/23	600,000	477	0.43
Russia (Federation of)	7.6000	14/04/21	34,900,000	430	0.38
				5,529	**4.94**
Rwanda 0.86% (2017: 0.93%)					
Rwanda (Republic of)∞	6.6250	02/05/23	1,230,000	**959**	**0.86**
Saudi Arabia 0.85% (2017: nil)					
Saudi Arabia (Government of) (EMTN)	5.0000	17/04/49	1,266,000	**952**	**0.85**

Aberdeen Emerging Markets Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Senegal 0.87% (2017: 1.24%)					
Senegal (Republic of)	8.7500	13/05/21	650,000	542	0.48
Senegal (Republic of)	4.7500	13/03/28	500,000	434	0.39
				976	**0.87**
Serbia 0.20% (2017: 2.45%)					
Serbia (Republic of)	7.2500	28/09/21	270,000	**225**	**0.20**
South Africa 2.10% (2017: 0.99%)					
South Africa (Republic of)	7.7500	28/02/23	19,300,000	1,110	1.00
South Africa (Republic of)	4.6650	17/01/24	1,150,000	877	0.78
South Africa (Republic of)	5.8750	30/05/22	450,000	363	0.32
				2,350	**2.10**
Sri Lanka 0.36% (2017: nil)					
Sri Lanka (Republic of)	5.7500	18/04/23	530,000	**399**	**0.36**
Suriname nil (2017: 0.31%)					
Tanzania 0.27% (2017: 0.49%)					
Tanzania (Republic of)	FRN	09/03/20	382,222	**297**	**0.27**
Tunisia 1.24% (2017: 1.16%)					
Central Bank of Tunisia	5.7500	30/01/25	1,990,000	**1,386**	**1.24**
Turkey 3.38% (2017: 7.50%)					
Turkey (Republic of)	5.7500	22/03/24	2,430,000	1,753	1.56
Turkey (Republic of)	4.8750	09/10/26	1,240,000	811	0.72
Turkey (Republic of)	7.3750	05/02/25	950,000	737	0.66
Turkey (Republic of)	6.0000	25/03/27	700,000	490	0.44
				3,791	**3.38**
Ukraine 4.31% (2017: 4.66%)					
Ukraine (Republic of)	7.7500	01/09/24	1,800,000	1,359	1.20
Ukraine (Republic of)	7.7500	01/09/21	1,100,000	852	0.76
Ukraine (Republic of)	7.7500	01/09/27	953,000	692	0.62
Ukraine (Republic of)	7.7500	01/09/25	704,000	523	0.47
Ukraine (Republic of)	7.7500	01/09/20	671,000	521	0.47
Ukraine (Republic of)	VAR	31/05/40	710,000	338	0.30
Ukraine (Republic of)	7.7500	01/09/23	427,000	327	0.29
Ukraine (Republic of)	7.7500	01/09/26	300,000	221	0.20
				4,833	**4.31**
United Arab Emirates nil (2017: 0.43%)					
Uruguay 1.74% (2017: 2.87%)					
Uruguay (Republic of)∞	5.1000	18/06/50	1,170,000	901	0.80
Uruguay (Republic of)	4.3750	15/12/28	15,600,000	709	0.63
Uruguay (Republic of)	9.8750	20/06/22	13,900,000	343	0.31
				1,953	**1.74**

Aberdeen Emerging Markets Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Venezuela nil (2017: 1.54%)					
Vietnam 0.50% (2017: 0.58%)					
Vietnam (Socialist Republic of)	4.8000	19/11/24	720,000	**556**	**0.50**
Zambia 1.35% (2017: 0.62%)					
Zambia (Republic of)	8.9700	30/07/27	1,680,000	1,144	1.03
Zambia (Republic of)	8.5000	14/04/24	530,000	363	0.32
				1,507	**1.35**
Total Government Bonds				**77,963**	**69.61**
Total Bonds				**102,018**	**91.08**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**102,018**	**91.08**
Other transferable securities and money market instruments 1.33% (2017: 0.03%)					
Bonds 1.33% (2017: 0.03%)					
Corporate Bonds 0.02% (2017: 0.03%)					
Brazil 0.02% (2017: 0.03%)					
OAS Investments	8.2500	19/10/19	530,000	**22**	**0.02**
Total Corporate Bonds				**22**	**0.02**
Government Bonds 1.31% (2017: nil)					
Venezuela 1.31% (2017: nil)					
Petroleos de Venezuela	6.0000	16/05/24	5,546,000	925	0.82
Petroleos de Venezuela	6.0000	15/11/26	2,219,177	370	0.33
Venezuela (Republic of)	9.2500	07/05/28	865,000	178	0.16
				1,473	**1.31**
Total Government Bonds				**1,473**	**1.31**
Total Bonds				**1,495**	**1.33**
Total Other transferable securities and money market instruments				**1,495**	**1.33**
Open Ended Investment Funds 2.77% (2017: 1.01%)					
Aberdeen Global - China Onshore Bond Fund Z Acc GBP†			102,000	992	0.89
Aberdeen Global - Indian Bond Fund Z Acc USD†			240,000	2,109	1.88
Total Open Ended Investment Funds				**3,101**	**2.77**

Aberdeen Emerging Markets Bond Fund

Derivatives (0.54%) (2017: 2.04%)

Forward currency exchange contracts (0.54%) (2017: 2.04%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
BNP Paribas	GBP	USD	11/10/18	17,274,605	22,885,000	(118)	(0.12)
BNP Paribas	USD	IDR	24/08/18	181,800	2,597,920,000	2	-
Citigroup	GBP	USD	11/10/18	17,277,044	22,885,000	(116)	(0.10)
Citigroup	TRY	GBP	11/10/18	6,132,000	950,720	(30)	(0.03)
Deutsche Bank	GBP	USD	11/10/18	17,290,450	22,885,000	(103)	(0.09)
Goldman Sachs	IDR	USD	24/08/18	2,597,920,000	180,599	(1)	-
Goldman Sachs	USD	BRL	24/08/18	3,728,260	13,805,000	48	0.04
Goldman Sachs	USD	BRL	24/08/18	2,050,330	8,066,000	(69)	(0.06)
HSBC	GBP	USD	11/10/18	17,289,183	22,885,000	(104)	(0.09)
HSBC	GBP	USD	11/10/18	109,759	143,000	1	-
HSBC	ZAR	GBP	11/10/18	16,222,000	880,613	52	0.05
Merrill Lynch	GBP	EUR	11/10/18	1,923,402	2,171,000	(18)	(0.02)
Morgan Stanley	GBP	EUR	11/10/18	393,891	445,000	(4)	-
Morgan Stanley	GBP	USD	11/10/18	197,886	259,000	1	-
Morgan Stanley	USD	BRL	24/08/18	1,183,250	4,507,000	(10)	(0.01)
State Street	GBP	USD	11/10/18	17,290,646	22,885,000	(103)	(0.09)
State Street	GBP	EUR	11/10/18	75,289	85,000	(1)	-
UBS	GBP	USD	11/10/18	4,545,348	6,031,000	(38)	(0.03)
UBS	GBP	TRY	11/10/18	931,094	6,132,000	10	0.01
Unrealised losses on forward currency exchange contracts						**(601)**	**(0.54)**
Unrealised losses on derivatives						**(601)**	**(0.54)**
Total investments[≠]						**106,013**	**94.64**
Other net assets						**6,005**	**5.36**
Total net assets						**112,018**	**100.00**

[†] Managed by subsidiaries of Standard Life Aberdeen plc.
[∞] A portion of this security is on loan at the year end.
[≠] Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen Emerging Markets Bond Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	5,066	4.78	4.52

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
France (Government of)	3,989	Government Bond	Investment grade	BNP Paribas
Germany (Federal Republic of)	710	Government Bond	Investment grade	BNP Paribas
Sweden (Kingdom of)	546	Government Bond	Investment grade	BNP Paribas
Luxembourg (Grand Duchy of)	448	Government Bond	Investment grade	BNP Paribas
Netherlands (Kingdom of)	385	Government Bond	Investment grade	BNP Paribas
UK Treasury	142	Government Bond	Investment grade	BNP Paribas
Total collateral received	**6,220**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	6,220	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
EUR	6,078
GBP	142
Total collateral received	**6,220**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Nomura	3,377	Japan	Tri-party
Barclays	1,137	United Kingdom	Tri-party
BNP Paribas	552	France	Tri-party
Total market value of securities lending	**5,066**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	6,220	-	**6,220**

Aberdeen Emerging Markets Bond Fund

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	5,066	-	**5,066**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	14	125.00
Direct operational costs (securities lending agent costs)	(2)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(2)	(25.00)
Net return	**12**	**100.00**

Aberdeen Emerging Markets Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(8,103)		1,244
Revenue	2	6,030		6,038	
Expenses	3	(623)		(777)	
Net revenue before taxation		5,407		5,261	
Taxation	4	(11)		(12)	
Net revenue after taxation			5,396		5,249
Total return before distributions			**(2,707)**		**6,493**
Distributions	5		(5,866)		(5,893)
Change in net assets attributable to shareholders from investment activities			**(8,573)**		**600**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**86,010**		**83,238**
Amounts receivable on issue of shares	47,864		19,249	
Amounts payable on cancellation of shares	(18,877)		(21,513)	
		28,987		(2,264)
Dilution adjustment		143		67
Change in net assets attributable to shareholders from investment activities		(8,573)		600
Retained distributions on accumulation shares		5,451		4,369
Closing net assets attributable to shareholders		**112,018**		**86,010**

Aberdeen Emerging Markets Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		106,728	81,754
Current assets:			
Debtors	6	3,023	2,671
Cash and bank balances		4,779	2,866
Total assets		**114,530**	**87,291**
Liabilities:			
Investment liabilities		715	33
Provisions for liabilities	7	-	59
Creditors:			
Other creditors	8	1,747	1,140
Distribution payable		50	49
Total liabilities		**2,512**	**1,281**
Net assets attributable to shareholders		**112,018**	**86,010**

Aberdeen Emerging Markets Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital (losses)/gains**

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(7,037)	3,294
Forward currency contracts losses	(1,387)	(1,848)
Other currency gains/(losses)	321	(202)
Net capital (losses)/gains	**(8,103)**	**1,244**

2. **Revenue**

	2018 £'000	2017 £'000
Interest on debt securities	5,916	5,879
Distributions from collective investment schemes:		
Offshore distributions - taxable	88	140
Stock lending commission	12	12
Bank interest	14	7
Total revenue	**6,030**	**6,038**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	470	641
Operating, administrative and servicing fees	153	136
Total expenses	**623**	**777**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

4. **Taxation**

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	11	12
Current tax charge	**11**	**12**
Total taxation	**11**	**12**

Aberdeen Emerging Markets Bond Fund

Factors affecting current tax charge for year
The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	5,407	5,261
Corporation tax at 20% (2017 - 20%)	1,081	1,052
Effects of:		
Tax effect of expensed double taxation relief	-	(2)
Tax deductible on interest distributions	(1,081)	(1,050)
Irrecoverable overseas withholding tax	11	12
Total taxation	**11**	**12**

Factors that may affect future tax charges
There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax
There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**
The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	2018 £'000	2017 £'000
First interim	461	484
Second interim	377	455
Third interim	451	469
Fourth interim	547	699
Fifth interim	282	430
Sixth interim	604	482
Seventh interim	391	507
Eighth interim	447	518
Ninth interim	621	518
Tenth interim	570	472
Eleventh interim	548	417
Final	634	438
	5,933	5,889
Add: Revenue deducted on cancellation of shares	51	44
Deduct: Revenue received on issue of shares	(118)	(40)
Distributions for the year	**5,866**	**5,893**
Total distributions	**5,866**	**5,893**

Details of the distribution per share are set out in the distribution tables on pages 202 to 207.

Aberdeen Emerging Markets Bond Fund

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	5,396	5,249
Add:		
Undistributed revenue brought forward	-	3
Authorised Corporate Director's periodic charge paid from capital	470	641
Distributions	**5,866**	**5,893**

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	1,596	1,236
Amounts receivable for issue of shares	171	30
Sales awaiting settlement	1,256	1,405
Total debtors	**3,023**	**2,671**

7. Provisions for liabilities

	2018 £'000	2017 £'000
The provisions for liabilities comprise:		
CGT liability	-	59
Total provisions for liabilities	**-**	**59**

8. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	46	61
Amounts payable for cancellation of shares	20	91
Purchases awaiting settlement	1,681	988
Total other creditors	**1,747**	**1,140**

9. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 191. £118,000 was due from the ACD (2017 - £111,000 due to the ACD) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £3,101,000 (2017 - £866,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

Aberdeen Emerging Markets Bond Fund

10. Material shareholders

Nortrust Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 57% of the Fund's shares in issue.

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 21% of the Fund's shares in issue.

11. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.50%
Class 'I': 0.75%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 175 to 179. The distribution per share class is given in the distribution tables on pages 202 to 207. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	2,142,373	733,519	39,541,223	8,188,073
Creations during the year	108,999	950,942	5,096,472	3,719,561
Cancellations during the year	(633,238)	(141,500)	(12,093,659)	(3,211,504)
Shares converted during the year	(12,721)	-	11,227	4,643
Closing shares in issue	**1,605,413**	**1,542,961**	**32,555,263**	**8,700,773**

	Z Accumulation shares
Opening number of shares	19,541,162
Creations during the year	25,940,062
Cancellations during the year	(478,315)
Shares converted during the year	-
Closing shares in issue	**45,002,909**

12. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Aberdeen Emerging Markets Bond Fund

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Barclays	1,137	1,210	Government Bond
BNP Paribas	552	636	Government Bond
Nomura	3,377	4,374	Government Bond
Total	**5,066**	**6,220**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	14	2	12

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
Barclays	2,157	2,401	Government Bond
JPM Chase	315	332	Government Bond
Nomura	273	292	Government Bond
Total	**2,745**	**3,025**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	15	3	12

Aberdeen Emerging Markets Bond Fund

13. Risk management policies and disclosures

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

Global Exposure

Based on the investment strategy, types of complexities of the derivatives and the proportion of the Fund comprising derivatives, the method of estimating the Fund's overall risk position (Global Exposure) is to the use the value at risk (VaR) techniques which estimate the probability of portfolio losses based on the statistical analysis of historical price trends and volatilities. The VaR is produced on a daily basis and the Fund's current VaR limit is detailed below.

Value at risk (VaR)

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

Model assumptions	
System:	Advanced Portfolio Technologies (APT)
VaR methodology:	Parametric
Confidence level:	99%
Holding period:	1 week (5 days)
Decay factor for exponential smoothing of the historical market data:	nil
Historical observation period:	180 weeks
VaR limit (absolute)	20%
VaR limit (relative)	200%
Reference portfolio for relative VaR	

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	1.88%	2.11%
Maximum VaR	2.36%	2.75%
Average VaR	2.17%	2.40%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	0.17%	1.35%	-	0.48%	2.00%
31 July 2017	0.17%	1.49%	-	0.53%	2.20%

Financial derivatives

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
BNP Paribas	2	2
Goldman Sachs	48	48
HSBC	53	53
Morgan Stanley	1	1
UBS	10	10
Total exposure	**114**	**114**

Aberdeen Emerging Markets Bond Fund

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
BNP Paribas	664	664
Citigroup	60	60
Goldman Sachs	383	383
HSBC	12	12
JPM Chase	331	331
State Street	336	336
Total exposure	**1,786**	**1,786**

The Fund had no collateral pledged or collateral held in respect of derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	715	-	-	715
Non-derivatives					
Other creditors	-	1,747	-	-	1,747
Distribution payable	-	50	-	-	50
Total financial liabilities	**-**	**2,512**	**-**	**-**	**2,512**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	33	-	-	33
Non-derivatives					
Provisions for liabilities	-	-	59	-	59
Other creditors	-	1,140	-	-	1,140
Distribution payable	-	49	-	-	49
Total financial liabilities	**-**	**1,222**	**59**	**-**	**1,281**

Aberdeen Emerging Markets Bond Fund

14. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Bonds	89,902	60,296	57,941	60,258
Collective Investment Schemes	3,640	127	1,268	1,210
Trades in the year before transactions costs	**93,542**	**60,423**	**59,209**	**61,468**
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**93,542**	**60,423**	**59,209**	**61,468**

	Purchases		Sales	
	2018 %	2017 %	2018 %	2017 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Aberdeen Emerging Markets Bond Fund

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £797,000 in the year (2017 - £979,000 (net purchases of £160,000 & net sales of £819,000)).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.72% (2017 - 0.59%).

15. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1

Quoted prices in active markets for identical securities.

Level 2

Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3

Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	-	-	-	-
Level 2	106,728	715	81,754	33
Level 3	-	-	-	-
Total	**106,728**	**715**	**81,754**	**33**

Aberdeen Emerging Markets Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

First interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 August 2017

	Revenue	Equalisation	Distribution paid 30/09/17	Distribution paid 30/09/16
A Accumulation shares				
Group 1	0.74030	-	0.74030	0.56119
Group 2	0.49762	0.24268	0.74030	0.56119
A Income shares				
Group 1	0.53548	-	0.53548	0.43000
Group 2	0.21326	0.32222	0.53548	0.43000
I Accumulation shares				
Group 1	0.63345	-	0.63345	0.47209
Group 2	0.30995	0.32350	0.63345	0.47209
I Income shares				
Group 1	0.49400	-	0.49400	0.39000
Group 2	0.23751	0.25649	0.49400	0.39000
Z Accumulation shares				
Group 1	0.78119	-	0.78119	0.58794
Group 2	0.14680	0.63439	0.78119	0.58794

Second interim interest distribution
Group 1: Shares purchased prior to 1 September 2017
Group 2: Shares purchased 1 September 2017 to 30 September 2017

	Revenue	Equalisation	Distribution paid 31/10/17	Distribution paid 31/10/16
A Accumulation shares				
Group 1	0.60157	-	0.60157	0.51113
Group 2	0.31459	0.28698	0.60157	0.51113
A Income shares				
Group 1	0.43285	-	0.43285	0.39000
Group 2	0.11387	0.31898	0.43285	0.39000
I Accumulation shares				
Group 1	0.51495	-	0.51495	0.43761
Group 2	0.23769	0.27726	0.51495	0.43761
I Income shares				
Group 1	0.39947	-	0.39947	0.36000
Group 2	0.17023	0.22924	0.39947	0.36000
Z Accumulation shares				
Group 1	0.63551	-	0.63551	0.54448
Group 2	0.27122	0.36429	0.63551	0.54448

Aberdeen Emerging Markets Bond Fund

Third interim interest distribution
Group 1: Shares purchased prior to 1 October 2017
Group 2: Shares purchased 1 October 2017 to 31 October 2017

	Revenue	Equalisation	Distribution paid 30/11/17	Distribution paid 30/11/16
A Accumulation shares				
Group 1	0.72143	-	0.72143	0.52808
Group 2	0.35681	0.36462	0.72143	0.52808
A Income shares				
Group 1	0.51686	-	0.51686	0.40140
Group 2	0.14763	0.36923	0.51686	0.40140
I Accumulation shares				
Group 1	0.61781	-	0.61781	0.45008
Group 2	0.21863	0.39918	0.61781	0.45008
I Income shares				
Group 1	0.47719	-	0.47719	0.36883
Group 2	0.22804	0.24915	0.47719	0.36883
Z Accumulation shares				
Group 1	0.76316	-	0.76316	0.55081
Group 2	0.45471	0.30845	0.76316	0.55081

Fourth interim interest distribution
Group 1: Shares purchased prior to 1 November 2017
Group 2: Shares purchased 1 November 2017 to 30 November 2017

	Revenue	Equalisation	Distribution paid 31/12/17	Distribution paid 31/12/16
A Accumulation shares				
Group 1	0.66994	-	0.66994	0.80108
Group 2	0.20801	0.46193	0.66994	0.80108
A Income shares				
Group 1	0.47751	-	0.47751	0.60647
Group 2	0.12821	0.34930	0.47751	0.60647
I Accumulation shares				
Group 1	0.57398	-	0.57398	0.68194
Group 2	0.18651	0.38747	0.57398	0.68194
I Income shares				
Group 1	0.44105	-	0.44105	0.55660
Group 2	0.12631	0.31474	0.44105	0.55660
Z Accumulation shares				
Group 1	0.71164	-	0.71164	0.80665
Group 2	0.28164	0.43000	0.71164	0.80665

Aberdeen Emerging Markets Bond Fund

Fifth interim interest distribution
Group 1: Shares purchased prior to 1 December 2017
Group 2: Shares purchased 1 December 2017 to 31 December 2017

	Revenue	Equalisation	Distribution paid 31/01/18	Distribution paid 31/01/17
A Accumulation shares				
Group 1	0.34498	-	0.34498	0.48483
Group 2	0.04414	0.30084	0.34498	0.48483
A Income shares				
Group 1	0.24472	-	0.24472	0.36470
Group 2	-	0.24472	0.24472	0.36470
I Accumulation shares				
Group 1	0.29567	-	0.29567	0.41338
Group 2	0.03298	0.26269	0.29567	0.41338
I Income shares				
Group 1	0.22610	-	0.22610	0.33527
Group 2	0.04668	0.17942	0.22610	0.33527
Z Accumulation shares				
Group 1	0.36573	-	0.36573	0.50493
Group 2	0.02843	0.33730	0.36573	0.50493

Sixth interim interest distribution
Group 1: Shares purchased prior to 1 January 2018
Group 2: Shares purchased 1 January 2018 to 31 January 2018

	Revenue	Equalisation	Distribution paid 28/02/18	Distribution paid 28/02/17
A Accumulation shares				
Group 1	0.74126	-	0.74126	0.54282
Group 2	0.21235	0.52891	0.74126	0.54282
A Income shares				
Group 1	0.52453	-	0.52453	0.40679
Group 2	0.22240	0.30213	0.52453	0.40679
I Accumulation shares				
Group 1	0.63572	-	0.63572	0.46308
Group 2	0.29008	0.34564	0.63572	0.46308
I Income shares				
Group 1	0.48495	-	0.48495	0.37415
Group 2	0.16779	0.31716	0.48495	0.37415
Z Accumulation shares				
Group 1	0.78703	-	0.78703	0.56759
Group 2	0.35778	0.42925	0.78703	0.56759

Aberdeen Emerging Markets Bond Fund

Seventh interim interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 28 February 2018

	Revenue	Equalisation	Distribution paid 31/03/18	Distribution paid 31/03/17
A Accumulation shares				
Group 1	0.53338	-	0.53338	0.56761
Group 2	0.21434	0.31904	0.53338	0.56761
A Income shares				
Group 1	0.37544	-	0.37544	0.42359
Group 2	0.27809	0.09735	0.37544	0.42359
I Accumulation shares				
Group 1	0.45827	-	0.45827	0.48443
Group 2	0.22320	0.23507	0.45827	0.48443
I Income shares				
Group 1	0.34776	-	0.34776	0.38976
Group 2	0.15985	0.18791	0.34776	0.38976
Z Accumulation shares				
Group 1	0.56631	-	0.56631	0.59435
Group 2	0.29050	0.27581	0.56631	0.59435

Eighth interim interest distribution
Group 1: Shares purchased prior to 1 March 2018
Group 2: Shares purchased 1 March 2018 to 31 March 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.59261	-	0.59261	0.73189
Group 2	0.14364	0.44897	0.59261	0.73189
A Income shares				
Group 1	0.41552	-	0.41552	0.54388
Group 2	0.18378	0.23174	0.41552	0.54388
I Accumulation shares				
Group 1	0.50911	-	0.50911	0.62503
Group 2	0.34721	0.16190	0.50911	0.62503
I Income shares				
Group 1	0.38485	-	0.38485	0.50075
Group 2	0.20578	0.17907	0.38485	0.50075
Z Accumulation shares				
Group 1	0.63080	-	0.63080	0.76726
Group 2	0.03144	0.59936	0.63080	0.76726

Aberdeen Emerging Markets Bond Fund

Ninth interim interest distribution
Group 1: Shares purchased prior to 1 April 2018
Group 2: Shares purchased 1 April 2018 to 30 April 2018

	Revenue	Equalisation	Distribution paid 31/05/18	Distribution paid 31/05/17
A Accumulation shares				
Group 1	0.82193	-	0.82193	0.81896
Group 2	0.33105	0.49088	0.82193	0.81896
A Income shares				
Group 1	0.57382	-	0.57382	0.60525
Group 2	0.37723	0.19659	0.57382	0.60525
I Accumulation shares				
Group 1	0.70637	-	0.70637	0.69937
Group 2	0.38786	0.31851	0.70637	0.69937
I Income shares				
Group 1	0.53167	-	0.53167	0.55727
Group 2	0.28712	0.24455	0.53167	0.55727
Z Accumulation shares				
Group 1	0.87585	-	0.87585	0.85957
Group 2	0.53254	0.34331	0.87585	0.85957

Tenth interim interest distribution
Group 1: Shares purchased prior to 1 May 2018
Group 2: Shares purchased 1 May 2018 to 31 May 2018

	Revenue	Equalisation	Distribution paid 30/06/18	Distribution paid 30/06/17
A Accumulation shares				
Group 1	0.75339	-	0.75339	0.75067
Group 2	0.32210	0.43129	0.75339	0.75067
A Income shares				
Group 1	0.52279	-	0.52279	0.55144
Group 2	0.02998	0.49281	0.52279	0.55144
I Accumulation shares				
Group 1	0.64783	-	0.64783	0.64138
Group 2	0.32603	0.32180	0.64783	0.64138
I Income shares				
Group 1	0.48465	-	0.48465	0.50799
Group 2	0.24733	0.23732	0.48465	0.50799
Z Accumulation shares				
Group 1	0.80375	-	0.80375	0.78889
Group 2	0.41174	0.39201	0.80375	0.78889

Aberdeen Emerging Markets Bond Fund

Eleventh interim interest distribution
Group 1: Shares purchased prior to 1 June 2018
Group 2: Shares purchased 1 June 2018 to 30 June 2018

	Revenue	Equalisation	Distribution paid 31/07/18	Distribution paid 31/07/17
A Accumulation shares				
Group 1	0.71411	-	0.71411	0.66548
Group 2	0.48713	0.22698	0.71411	0.66548
A Income shares				
Group 1	0.49273	-	0.49273	0.48618
Group 2	0.23280	0.25993	0.49273	0.48618
I Accumulation shares				
Group 1	0.61438	-	0.61438	0.56879
Group 2	0.37352	0.24086	0.61438	0.56879
I Income shares				
Group 1	0.45703	-	0.45703	0.44801
Group 2	0.28798	0.16905	0.45703	0.44801
Z Accumulation shares				
Group 1	0.76285	-	0.76285	0.70013
Group 2	0.48578	0.27707	0.76285	0.70013

Final interest distribution
Group 1: Shares purchased prior to 1 July 2018
Group 2: Shares purchased 1 July 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/08/18	Distribution paid 31/08/17
A Accumulation shares				
Group 1	0.75119	-	0.75119	0.69728
Group 2	0.09020	0.66099	0.75119	0.69728
A Income shares				
Group 1	0.51547	-	0.51547	0.50693
Group 2	0.08642	0.42905	0.51547	0.50693
I Accumulation shares				
Group 1	0.64680	-	0.64680	0.59878
Group 2	0.31645	0.33035	0.64680	0.59878
I Income shares				
Group 1	0.47851	-	0.47851	0.46934
Group 2	0.13445	0.34406	0.47851	0.46934
Z Accumulation shares				
Group 1	0.80340	-	0.80340	0.73804
Group 2	0.65819	0.14521	0.80340	0.73804

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

Aberdeen Emerging Markets Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide long term capital growth from direct or indirect investment in emerging stock markets worldwide or companies with significant activities in emerging markets.

Performance review

For the year ended 31 July 2018, the value of the value of Aberdeen Emerging Markets Equity Fund - A Accumulation Shares decreased by 4.95% compared to an increase of 5.27% in the benchmark, the MSCI Emerging Markets Index.

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

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

Market review

Emerging markets posted gains in the year under review. Initial optimism fuelled by the synchronised economic upswing and higher commodity prices gave way to renewed volatility, as investors were jittery about the Federal Reserve's hawkish stance, rising US dollar strength and regional political uncertainty. Also curbing appetite was the worsening trade spat between the US and its major partners that threatened to derail global growth.

Escalating trade tension with the White House pared initial market gains in China. Both countries have mutually imposed tariffs on US$34 billion worth of goods, with a list of others under consideration. Further weighing on mainland equities were signs of slowing growth and a weakening yuan that prompted authorities to speed up infrastructure spending and inject capital into the financial system. Likewise, global trade jitters dampened sentiment in Korea, despite a thaw in its relation with the North.

Elsewhere, Turkish stocks and the lira were battered by concerns over the country's deteriorating fiscal health, worsened by President Erdogan's interference in central bank policy. Brazilian stocks rallied in the first half of the period, after the economy emerged from its worse recession ever, but subsequently corrected, on slower-than-expected recovery. Investors were also rattled by a nationwide truckers strike that stifled economic activity and dented the country's growth outlook. Meanwhile, voter intention ahead of the upcoming general elections remained fragmented after former president Lula lost his appeal against a graft conviction, leaving the race wide open. Mexican equities lagged their peers on lingering concerns over the progress of NAFTA talks and jitters before the presidential elections in July. However, sentiment has since rebounded, underpinned by attractive valuations and President-elect Lopez Obrador's moderate tone towards the private sector.

Conversely, shrugging off US sanctions and a diplomatic row with the West, Russian stocks remained robust, buoyed by higher oil prices and an improving environment. S&P raised the country's sovereign rating to investment grade, citing prudent macroeconomic management, low public debt and flexible exchange-rate regime. India was hurt by the re-introduction of a long-term capital gains tax, but recovered on encouraging corporate results and growth outlook.

On the political front, renewed optimism about the leadership of President Cyril Ramaphosa boosted South Africa's prospects, helping it avoid a third credit-rating downgrade. Malaysia witnessed a stunning electoral outcome with Pakatan Harapan, a party led by former Prime Minister Mahathir Mohamad, breaking the Barisan Nasional's six-decade-long regime.

Portfolio review

The Fund lagged its benchmark, as both asset allocation and stock selection were negative.

Brazil was responsible for the bulk of the underperformance, due to our overweight there, and by extension the real, which was among the weakest emerging-market currencies. At the stock level, our holding Ultrapar sold off, following disappointing results amid intensifying competition in the fuel-distribution segment. BRF fell as a result of temporary restrictions placed on its exports to Europe. However, after a successful board reshuffle and new chairman appointed by a coalition of institutional shareholders, including ourselves, its shares have been gradually recovering.

In Asia, the light exposure to China proved costly, as the mainland remained resilient, with index-heavyweights Tencent and Alibaba continuing to fare well. Mitigating this was the position in the Aberdeen Global – China A Share Fund: its underlying holdings outperformed on positive earnings momentum. The exposure to India contributed to performance, as the market appeared better insulated from global trade worries. Several holdings there, including Hindustan Unilever, Tata Consultancy and Kotak Mahindra Bank, rose on the back of upbeat results.

At the stock level, Magnit was a key detractor, as its shares retreated further, following news of founder Sergey Galitsky's resignation and the sale of most of his stake to VTB Bank's private-equity arm. However, we remain confident that its investment initiatives and the ongoing formalisation of Russia's retail market provides an attractive longer-term prospect. Turkish lenders Akbank and Garanti Bank also hampered relative performance. As a result, we exited both, due to concerns over Turkey's heightened geopolitical risks, growth outlook and credit quality.

Elsewhere, the Fund benefited from the lack of exposure to Hon Hai Precision Industry, which was pressured by weaker demand for smart phones, and Steinhoff International, as the retailer became embroiled in an accounting scandal.

Aberdeen Emerging Markets Equity Fund

In addition to the portfolio activity mentioned in the interim review, we introduced leading Chinese contract research organisation Wuxi Biologics, which has an attractive growth outlook. Its management has established a robust platform, and we believe it will benefit from the increasing trend of outsourcing research and development of biological drugs. We also introduced South African technology and media holding company Naspers, which showed proof of value creation from its underlying businesses and a widening discount relative to its stake in Tencent. Other initiations included: Autohome, China's dominant online automobile portal with significant pricing power and a competitive moat; Huazhu Group, a hotel-chain operator with impressive growth capacity over the long term; and Sunny Optical, a market-leading lens and camera module manufacturer with considerable barriers to entry.

Against this, we exited Jeronimo Martins, given the increased pressure on its margins.

Outlook

Volatility is likely to persist in emerging markets, as expectations for faster-than-expected policy normalisation and a strengthening US dollar curb investors' risk appetite. Escalating global trade tensions are another concern, as supply chain disruptions could hurt corporate profits. Political ambiguity over electoral outcomes and policy continuity across major markets further cloud the outlook. Fortunately, many emerging-market economies now have better fundamentals, with lower current account deficits and healthier currency reserves to buffer against shocks. Despite the trade-related fears, growth is still recovering in markets such as Brazil and India. While near-term capital flight and pressure on currencies may result in a degree of monetary tightening across the emerging world in the short term, the economic trajectory remains one of cyclical recovery. This should also be reflected by a continued rebound in corporate earnings. We remain optimistic that our holdings' quality will help them weather the present storms and benefit from the asset class' long-term potential.

Global Emerging Markets Equity Team **August 2018**

Aberdeen Emerging Markets Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Emerging Markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries and this may mean your money is at greater risk.
- Chinese Domestic Securities Market: The Fund may invest directly or indirectly in Chinese domestic securities markets via various channels, which involves additional risks as further described in the Fund's Prospectus.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Emerging Markets Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	725.38	623.10	520.11
Return before operating charges*	(18.57)	115.76	113.12
Operating charges	(14.28)	(13.48)	(10.13)
Return after operating charges*	(32.85)	102.28	102.99
Distributions on accumulation shares	(1.00)	(2.28)	(2.86)
Retained distributions on accumulation shares	1.00	2.28	2.86
Closing net asset value per share	692.53	725.38	623.10
* after direct transaction costs of:	0.30	0.28	0.34
Performance			
Return after charges	(4.53%)	16.41%	19.80%
Other information			
Closing net asset value (£'000s)	402,727	515,045	540,136
Closing number of shares	58,152,690	71,003,778	86,685,353
Operating charges	1.98%	2.00%	2.02%
Direct transaction costs	0.04%	0.04%	0.07%
Prices			
Highest share price (pence)	769.46	738.62	627.32
Lowest share price (pence)	655.94	608.53	443.23

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

Aberdeen Emerging Markets Equity Fund

G Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	106.71	100.00[B]
Return before operating charges*	(2.74)	7.73
Operating charges	(1.31)	(1.02)
Return after operating charges*	(4.05)	6.71
Distributions on accumulation shares	(0.99)	(0.91)
Retained distributions on accumulation shares	0.99	0.91
Closing net asset value per share	102.66	106.71
* after direct transaction costs of:	0.04	0.04
Performance		
Return after charges	(3.80%)	6.71%
Other information		
Closing net asset value (£'000s)	53,387	63,116
Closing number of shares	52,004,873	59,148,373
Operating charges	1.23%	1.25%
Direct transaction costs	0.04%	0.04%
Prices		
Highest share price (pence)	113.63	108.63
Lowest share price (pence)	97.18	89.08

[A] G Accumulation share class launched on 7 October 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Emerging Markets Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	792.99	676.09	560.10
Return before operating charges*	(20.45)	126.11	122.94
Operating charges	(9.75)	(9.21)	(6.95)
Return after operating charges*	(30.20)	116.90	115.99
Distributions on accumulation shares	(7.34)	(8.15)	(7.35)
Retained distributions on accumulation shares	7.34	8.15	7.35
Closing net asset value per share	762.79	792.99	676.09
* after direct transaction costs of:	0.33	0.31	0.37
Performance			
Return after charges	(3.81%)	17.29%	20.71%
Other information			
Closing net asset value (£'000s)	640,258	1,095,471	950,816
Closing number of shares	83,936,171	138,144,500	140,635,285
Operating charges	1.23%	1.25%	1.27%
Direct transaction costs	0.04%	0.04%	0.07%
Prices			
Highest share price (pence)	844.35	807.28	680.62
Lowest share price (pence)	722.07	662.01	479.04

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

Aberdeen Emerging Markets Equity Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	756.11	651.36	545.53
Return before operating charges*	(19.48)	121.44	119.77
Operating charges	(9.33)	(8.84)	(6.78)
Return after operating charges*	(28.81)	112.60	112.99
Distributions on income shares	(7.00)	(7.85)	(7.16)
Closing net asset value per share	720.30	756.11	651.36
* after direct transaction costs of:	0.32	0.29	0.36
Performance			
Return after charges	(3.81%)	17.29%	20.71%
Other information			
Closing net asset value (£'000s)	1,507	6,799	6,785
Closing number of shares	209,266	899,227	1,041,641
Operating charges	1.23%	1.25%	1.27%
Direct transaction costs	0.04%	0.04%	0.07%
Prices			
Highest share price (pence)	805.06	777.73	662.92
Lowest share price (pence)	688.47	637.77	466.58

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

Aberdeen Emerging Markets Equity Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	876.13	739.54	606.58
Return before operating charges*	(22.86)	138.61	134.57
Operating charges	(2.02)	(2.02)	(1.61)
Return after operating charges*	(24.88)	136.59	132.96
Distributions on accumulation shares	(16.96)	(17.06)	(13.98)
Retained distributions on accumulation shares	16.96	17.06	13.98
Closing net asset value per share	851.25	876.13	739.54
* after direct transaction costs of:	0.37	0.34	0.41
Performance			
Return after charges	(2.84%)	18.47%	21.92%
Other information			
Closing net asset value (£'000s)	99,574	99,260	91,418
Closing number of shares	11,697,384	11,329,384	12,361,484
Operating charges	0.23%	0.25%	0.27%
Direct transaction costs	0.04%	0.04%	0.07%
Prices			
Highest share price (pence)	937.53	891.65	744.44
Lowest share price (pence)	805.18	726.67	521.27

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

Aberdeen Emerging Markets Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 91.22% (2017: 92.82%)					
Equities 91.22% (2017: 92.82%)					
Asia Pacific 60.19% (2017: 52.98%)					
China 11.34% (2017: nil)					
Autohome (ADR)			148,265	10,915	0.91
China Resources Land			7,644,000	21,276	1.78
Ping An Insurance∞			4,162,500	29,419	2.46
Tencent			2,151,000	74,183	6.19
				135,793	**11.34**
Hong Kong 7.86% (2017: 10.66%)					
AIA			4,333,000	28,836	2.41
China Mobile			3,412,500	23,438	1.96
Hang Lung			6,688,000	14,976	1.25
Hong Kong Exchanges & Clearing			733,745	16,509	1.38
Sunny Optical Technology∞			363,200	4,566	0.38
WuXi Biologics (Cayman)			748,000	5,784	0.48
				94,109	**7.86**
India 14.06% (2017: 15.36%)					
Aditya Birla Capital			2,800,868	4,561	0.38
Grasim Industries			1,300,120	14,808	1.24
Hero MotoCorp			342,592	12,539	1.05
Hindustan Unilever			888,900	17,112	1.43
Housing Development Finance			1,816,487	40,154	3.36
ITC			6,734,982	22,274	1.86
Kotak Mahindra Bank			1,245,100	18,090	1.51
Tata Consultancy Services			899,566	19,427	1.62
UltraTech Cement			413,873	19,283	1.61
				168,248	**14.06**
Indonesia 4.71% (2017: 4.86%)					
Astra International			63,519,300	23,926	2.00
Bank Central Asia			18,317,800	22,370	1.87
Indocement Tunggal Prakarsa			13,452,500	10,046	0.84
				56,342	**4.71**
Malaysia 1.48% (2017: 1.24%)					
Public Bank			3,937,458	**17,737**	**1.48**
Philippines 3.83% (2017: 3.88%)					
Ayala			771,680	11,061	0.92
Ayala Land			25,727,300	15,068	1.26
Bank of the Philippine Islands			14,068,515	19,752	1.65
				45,881	**3.83**

Aberdeen Emerging Markets Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
South Korea 9.38% (2017: 7.82%)					
Amorepacific			88,175	5,757	0.48
Amorepacific (PREF)			37,352	3,589	0.30
LG Chem			57,940	14,807	1.24
Naver			33,921	16,528	1.38
Samsung Electronics (PREF)			2,746,200	71,584	5.98
				112,265	**9.38**
Taiwan 4.99% (2017: 4.93%)					
TSMC			9,776,718	**59,769**	**4.99**
Thailand 2.54% (2017: 4.23%)					
Siam Cement (Alien)			2,013,900	20,766	1.73
Siam Commercial Bank (Alien)			3,034,600	9,700	0.81
				30,466	**2.54**
Total Asia Pacific				**720,610**	**60.19**
Europe, Middle East & Africa (ex United Kingdom) 9.63% (2017: 14.15%)					
Hungary 0.67% (2017: 1.07%)					
Gedeon Richter			582,105	**7,998**	**0.67**
Poland 1.00% (2017: 0.92%)					
Bank Pekao∞			514,712	**11,965**	**1.00**
Portugal nil (2017: 1.05%)					
Russian Federation 3.04% (2017: 3.61%)					
Lukoil ADR			452,071	24,738	2.07
Magnit			229,806	11,657	0.97
				36,395	**3.04**
South Africa 3.86% (2017: 3.50%)					
Massmart			1,881,845	12,849	1.07
MTN			2,296,900	15,274	1.27
Naspers			29,900	5,642	0.47
Truworths International			2,637,222	12,564	1.05
				46,329	**3.86**
Turkey 1.06% (2017: 4.00%)					
BIM Birlesik Magazalar∞			1,149,986	**12,644**	**1.06**
Total Europe, Middle East & Africa (ex United Kingdom)				**115,331**	**9.63**

Aberdeen Emerging Markets Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Latin America 18.60% (2017: 22.78%)					
Argentina nil (2017: 1.10%)					
Brazil 11.16% (2017: 11.99%)					
AmBev			4,787,300	18,847	1.57
Banco Bradesco (ADR)			5,589,227	34,385	2.88
BRF			1,820,300	8,356	0.70
Lojas Renner			2,609,500	16,257	1.36
Multiplan Empreendimentos Imobiliarios			3,040,800	12,385	1.03
Ultrapar Participacoes			1,408,470	11,619	0.97
Vale (ADR)			2,844,700	31,770	2.65
				133,619	**11.16**
Chile 1.94% (2017: 2.41%)					
Banco Santander Chile (ADR)			472,932	11,833	0.99
SACI Falabella			1,614,449	11,380	0.95
				23,213	**1.94**
Mexico 5.50% (2017: 7.28%)					
FEMSA (ADR)			341,600	25,551	2.13
Grupo Aeroportuario del Sureste			1,241,510	16,859	1.41
Grupo Financiero Banorte			4,418,923	23,469	1.96
				65,879	**5.50**
Total Latin America				**222,711**	**18.60**
North America 2.11% (2017: 1.69%)					
United States 2.11% (2017: 1.69%)					
Huazhu[∞]			170,100	5,184	0.43
Yum China			732,025	20,135	1.68
				25,319	**2.11**
Total North America				**25,319**	**2.11**
United Kingdom 0.69% (2017: 1.22%)					
Standard Chartered			1,209,321	**8,320**	**0.69**
Total United Kingdom				**8,320**	**0.69**
Total Equities				**1,092,291**	**91.22**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**1,092,291**	**91.22**

Aberdeen Emerging Markets Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Open Ended Investment Funds 8.59% (2017: 7.34%)					
Aberdeen Global - China A Share Equity Fund Z Acc USD†			8,223,879	92,434	7.72
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1†			10,448	10,448	0.87
				102,882	**8.59**
Total Open Ended Investment Funds				**102,882**	**8.59**
Total investments				**1,195,173**	**99.81**
Other net assets				**2,280**	**0.19**
Total net assets				**1,197,453**	**100.00**

† Managed by subsidiaries of Standard Life Aberdeen plc.
∞ A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen Emerging Markets Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Securities lending	28,859	2.41	2.41

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Intesa Sanpaolo	1,338	Equity	Main market listing	BNP Paribas
Eni	1,041	Equity	Main market listing	BNP Paribas
Assicurazioni Generali	953	Equity	Main market listing	BNP Paribas
UK Treasury	948	Government Bond	Investment grade	BNP Paribas
Anheuser-Busch InBev	813	Equity	Main market listing	BNP Paribas
Sony	770	Equity	Main market listing	BNP Paribas
Unicredit	719	Equity	Main market listing	BNP Paribas
Mediobanca	644	Equity	Main market listing	BNP Paribas
Banco Bilbao Vizcaya Argentaria	641	Equity	Main market listing	BNP Paribas
Banco de Sabadell	554	Equity	Main market listing	BNP Paribas
Other Equity	23,685	Equity	Main market listing	BNP Paribas
Total collateral received	**32,106**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	32,106	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	1,540
CHF	208
EUR	15,688
GBP	2,953
JPY	7,529
USD	4,188
Total collateral received	**32,106**

Aberdeen Emerging Markets Equity Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
JPM Chase	10,204	United States	Tri-party
BNP Paribas	9,972	France	Tri-party
NATIXIS	4,915	France	Tri-party
Deutsche Bank	3,768	Germany	Tri-party
Total market value of securities lending	**28,859**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	948	31,158	**32,106**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	28,859	**28,859**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	40	125.00
Direct operational costs (securities lending agent costs)	(8)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(8)	(25.00)
Net return	**32**	**100.00**

Aberdeen Emerging Markets Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(77,413)		243,598
Revenue	2	37,278		43,825	
Expenses	3	(22,072)		(23,786)	
Net revenue before taxation		15,206		20,039	
Taxation	4	(3,822)		(4,099)	
Net revenue after taxation			11,384		15,940
Total return before distributions			**(66,029)**		**259,538**
Distributions	5		(11,400)		(15,862)
Change in net assets attributable to shareholders from investment activities			**(77,429)**		**243,676**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**1,779,691**		**1,589,155**
Amounts receivable on issue of shares	8,537		222,917	
Amounts payable on cancellation of shares	(524,089)		(292,813)	
		(515,552)		(69,896)
Dilution adjustment		778		312
Capacity management charge		719		1,089
Change in net assets attributable to shareholders from investment activities		(77,429)		243,676
Retained distributions on accumulation shares		9,246		15,355
Closing net assets attributable to shareholders		**1,197,453**		**1,779,691**

Aberdeen Emerging Markets Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		1,195,173	1,782,494
Current assets:			
Debtors	6	5,354	10,192
Cash and bank balances		7,424	6,215
Total assets		**1,207,951**	**1,798,901**
Liabilities:			
Provisions for liabilities	7	1,599	-
Creditors:			
Other creditors	8	8,884	19,139
Distribution payable		15	71
Total liabilities		**10,498**	**19,210**
Net assets attributable to shareholders		**1,197,453**	**1,779,691**

Aberdeen Emerging Markets Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital (losses)/gains**

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(76,424)	243,671
Other currency losses	(993)	(640)
Class actions	4	567
Net capital (losses)/gains	**(77,413)**	**243,598**

2. **Revenue**

	2018 £'000	2017 £'000
UK dividends	351	666
Distributions from collective investment schemes:		
Offshore distributions - taxable	47	8
Offshore distributions - non-taxable	1,474	464
Overseas dividends	34,839	41,400
Stock dividends	522	972
Stock lending commission	32	112
Bank interest	13	24
Management fee rebates taken to revenue	-	179
Total revenue	**37,278**	**43,825**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	18,529	19,784
Operating, administrative and servicing fees	3,543	4,002
Total expenses	**22,072**	**23,786**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. **Taxation**

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	3,822	4,099
Current tax charge	**3,822**	**4,099**
Total taxation	**3,822**	**4,099**

Factors affecting current tax charge for year

The tax charge for the year is higher (2017 - higher) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	15,206	20,039
Corporation tax at 20% (2017 - 20%)	3,041	4,008
Effects of:		
UK dividends*	(70)	(133)
Non-taxable overseas dividends*	(6,265)	(6,902)
Excess management expenses	3,471	3,266
Tax effect of expensed double taxation relief	(177)	(239)
Irrecoverable overseas withholding tax	3,822	4,099
Total taxation	**3,822**	**4,099**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £43,821,000 (2017 - £40,350,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised. The prior year figure was revised to reflect the prior year accounts as submitted to HMRC.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**

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

	2018 £'000	2017 £'000
Final	9,261	15,426
Add: Revenue deducted on cancellation of shares	2,209	904
Deduct: Revenue received on issue of shares	(70)	(468)
Distributions for the year	**11,400**	**15,862**
Total distributions	**11,400**	**15,862**

Details of the distribution per share are set out in the distribution tables on page 233.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	11,384	15,940
Add:		
Undistributed revenue brought forward	-	5
Movement between share classes due to conversions	16	-
Deduct:		
Movement between share classes due to conversions	-	(83)
Distributions	**11,400**	**15,862**

Aberdeen Emerging Markets Equity Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	788	2,656
Amounts receivable for issue of shares	151	691
Overseas withholding tax reclaimable	455	479
Sales awaiting settlement	865	2,315
Currency transactions awaiting settlement	2,342	3,303
Other debtor	731	725
Tax reclaimable	22	23
Total debtors	**5,354**	**10,192**

7. Provisions for liabilities

	2018 £'000	2017 £'000
The provisions for liabilities comprise:		
CGT liability	1,599	-
Total provisions for liabilities	**1,599**	**-**

8. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	1,372	2,140
Amounts payable for cancellation of shares	2,579	11,852
Purchases awaiting settlement	2,590	1,834
Currency transactions awaiting settlement	2,343	3,313
Total other creditors	**8,884**	**19,139**

9. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 222. £3,634,000 was due to the ACD (2017 - £13,010,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £102,882,000 (2017 - £130,573,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.75%
Class 'G': 1.00%
Class 'I' : 1.00 %
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on 211 to 215. The distribution per share class is given in the distribution tables on page 233. All share classes have the same rights on winding up.

Share reconciliation
As at 31 July 2018

	A Accumulation shares	G Accumulation shares	I Accumulation shares	I Income shares
Opening number of shares	71,003,778	59,148,373	138,144,500	899,227
Creations during the year	283,426	1,438,500	(3,442)	46,004
Cancellations during the year	(11,784,126)	(8,582,000)	(55,395,772)	(778,100)
Shares converted during the year	(1,350,388)	-	1,190,885	42,135
Closing shares in issue	**58,152,690**	**52,004,873**	**83,936,171**	**209,266**

	Z Accumulation shares
Opening number of shares	11,329,384
Creations during the year	555,400
Cancellations during the year	(187,400)
Shares converted during the year	-
Closing shares in issue	**11,697,384**

11. Contingent asset

The Fund is party to certain claims and proceedings to recover tax suffered in respect of overseas income. These claims and proceedings are considered a contingent asset of the Fund but have not been recognised in these Financial Statements as the outcome of the claims is dependent on continued litigation and tax filing requirements and as such is not sufficiently certain.

12. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Aberdeen Emerging Markets Equity Fund

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
BNP Paribas	9,972	11,080	Equity
Deutsche	3,727	4,094	Equity
Deutsche	42	44	Government Bond
JPM Chase	9,356	10,500	Equity
JPM Chase	847	904	Government Bond
NATIXIS	4,915	5,484	Equity
Total	**28,859**	**32,106**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	40	8	32

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
BNP Paribas	17,870	19,772	Equity
BNP Paribas	1,046	1,102	Government Bond
Societe Generale	2,204	2,437	Equity
Societe Generale	111	117	Government Bond
Total	**21,231**	**23,428**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	140	28	112

13. **Risk management policies and disclosures**

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Brazilian Real	208	67,463	67,671
Chilean Peso	-	11,380	11,380
Euro	44	-	44
Hong Kong Dollar	-	218,986	218,986
Hungarian Forint	5	7,998	8,003
Indian Rupee	526	168,249	168,775
Indonesian Rupiah	-	56,342	56,342
Korean Won	551	112,265	112,816
Malaysian Ringgit	-	17,737	17,737
Mexican Nuevo Peso	-	40,327	40,327
New Taiwan Dollar	248	59,769	60,017
Philippine Peso	-	45,881	45,881
Polish Zloty	176	11,965	12,141
Pound Sterling	505	18,768	19,273
Russian Rouble	-	11,657	11,657
South African Rand	-	46,329	46,329
Thai Baht	-	30,466	30,466
Turkish Lira	-	12,644	12,644
US Dollar	17	256,947	256,964
Net assets	**2,280**	**1,195,173**	**1,197,453**

Aberdeen Emerging Markets Equity Fund

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Brazilian Real	289	135,245	135,534
Chilean Peso	-	20,582	20,582
Euro	64	18,768	18,832
Hong Kong Dollar	-	189,666	189,666
Hungarian Forint	-	19,064	19,064
Indian Rupee	726	273,416	274,142
Indonesian Rupiah	(564)	86,491	85,927
Korean Won	542	139,112	139,654
Malaysian Ringgit	-	22,016	22,016
Mexican Nuevo Peso	-	53,099	53,099
New Taiwan Dollar	992	87,653	88,645
Philippine Peso	-	69,123	69,123
Polish Zloty	100	16,378	16,478
Pound Sterling	(6,235)	49,975	43,740
Russian Rouble	-	33,527	33,527
South African Rand	-	62,275	62,275
Thai Baht	-	75,221	75,221
Turkish Lira	-	71,108	71,108
US Dollar	1,283	359,775	361,058
Net assets	**(2,803)**	**1,782,494**	**1,779,691**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £117,818,000 (2017 - £173,595,000).

Interest rate risk profile of financial assets and financial liabilities
The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £59,759,000 (2017 - £89,125,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives
The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Provisions for liabilities	-	-	1,599	-	1,599
Other creditors	-	8,884	-	-	8,884
Distribution payable	-	15	-	-	15
Total financial liabilities	**-**	**8,899**	**1,599**	**-**	**10,498**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	19,139	-	-	19,139
Distribution payable	-	71	-	-	71
Total financial liabilities	**-**	**19,210**	**-**	**-**	**19,210**

14. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Collective Investment Schemes	270,349	165,090	321,948	126,978
Equities	265,337	368,126	729,709	378,913
Trades in the year before transactions costs	**535,686**	**533,216**	**1,051,657**	**505,891**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	122	297	(445)	(254)
Total commissions	**122**	**297**	**(445)**	**(254)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	191	146	(438)	(187)
Total taxes	**191**	**146**	**(438)**	**(187)**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	18	32	(231)	(99)
Total other expenses	**18**	**32**	**(231)**	**(99)**
Total transaction costs	**331**	**475**	**(1,114)**	**(540)**
Total net trades in the year after transaction costs	**536,017**	**533,691**	**1,050,543**	**505,351**

Aberdeen Emerging Markets Equity Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.05	0.08	0.06	0.07
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	0.07	0.04	0.06	0.05
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	0.01	0.01	0.03	0.03

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.03
Taxes	0.04	0.02
Other expenses	0.02	0.01
Total costs	**0.10**	**0.06**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were no corporate actions in the year (2017 - £17,190,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.16% (2017 - 0.16%).

15. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	1,092,291	-	1,651,921	-
Level 2	102,882	-	130,573	-
Level 3	-	-	-	-
Total	**1,195,173**	**-**	**1,782,494**	**-**

Aberdeen Emerging Markets Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Final dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	1.00236	-	1.00236	2.28446
Group 2	0.86959	0.13277	1.00236	2.28446
G Accumulation shares				
Group 1	0.98929	-	0.98929	0.90996
Group 2	0.32149	0.66780	0.98929	0.90996
I Accumulation shares				
Group 1	7.34478	-	7.34478	8.15227
Group 2	5.70443	1.64035	7.34478	8.15227
I Income shares				
Group 1	7.00304	-	7.00304	7.85383
Group 2	5.64385	1.35919	7.00304	7.85383
Z Accumulation shares				
Group 1	16.96269	-	16.96269	17.05854
Group 2	6.34243	10.62026	16.96269	17.05854

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

Aberdeen Ethical World Equity Fund

For the year ended 31 July 2018

Investment objective and policy
To achieve long-term capital growth.

The objective will be achieved through investment in a portfolio of international quality investments chosen on the basis of ethical ("socially responsible") criteria. These criteria include the environment, employee relations, product quality and international operations. The Fund may also invest in fixed interest securities.

Performance review
For the year ended 31 July 2018, the value of Aberdeen Ethical World Equity Fund – A Income Shares increased by 7.58% compared to an increase of 12.38% in the benchmark, the FTSE World Index.

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

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

Market review
The year under review was one of two halves. In the first, low volatility, a depreciating US dollar and positive corporate earnings in the US supported developed market equities, with price-earning multiples rising to historical highs. Companies with significant US operations benefited from the Republican tax cuts. Separately, the Federal Reserve appointed Jay Powell as its next chair, signalling continuity in the gradual normalisation of monetary policy. In Europe, optimism over economic recovery outweighed an unresolved Brexit, protracted talks to form a coalition government in Germany, and political turmoil in Spain in the wake of Catalonia's push for independence. Japan rose on brighter business prospects, in tandem with improvements in the global economy. The incumbent Prime Minister Shinzo Abe's snap election victory, along with the Bank of Japan maintaining monetary stimulus, and the finalisation of its free trade deal with Brussels, also contributed to the positive mood.

Investment sentiment became more downbeat in the second half. The initial optimism towards global growth turned into concern that rising inflation could compel more aggressive monetary policy. Investors were also worried about a flare-up in trade tensions. US-China trade relations, which appeared to improve initially, quickly deteriorated amid rounds of brinkmanship. Other major trading partners also retaliated with import duties of their own against Trump's steel and aluminum tariffs.

Portfolio review
At the stock level, the position in Brazilian fuel distributor Ultrapar detracted the most, as its shares sold off following disappointing results amid intensifying competition. Not holding Amazon also hurt performance, as it surged with investors appearing to pay little heed to valuation in their search for growth. We prefer other technology-related stocks, such as Google's parent Alphabet and software firm Oracle. Meanwhile, our telecommunications sector exposures proved costly. Vodafone declined after sales softened due to competitive pressures in Italy and Spain, and its warning of slower growth ahead, while Singapore Telecommunications was hampered by weak results as price wars in Indonesia and India depressed earnings of its regional associates.

Among our financial holdings, UK-listed lender Standard Chartered was also among the laggards, as it was pressured by regulatory infractions and capital rebuilding. However, our overall exposure to the sector was positive, thanks to good performances from our other holdings. Notably, Visa climbed on better-than-expected results and its higher target for full-year earnings.

The Fund's positions in the software sector also contributed positively. UK engineering software developer Aveva rallied as the market warmed to the potential synergy benefits from its merger with Schneider Software, while Swiss banking software developer Temenos delivered robust results and confirmed it would not raise its bid for technology firm Fidessa, which was received positively by investors. Elsewhere, oil exploration firm EOG Resources also added to performance, as it advanced on the back of rising oil prices.

In portfolio activity, we had mentioned in the first-half review the introductions of tech giant Samsung Electronics, US-focused auction business Ritchie Bros, Singapore bank OCBC, Hong Kong-based conglomerate Jardine Matheson and mainland restaurant-chain operator Yum China.

In the latter half, we increased our exposure to the technology sector by initiating positions in three holdings: Alphabet, Infineon Technologies, and Tencent. Alphabet, the parent of Google, is a world-leading digital advertising platform with a wide competitive moat and cash-rich balance sheet, while its cloud offering is also gaining in scale. German semiconductor manufacturer Infineon Technologies is a high-quality business that is well-established in automotive end-markets, and also serves the industrial automation segment. Chinese internet giant Tencent offers good long-term opportunities, given its dominance in mobile gaming and consumer reach via messaging app WeChat, and brings further diversification into the portfolio. Elsewhere, we also introduced US derivatives exchange CME, given its attractive fundamentals, including a wide range of products and an established network. It additionally enjoys pricing power, has stable cashflows, and has a history of returning excess cash to shareholders.

Against this, we exited Casey's General Stores and Nutrien, after both stocks no longer passed the portfolio's ethical screens. We divested energy-services company Wood, due to its higher leverage after a recent acquisition, and steel-pipe maker Tenaris, as we believed it to be fully valued. In Asia, we sold Singapore developer City Developments, as we felt it was trading at full valuation after a robust share-price recovery, and Hong Kong rail and property firm MTR, due to risks associated with the expansion of its rail franchise beyond its core geographical areas. We also exited Whitbread and Cisco Systems in favour of better opportunities elsewhere.

Outlook
Global markets are expected to remain on tenterhooks, given geopolitical uncertainties and shifts in monetary policy over the next few months. Trade tensions between the US and its major trading partners, as well as political uncertainty in Europe, will weigh on investors' minds. They will also be keeping a close watch on how major central banks will manage liquidity and currency fluctuations. The outlook for emerging markets is cloudy too: the US' reduction of its balance sheet and its borrowing binge through a substantial increase in US Treasuries are affecting dollar funding for these markets.

Aberdeen Ethical World Equity Fund

Even amid these uncertainties, our approach remains the same. We focus on understanding the risks - including corporate earnings, escalating trade tensions, strong US dollar, political risk and a flattening yield curve - and positioning the portfolio to be relatively resilient should those risks materialise. From a portfolio construction perspective we use diversification as our main tool in managing them. However, our primary focus before we consider these macro elements is the business itself: we look for companies with structural growth drivers, a sustainable competitive advantage, and a strong market position. We believe that these fundamental factors give companies the resilience to navigate more difficult times should macroeconomic risks materialise. It also gives us the confidence to make use of periods of volatility when share prices are low to build our positions, given our long-term investment horizon.

Global Equity Team **August 2018**

Aberdeen Ethical World Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risk of investing in this Fund:
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Ethical World Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	233.41	201.67	180.99
Return before operating charges*	22.54	35.34	23.46
Operating charges	(3.93)	(3.60)	(2.78)
Return after operating charges*	18.61	31.74	20.68
Distributions on accumulation shares	(1.13)	(0.99)	(1.45)
Retained distributions on accumulation shares	1.13	0.99	1.45
Closing net asset value per share	252.02	233.41	201.67
* after direct transaction costs of:	0.09	0.08	0.17
Performance			
Return after charges	7.97%	15.74%	11.43%
Other information			
Closing net asset value (£'000s)	33,694	33,614	34,082
Closing number of shares	13,369,135	14,401,110	16,899,690
Operating charges	1.63%	1.63%	1.63%
Direct transaction costs	0.04%	0.04%	0.10%
Prices			
Highest share price (pence)	254.45	237.01	205.46
Lowest share price (pence)	228.12	199.15	151.71

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

Aberdeen Ethical World Equity Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	174.98	151.82	137.30
Return before operating charges*	16.88	26.61	17.74
Operating charges	(2.94)	(2.70)	(2.12)
Return after operating charges*	13.94	23.91	15.62
Distributions on income shares	(0.85)	(0.75)	(1.10)
Closing net asset value per share	188.07	174.98	151.82
* after direct transaction costs of:	0.07	0.06	0.13
Performance			
Return after charges	7.97%	15.75%	11.38%
Other information			
Closing net asset value (£'000s)	16,419	18,856	23,342
Closing number of shares	8,730,155	10,776,646	15,374,318
Operating charges	1.63%	1.63%	1.63%
Direct transaction costs	0.04%	0.04%	0.10%
Prices			
Highest share price (pence)	190.74	178.43	155.53
Lowest share price (pence)	171.04	149.94	114.84

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

Aberdeen Ethical World Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	266.40	229.02	204.51
Return before operating charges*	25.79	40.23	26.72
Operating charges	(3.11)	(2.85)	(2.21)
Return after operating charges*	22.68	37.38	24.51
Distributions on accumulation shares	(2.68)	(2.42)	(2.68)
Retained distributions on accumulation shares	2.68	2.42	2.68
Closing net asset value per share	289.08	266.40	229.02
* after direct transaction costs of:	0.11	0.09	0.19
Performance			
Return after charges	8.51%	16.32%	11.98%
Other information			
Closing net asset value (£'000s)	61,822	61,405	54,264
Closing number of shares	21,385,879	23,049,634	23,694,708
Operating charges	1.13%	1.13%	1.13%
Direct transaction costs	0.04%	0.04%	0.10%
Prices			
Highest share price (pence)	291.85	270.46	233.31
Lowest share price (pence)	260.53	226.16	171.89

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

Aberdeen Ethical World Equity Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	190.03	164.88	149.12
Return before operating charges*	18.39	28.94	19.31
Operating charges	(2.22)	(2.05)	(1.60)
Return after operating charges*	16.17	26.89	17.71
Distributions on income shares	(1.91)	(1.74)	(1.95)
Closing net asset value per share	204.29	190.03	164.88
* after direct transaction costs of:	0.08	0.07	0.14
Performance			
Return after charges	8.51%	16.31%	11.88%
Other information			
Closing net asset value (£'000s)	34,979	37,900	37,566
Closing number of shares	17,122,276	19,944,462	22,783,489
Operating charges	1.13%	1.13%	1.13%
Direct transaction costs	0.04%	0.04%	0.10%
Prices			
Highest share price (pence)	207.83	194.28	169.30
Lowest share price (pence)	185.88	162.83	124.74

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

Aberdeen Ethical World Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 98.62% (2017: 97.73%)					
Equities 98.62% (2017: 97.73%)					
Asia Pacific 25.05% (2017: 22.68%)					
China 0.93% (2017: nil)					
Tencent			39,500	**1,362**	**0.93**
Hong Kong 8.02% (2017: 7.63%)					
AIA			701,100	4,665	3.18
Jardine Matheson			50,800	2,611	1.78
Kerry Logistics Network			2,739,500	2,730	1.86
Swire Pacific 'A'∞			117,000	966	0.66
Swire Pacific 'B'			585,000	797	0.54
				11,769	**8.02**
India 1.87% (2017: 1.74%)					
Housing Development Finance			124,600	**2,754**	**1.87**
Philippines 1.52% (2017: 1.02%)					
Ayala Land			3,807,100	**2,230**	**1.52**
Singapore 3.95% (2017: 4.85%)					
Oversea-Chinese Banking			390,930	2,533	1.72
Singapore Telecommunications			1,828,100	3,276	2.23
				5,809	**3.95**
South Korea 2.25% (2017: nil)					
Samsung Electronics (GDR) (PREF)			5,100	**3,309**	**2.25**
Taiwan 4.36% (2017: 5.85%)					
Taiwan Mobile			837,000	2,199	1.50
TSMC (ADR)			134,200	4,213	2.86
				6,412	**4.36**
Thailand 2.15% (2017: 1.59%)					
Kasikornbank (Alien)			615,800	**3,161**	**2.15**
Total Asia Pacific				**36,806**	**25.05**

Aberdeen Ethical World Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Europe, Middle East & Africa (ex United Kingdom) 17.47% (2017: 13.91%)					
France 1.78% (2017: 0.93%)					
Essilor International			23,400	**2,618**	**1.78**
Germany 3.96% (2017: 2.93%)					
Fielmann∞			23,900	1,274	0.87
Infineon Technologies∞			75,000	1,521	1.04
Linde			16,000	3,021	2.05
				5,816	**3.96**
Ireland 2.39% (2017: 2.77%)					
Experian			187,000	**3,504**	**2.39**
Israel 2.91% (2017: 2.35%)					
Check Point Software Technologies			49,800	**4,277**	**2.91**
South Africa 1.30% (2017: 1.44%)					
MTN			287,000	**1,909**	**1.30**
Sweden 2.61% (2017: 1.47%)					
Atlas Copco			98,700	2,162	1.47
Epiroc			184,300	1,679	1.14
				3,841	**2.61**
Switzerland 2.52% (2017: 2.02%)					
dorma+kaba∞			2,200	1,076	0.73
Temenos			21,400	2,628	1.79
				3,704	**2.52**
Total Europe, Middle East & Africa (ex United Kingdom)				**25,669**	**17.47**
Japan 11.08% (2017: 11.51%)					
Calbee Inc∞			62,300	1,570	1.07
Daito Trust Construction Co			27,700	3,520	2.39
FANUC Corp			18,900	2,821	1.92
Japan Exchange Group Inc			106,300	1,436	0.98
Keyence Corp			6,600	2,644	1.80
Mitsubishi Estate Co			142,000	1,876	1.28
Shimano Inc			22,100	2,414	1.64
				16,281	**11.08**
Total Japan				**16,281**	**11.08**

Aberdeen Ethical World Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Latin America 2.80% (2017: 5.67%)					
Argentina nil (2017: 1.85%)					
Brazil 2.80% (2017: 3.82%)					
Banco Bradesco (ADR)			552,256	3,397	2.31
Ultrapar Participacoes (ADR)			85,500	716	0.49
				4,113	**2.80**
Total Latin America				**4,113**	**2.80**
North America 36.22% (2017: 34.27%)					
Canada 2.78% (2017: 3.69%)					
Ritchie Brothers Auctioneers			66,100	1,677	1.14
TELUS (Toronto Listing)			86,700	2,408	1.64
				4,085	**2.78**
United States 33.44% (2017: 30.58%)					
Alphabet			2,700	2,526	1.72
Amdocs			61,600	3,173	2.16
CME			11,600	1,407	0.96
Cognizant Technology Solutions 'A'			48,200	2,995	2.04
Comcast 'A'∞			105,900	2,889	1.97
EOG Resources			40,979	4,027	2.74
Intercontinental Exchange			44,100	2,484	1.69
Jones Lang LaSalle			17,600	2,294	1.56
M&T Bank			32,500	4,295	2.92
Oracle			116,500	4,235	2.88
Samsonite International			1,136,200	3,256	2.22
Schlumberger			71,600	3,684	2.51
TJX			48,100	3,566	2.43
Visa 'A'			51,900	5,410	3.68
Yum China			104,700	2,880	1.96
				49,121	**33.44**
Total North America				**53,206**	**36.22**

Aberdeen Ethical World Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
United Kingdom 6.00% (2017: 9.69%)					
Avevad∞			104,900	2,759	1.88
Standard Chartered∞			369,748	2,544	1.73
Vodafone			1,890,100	3,515	2.39
				8,818	**6.00**
Total United Kingdom				**8,818**	**6.00**
Total Equities				**144,893**	**98.62**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**144,893**	**98.62**
Open Ended Investment Funds 1.03% (2017: 2.00%)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1†			1,508	**1,508**	**1.03**
Total Open Ended Investment Funds				**1,508**	**1.03**
Total investments				**146,401**	**99.65**
Other net assets				**513**	**0.35**
Total net assets				**146,914**	**100.00**

† Managed by subsidiaries of Standard Life Aberdeen plc.
∞ A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen Ethical World Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	9,278	6.34	6.32

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
France (Government of)	1,132	Government Bond	Investment grade	BNP Paribas
Canada (Government of)	655	Government Bond	Investment grade	BNP Paribas
UK Treasury	605	Government Bond	Investment grade	BNP Paribas
Austria (Republic of)	394	Government Bond	Investment grade	BNP Paribas
Intesa Sanpaolo	232	Equity	Main market listing	BNP Paribas
Eni	220	Equity	Main market listing	BNP Paribas
Nestle	172	Equity	Main market listing	BNP Paribas
Credit Agricole	159	Equity	Main market listing	BNP Paribas
Orange	151	Equity	Main market listing	BNP Paribas
British Sky Broadcasting	151	Equity	Main market listing	BNP Paribas
Other Equity	6,285	Equity	Main market listing	BNP Paribas
Other Government Bond	21	Government Bond	Investment grade	BNP Paribas
Total collateral received	**10,177**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	10,177	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	189
CAD	892
CHF	642
DKK	27
EUR	4,031
GBP	1,512
JPY	837
SEK	28
USD	2,019
Total collateral received	**10,177**

Aberdeen Ethical World Equity Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
BNP Paribas	2,716	France	Tri-party
Credit Suisse	2,073	Switzerland	Tri-party
JPM Chase	1,441	United States	Tri-party
Bank of Nova Scotia	980	Canada	Tri-party
Citigroup	934	United States	Tri-party
NATIXIS	825	France	Tri-party
Merrill Lynch	309	United States	Tri-party
Total market value of securities lending	**9,278**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	28	2,779	7,370	**10,177**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	9,278	**9,278**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	11	125.00
Direct operational costs (securities lending agent costs)	(2)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(2)	(25.00)
Net return	**9**	**100.00**

Aberdeen Ethical World Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		10,661		21,758
Revenue	2	3,309		3,391	
Expenses	3	(1,932)		(2,030)	
Net revenue before taxation		1,377		1,361	
Taxation	4	(217)		(203)	
Net revenue after taxation			1,160		1,158
Total return before distributions			**11,821**		**22,916**
Distributions	5		(1,161)		(1,166)
Change in net assets attributable to shareholders from investment activities			**10,660**		**21,750**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**151,775**		**149,254**
Amounts receivable on issue of shares	11,705		13,366	
Amounts payable on cancellation of shares	(27,961)		(33,300)	
		(16,256)		(19,934)
Change in net assets attributable to shareholders from investment activities		10,660		21,750
Retained distributions on accumulation shares		735		704
Unclaimed distributions > 6 years		-		1
Closing net assets attributable to shareholders		**146,914**		**151,775**

Aberdeen Ethical World Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		146,401	151,361
Current assets:			
Debtors	6	643	578
Cash and bank balances		518	480
Total assets		**147,562**	**152,419**
Liabilities:			
Creditors:			
Other creditors	7	305	296
Distribution payable		343	348
Total liabilities		**648**	**644**
Net assets attributable to shareholders		**146,914**	**151,775**

Aberdeen Ethical World Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital gains**

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	10,745	21,789
Other currency losses	(84)	(42)
Class actions	-	11
Net capital gains	**10,661**	**21,758**

2. **Revenue**

	2018 £'000	2017 £'000
UK dividends	529	490
Distributions from collective investment schemes:		
Offshore distributions - taxable	8	2
Overseas dividends	2,762	2,886
Stock lending commission	9	12
Bank interest	1	1
Total revenue	**3,309**	**3,391**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,744	1,829
Operating, administrative and servicing fees	188	201
Total expenses	**1,932**	**2,030**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. **Taxation**

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	217	203
Current tax charge	**217**	**203**
Total taxation	**217**	**203**

Aberdeen Ethical World Equity Fund

Factors affecting current tax charge for year
The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	1,377	1,361
Corporation tax at 20% (2017 - 20%)	275	272
Effects of:		
UK dividends*	(106)	(98)
Non-taxable overseas dividends*	(526)	(550)
Excess management expenses	361	380
Tax effect of expensed double taxation relief	(4)	(4)
Irrecoverable overseas withholding tax	217	203
Total taxation	**217**	**203**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges
At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £4,732,000 (2017 - £4,371,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax
There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**
The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	2018 £'000	2017 £'000
Interim	175	217
Final	965	921
	1,140	1,138
Add: Revenue deducted on cancellation of shares	42	45
Deduct: Revenue received on issue of shares	(21)	(17)
Distributions for the year	**1,161**	**1,166**
Total distributions	**1,161**	**1,166**

Details of the distribution per share are set out in the distribution tables on page 258.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	1,160	1,158
Add:		
Undistributed revenue brought forward	-	5
Movement between share classes due to conversions	1	3
Distributions	**1,161**	**1,166**

Aberdeen Ethical World Equity Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	418	439
Amounts receivable for issue of shares	144	45
Overseas withholding tax reclaimable	79	93
Other debtor	2	1
Total debtors	**643**	**578**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	159	169
Amounts payable for cancellation of shares	146	127
Total other creditors	**305**	**296**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 247. £146,000 was due to the ACD (2017 - £234,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £1,508,000 (2017 - £3,034,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 1.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 237 to 240. The distribution per share class is given in the distribution tables on page 258. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	14,401,110	10,776,646	23,049,634	19,944,462
Creations during the year	333,300	463,700	2,960,093	1,002,203
Cancellations during the year	(1,201,100)	(2,076,300)	(4,725,987)	(4,282,091)
Shares converted during the year	(164,175)	(433,891)	102,139	457,702
Closing shares in issue	**13,369,135**	**8,730,155**	**21,385,879**	**17,122,276**

Aberdeen Ethical World Equity Fund

10. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Bank of Nova Scotia	980	1,084	Equity
BNP Paribas	2,716	2,986	Equity
Citigroup	809	897	Equity
Citigroup	125	132	Government Bond
Credit Suisse	2,073	2,222	Government Bond
JPM Chase	1,321	1,482	Equity
JPM Chase	120	128	Government Bond
Merrill Lynch	309	326	Government Bond
NATIXIS	825	920	Equity
Total	**9,278**	**10,177**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	11	2	9

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
BNP Paribas	5,722	6,335	Equity
BNP Paribas	404	425	Government Bond
NATIXIS	5,749	6,372	Equity
NATIXIS	3	3	Government Bond
Total	**11,878**	**13,135**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	15	3	12

11. Risk management policies and disclosures

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Canadian Dollar	-	2,408	2,408
Euro	17	8,433	8,450
Hong Kong Dollar	-	13,777	13,777
Indian Rupee	-	2,754	2,754
Japanese Yen	10	16,281	16,291
Philippine Peso	-	2,230	2,230
Pound Sterling	200	13,831	14,031
Singapore Dollar	110	5,809	5,919
South African Rand	-	1,909	1,909
Swedish Krona	1	3,841	3,842
Swiss Franc	-	3,704	3,704
New Taiwan Dollar	107	2,199	2,306
Thai Baht	-	3,161	3,161
US Dollar	68	66,064	66,132
Net assets	**513**	**146,401**	**146,914**

Aberdeen Ethical World Equity Fund

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Canadian Dollar	16	5,606	5,622
Euro	13	5,870	5,883
Hong Kong Dollar	-	14,840	14,840
Indian Rupee	-	2,633	2,633
Japanese Yen	8	17,464	17,472
New Taiwan Dollar	186	3,573	3,759
Philippine Peso	-	1,541	1,541
Pound Sterling	119	21,943	22,062
Singapore Dollar	-	7,357	7,357
South African Rand	-	2,185	2,185
Swedish Krona	-	2,237	2,237
Swiss Franc	-	3,061	3,061
Thai Baht	-	2,415	2,415
US Dollar	72	60,636	60,708
Net assets	**414**	**151,361**	**151,775**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £13,288,000 (2017 - £12,971,000).

Interest rate risk profile of financial assets and financial liabilities
The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £7,320,000 (2017 - £7,568,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives
The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	305	-	-	305
Distribution payable	-	343	-	-	343
Total financial liabilities	**-**	**648**	**-**	**-**	**648**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	296	-	-	296
Distribution payable	-	348	-	-	348
Total financial liabilities	**-**	**644**	**-**	**-**	**644**

12. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Collective Investment Schemes	35,611	13,038	37,137	10,004
Equities	30,460	19,321	43,728	40,505
Trades in the year before transactions costs	**66,071**	**32,359**	**80,865**	**50,509**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	14	14	(19)	(23)
Total commissions	**14**	**14**	**(19)**	**(23)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	11	15	(3)	(3)
Total taxes	**11**	**15**	**(3)**	**(3)**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	5	-	(5)	(2)
Total other expenses	**5**	**-**	**(5)**	**(2)**
Total transaction costs	**30**	**29**	**(27)**	**(28)**
Total net trades in the year after transaction costs	**66,101**	**32,388**	**80,838**	**50,481**

Aberdeen Ethical World Equity Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.05	0.07	0.04	0.06
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	0.04	0.08	0.01	0.01
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	0.02	-	0.01	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.02	0.02
Taxes	0.01	0.01
Other expenses	0.01	-
Total costs	**0.04**	**0.03**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £955,000 in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.12% (2017 - 0.08%).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Aberdeen Ethical World Equity Fund

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	144,893	-	148,327	-
Level 2	1,508	-	3,034	-
Level 3	-	-	-	-
Total	**146,401**	**-**	**151,361**	**-**

Aberdeen Ethical World Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
I Accumulation shares				
Group 1	0.48456	-	0.48456	0.55444
Group 2	0.06531	0.41925	0.48456	0.55444
I Income shares				
Group 1	0.34565	-	0.34565	0.39917
Group 2	0.05520	0.29045	0.34565	0.39917

Final dividend distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	1.13482	-	1.13482	0.99340
Group 2	0.72795	0.40687	1.13482	0.99340
A Income shares				
Group 1	0.85069	-	0.85069	0.74788
Group 2	0.68903	0.16166	0.85069	0.74788
I Accumulation shares				
Group 1	2.20010	-	2.20010	1.86423
Group 2	1.32774	0.87236	2.20010	1.86423
I Income shares				
Group 1	1.56669	-	1.56669	1.33915
Group 2	1.03413	0.53256	1.56669	1.33915

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

Aberdeen Euro Corporate Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Investment grade corporate Debt and debt-related securities denominated in (or hedged back to) Euros.

The Fund may also invest in other transferable securities, including Investment grade and sub-Investment grade Debt and debt-related securities denominated in any currency, including those issued by governments, public bodies and supra-national issuers, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Performance review

For the year ended 31 July 2018, the value of Euro Corporate Bond - A Income Shares decreased by 0.49% compared to a increase of 0.31% in the benchmark, the iBoxx Euro Corporates Index.

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

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

Market review

European corporate bond spreads widened at the beginning of the review period, interrupting a significant period of outperformance for the asset class. Some of the month's volatility was caused by heightened geopolitical concerns and in anticipation of potential actions from policymakers. September saw a continuation of the longer trend with spreads grinding tighter, offsetting some of the price drops caused by rising yields. Despite geopolitical concerns and potential for tighter monetary conditions, strong economic data and ongoing demand for income led to continued strength. Despite some political noise at the beginning of October surrounding the Catalan independence referendum, corporate bond markets were driven by limited corporate issuance and central bank dovishness, including the European Central Bank's announcement of a nine-month extension to its asset purchase programme. Positive news on US tax reform and some progress in Brexit negotiations also gave support to markets.

Volatility returned to European credit markets in February as expectations confirmed that inflation was rising, wages were rising (in real terms) and that interest rates would rise. Lower-quality, more volatile debt struggled most, meaning insurance, with its high proportion of subordinated bonds, was the biggest underperformer. Financials lagged their non-financial counterparts. Among non-financials, oil & gas issuers were noticeably weak, while autos were hit by worries around diesel cars and US tariffs.

European credit spreads proved resilient in April, finishing the month broadly unchanged. In Italy, while an inconclusive general election resulted in political impasse, peripheral worries appeared to have been allayed by ratings agency S&P's upgrade of much of the Spanish banking sector. However, that resilience proved short-lived, and May brought the worst month for spread widening since January 2016. Total returns for euro-denominated corporate bonds were negative, despite a significant rally in bund yields. Italian politics sparked a wave of volatility, leaving investment grade and high yield bond spreads markedly wider. The original catalyst was the news that Italy's two largest populist parties, Movimento 5 Stelle and Lega Nord, were in coalition talks. The decision by the country's president to veto the initial coalition's choice of a Eurosceptic finance minister cranked up tensions, raising the prospect of fresh elections that could have developed into a de facto referendum on Italy's membership of the euro.

June, too, was poor for credit, with talk of trade wars and Italian political risk continuing to drive market volatility. From a sector perspective, autos, corporate hybrid bonds and subordinated financial debt underperformed. US banks were notably strong in comparison to the subordinated debt of European banks which remained under pressure. In contrast, July was a positive month for corporate bonds helped by a backdrop of generally rising European corporate earnings.

Portfolio review

The Fund's active overweight in credit risk made a positive contribution in the first half of the review period, as European corporate bond spreads over government bonds tightened. Subordinated insurance was the standout sector throughout 2017 and the portfolio's overweight in names such as AXA, Aviva and AGS generated significant outperformance. While the overweight in credit risk continued to boost performance in January, it tended to detract thereafter as market volatility exerted a negative effect on corporate bond spreads.

While subordinated debt staged a measure of recovery in April and overweight positions in corporate hybrid bonds from Volkswagen and Orange proved beneficial, a severe "risk-off" tone dominated markets in May and June, meaning higher-risk debt underperformed, and corporate hybrids and subordinated financials were notable underperformers. Latterly, we increased our exposure to German bunds and cash, tactically positioning the portfolio more defensively.

The portfolio participated in a number of new issues, including Infra Park, Heidelberg Cement, Mondi, Sydney Airport, and German chemical group Bayer. Other purchases included an eight-year deal from GlaxoSmithKline; a senior Danske Bank bond; and bonds from United Technologies. Other notable new issues include 2026 and 2029 bonds from JAB which is one of the largest outperformers in the index after being upgraded to A- by S&P ratings agency. In the secondary market, we saw the significant spread widening in emerging market assets as an opportunity to increase our exposure to the Mexican issuer Pemex.

The Fund reduced exposure to the REIT sector by exiting Merlin Properties and reducing our holding in Vonovia. A number of subordinated insurance holdings were also reduced, including Axa, Allianz and CNP Assurances. We continued to manage down UK risk given the heightened political tension around Brexit. We took profits in Anheuser-Busch Inbev 2036 bonds and sold Heineken 2029 bonds as the company pivoted towards a more acquisitive strategy.

Outlook

Given a fairly benign economic environment, market levels appear attractive once again. Further volatility or well-priced new issuance is likely to provide an opportunity to add risk to Funds. Looking ahead, we will use any market rally to further reduce some of the Fund's riskier positions such as subordinated insurance ahead of what we expect to be higher volatility in the next year or two.

Euro IG and Aggregate Team **August 2018**

Aberdeen Euro Corporate Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Euro Corporate Bond Fund

Comparative tables

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	150.19	142.43	117.79[A]
Return before operating charges*	0.84	9.97	26.64
Operating charges	(1.53)	(1.49)	(1.40)
Return after operating charges*	(0.69)	8.48	25.24
Distributions on income shares	(0.87)	(0.72)	(0.60)
Closing net asset value per share	148.63	150.19	142.43
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.46%)	5.95%	21.43%
Other information			
Closing net asset value (£'000s)	66	82	120
Closing number of shares	44,673	54,373	84,173
Operating charges	1.02%	1.03%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	157.31	152.34	142.98
Lowest share price (pence)	145.16	137.77	114.16

[A] The opening net asset value stated is the share class launch price.
Fund launched on 11 September 2015
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Euro Corporate Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	196.46	184.68	151.47[A]
Return before operating charges*	1.06	13.05	34.55
Operating charges	(1.21)	(1.18)	(1.00)
Return after operating charges*	(0.15)	11.87	33.55
Distributions on accumulation shares	(1.94)	(1.74)	(1.70)
Retained distributions on accumulation shares	1.94	1.65	1.36
Closing net asset value per share	196.31	196.46	184.68
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.08%)	6.43%	22.15%
Other information			
Closing net asset value (£'000s)	202	87	77
Closing number of shares	102,762	44,462	41,462
Operating charges	0.62%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	205.83	197.65	185.25
Lowest share price (pence)	190.92	179.06	147.08

[A] The opening net asset value stated is the share class launch price.
Fund launched on 11 September 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Euro Corporate Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	149.56	141.82	117.29[A]
Return before operating charges*	0.81	9.92	26.37
Operating charges	(0.92)	(0.91)	(0.79)
Return after operating charges*	(0.11)	9.01	25.58
Distributions on income shares	(1.48)	(1.27)	(1.05)
Closing net asset value per share	147.97	149.56	141.82
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.07%)	6.35%	21.81%
Other information			
Closing net asset value (£'000s)	26,995	27,669	31,364
Closing number of shares	18,243,727	18,499,827	22,115,427
Operating charges	0.62%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	156.71	151.79	142.49
Lowest share price (pence)	144.62	137.25	113.71

[A] The opening net asset value stated is the share class launch price.
Fund launched on 11 September 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Euro Corporate Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 97.96% (2017: 98.87%)					
Bonds 97.96% (2017: 98.87%)					
Asset Backed Bonds / Mortgage Backed Bonds 2.11% (2017: 2.25%)					
France 0.65% (2017: 0.64%)					
Purple Master Credit Cards	FRN	25/10/28	200,000	**178**	**0.65**
Luxembourg 0.48% (2017: 0.64%)					
Red & Black Auto Lease Germany	FRN	15/11/27	145,080	**130**	**0.48**
United Kingdom 0.98% (2017: 0.97%)					
Lanark Master Issuer	FRN	22/12/54	300,000	**268**	**0.98**
Total Asset Backed Bonds / Mortgage Backed Bonds				**576**	**2.11**
Corporate Bonds 90.12% (2017: 96.10%)					
Australia 3.47% (2017: 5.01%)					
APT Pipelines (EMTN)	1.3750	22/03/22	300,000	275	1.01
AusNet Services (EMTN)	2.3750	24/07/20	250,000	233	0.85
AusNet Services (EMTN)	1.5000	26/02/27	104,000	95	0.35
SGSP Australia Assets (EMTN)	2.0000	30/06/22	265,000	250	0.92
Transurban Finance (EMTN)	1.7500	29/03/28	104,000	92	0.34
				945	**3.47**
Austria 0.66% (2017: nil)					
JAB	1.7500	25/06/26	200,000	**180**	**0.66**
Belgium 2.29% (2017: 3.99%)					
Anheuser-Busch InBev (EMTN)	1.1500	22/01/27	184,000	163	0.60
Anheuser-Busch InBev (EMTN)	2.7500	17/03/36	100,000	94	0.35
Anheuser-Busch InBev (EMTN)	2.0000	17/03/28	100,000	94	0.34
KBC (EMTN)	1.0000	26/04/21	300,000	273	1.00
				624	**2.29**
China 0.50% (2017: nil)					
CNAC HK Finbridge	1.7500	14/06/22	152,000	**136**	**0.50**
Denmark 2.13% (2017: 0.37%)					
Danske Bank (EMTN)	0.8750	22/05/23	225,000	199	0.74
Nykredit Realkredit	0.5000	19/01/22	166,000	148	0.54
Nykredit Realkredit	2.7500	17/11/27	100,000	93	0.34
Orsted	VAR	24/11/17	100,000	87	0.32
Orsted	VAR	26/06/13	50,000	52	0.19
				579	**2.13**

Aberdeen Euro Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
France 16.17% (2017: 16.59%)					
AXA (EMTN)	VAR	04/07/43	250,000	257	0.94
AXA (EMTN)	VAR	PERP	240,000	228	0.84
Banque Federative du Credit Mutuel (EMTN)	3.0000	21/05/24	300,000	287	1.06
Banque Federative du Credit Mutuel (EMTN)	0.3750	13/01/22	200,000	179	0.66
BNP Paribas (EMTN)	VAR	14/10/27	150,000	140	0.51
BPCE	VAR	08/07/26	100,000	93	0.34
BPCE (EMTN)	VAR	30/11/27	100,000	94	0.34
BPCE (EMTN)	1.6250	31/01/28	100,000	88	0.32
Coentreprise de Transport d'Electricité	2.1250	29/07/32	100,000	91	0.33
Coentreprise de Transport d'Electricité	0.8750	29/09/24	100,000	89	0.33
Credit Agricole (EMTN)	1.0000	16/09/24	200,000	181	0.66
Credit Agricole (EMTN)	0.8750	19/01/22	300,000	273	1.00
Credit Agricole (EMTN)	1.3750	13/03/25	200,000	178	0.65
Danone (EMTN)	VAR	PERP	100,000	87	0.32
Electricite de France (EMTN)	5.6250	21/02/33	100,000	126	0.46
Infra Park	1.6250	19/04/28	100,000	88	0.32
La Banque Postale (EMTN)	1.0000	16/10/24	200,000	174	0.64
Orange (EMTN)	VAR	PERP	100,000	100	0.37
RCI Banque (EMTN)	0.7500	26/09/22	150,000	134	0.49
RCI Banque (EMTN)	1.3750	08/03/24	29,000	26	0.10
RCI Banque (EMTN)	1.6250	11/04/25	28,000	25	0.09
Renault (EMTN)∞	1.0000	28/11/25	235,000	201	0.74
Renault (EMTN)	1.0000	18/04/24	200,000	177	0.65
RTE (EMTN)	1.0000	19/10/26	300,000	265	0.97
Sanofi (EMTN)	1.0000	21/03/26	100,000	91	0.33
Societe Generale (EMTN)	VAR	23/02/28	100,000	87	0.32
TDF Infrastructure	2.8750	19/10/22	100,000	96	0.35
Teleperformance	1.8750	02/07/25	100,000	90	0.33
Teleperformance	1.5000	03/04/24	100,000	89	0.33
TOTAL (EMTN)	VAR	PERP	210,000	192	0.70
TOTAL (EMTN)	VAR	PERP	100,000	97	0.36
Unibail-Rodamco-Westfield	VAR	PERP	100,000	88	0.32
				4,411	**16.17**
Germany 11.32% (2017: 10.31%)					
ADO Properties	1.5000	26/07/24	100,000	87	0.32
Allianz Finance II (EMTN)	VAR	08/07/41	200,000	204	0.75
Aroundtown	2.1250	13/03/23	100,000	93	0.34
Aroundtown (EMTN)	1.8750	19/01/26	100,000	88	0.32
BASF (EMTN)	0.8750	15/11/27	105,000	91	0.33
Bayer Capital	1.5000	26/06/26	100,000	91	0.33
Bayer (EMTN)	VAR	01/07/75	200,000	184	0.68
BMW Finance (EMTN)	0.1250	03/07/20	280,000	251	0.92

Aberdeen Euro Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Commerzbank (EMTN)	7.7500	16/03/21	100,000	104	0.38
Deutsche Bank (EMTN)	1.5000	20/01/22	100,000	90	0.33
Eurogrid	1.8750	10/06/25	200,000	188	0.69
Grand City (EMTN)	1.3750	03/08/26	100,000	86	0.31
HeidelbergCement Finance Luxembourg	7.5000	03/04/20	180,000	180	0.66
innogy Finance (EMTN)	1.5000	31/07/29	100,000	86	0.32
Unitymedia Hessen	3.5000	15/01/27	100,000	94	0.34
Volkswagen Bank (EMTN)	0.7500	15/06/23	191,000	168	0.62
Volkswagen International Finance	VAR	PERP	100,000	89	0.33
Volkswagen International Finance	VAR	PERP	100,000	87	0.32
Volkswagen Leasing (EMTN)	1.1250	04/04/24	353,000	311	1.15
Volkswagen Leasing (EMTN)	1.3750	20/01/25	300,000	266	0.97
Vonovia Finance	VAR	PERP	100,000	95	0.35
Vonovia Finance (EMTN)	0.8750	30/03/20	170,000	154	0.56
				3,087	**11.32**
Hong Kong 0.51% (2017: nil)					
Cheung Kong Infrastructure Finance	1.0000	12/12/24	159,000	**138**	**0.51**
Ireland 1.50% (2017: 1.84%)					
CRH Finance Germany (EMTN)	1.7500	16/07/21	210,000	194	0.72
CRH Funding (EMTN)	1.8750	09/01/24	100,000	94	0.34
Ryanair DAC (EMTN)	1.1250	15/08/23	135,000	121	0.44
				409	**1.50**
Israel 0.32% (2017: 1.25%)					
Teva Pharmaceutical Finance Netherlands II	0.3750	25/07/20	100,000	**88**	**0.32**
Italy 4.82% (2017: 4.81%)					
Enel Finance International (EMTN)	1.9660	27/01/25	152,000	141	0.52
Eni (EMTN)	1.0000	14/03/25	230,000	203	0.75
Eni (EMTN)	4.2500	03/02/20	140,000	133	0.49
FCA Bank Ireland (EMTN)	1.0000	15/11/21	126,000	113	0.41
Intesa Sanpaolo (EMTN)	FRN	15/06/20	350,000	312	1.14
Intesa Sanpaolo (EMTN)	1.1250	14/01/20	250,000	224	0.81
Italgas (EMTN)	0.5000	19/01/22	144,000	127	0.47
Telecom Italia Finance (EMTN)	7.7500	24/01/33	50,000	62	0.23
				1,315	**4.82**
Japan 0.99% (2017: 0.98%)					
Bank of Tokyo-Mitsubishi (EMTN)	0.8750	11/03/22	300,000	**271**	**0.99**
Luxembourg 1.30% (2017: 1.63%)					
SELP Finance	1.2500	25/10/23	400,000	**355**	**1.30**

Aberdeen Euro Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Mexico 2.19% (2017: 1.39%)					
America Movil	VAR	06/09/73	275,000	246	0.91
America Movil	1.5000	10/03/24	150,000	137	0.50
Nemak	3.2500	15/03/24	100,000	90	0.33
Petroleos Mexicanos	2.5000	24/11/22	137,000	123	0.45
				596	**2.19**
Netherlands 5.92% (2017: 8.14%)					
ABN AMRO Bank (EMTN)	4.1250	28/03/22	100,000	101	0.37
ABN AMRO Bank (EMTN)	VAR	18/01/28	100,000	95	0.35
ABN AMRO Bank (EMTN)	VAR	30/06/25	100,000	93	0.34
Cooperatieve Rabobank	1.2500	23/03/26	300,000	274	1.01
Koninklijke	VAR	PERP	220,000	198	0.72
NN	VAR	08/04/44	100,000	99	0.36
NN (EMTN)	4.3750	PERP	100,000	96	0.35
Rabobank Nederland	VAR	26/05/26	100,000	93	0.34
Rabobank Nederland (EMTN)	4.1250	12/01/21	202,000	198	0.73
TenneT	VAR	PERP	200,000	182	0.67
Vesteda Finance (EMTN)	2.5000	27/10/22	100,000	95	0.35
Vesteda Finance (EMTN)	2.0000	10/07/26	100,000	89	0.33
				1,613	**5.92**
South Africa 0.33% (2017: nil)					
Mondi Finance (EMTN)	1.6250	27/04/26	100,000	**89**	**0.33**
Spain 3.54% (2017: 1.55%)					
Bankia (MTN)	VAR	22/05/24	100,000	91	0.33
CaixaBank (EMTN)	0.7500	18/04/23	200,000	176	0.65
CaixaBank (EMTN)	VAR	14/07/28	100,000	91	0.34
CaixaBank (EMTN)	VAR	17/04/30	100,000	85	0.31
FCC Aqualia	1.4130	08/06/22	179,000	162	0.59
Iberdrola Finanzas (EMTN)	1.0000	07/03/25	100,000	90	0.33
Iberdrola International	VAR	PERP	100,000	87	0.32
Telefonica Europe	VAR	PERP	100,000	95	0.35
Telefonica Europe	VAR	PERP	100,000	87	0.32
				964	**3.54**
Sweden 1.08% (2017: 2.88%)					
Akelius Residential Property (EMTN)	1.7500	07/02/25	100,000	88	0.32
Hemso Fastighets (EMTN)	1.0000	09/09/26	240,000	207	0.76
				295	**1.08**
Switzerland 3.75% (2017: 3.28%)					
Credit Suisse (EMTN)	VAR	17/07/25	270,000	240	0.88
Novartis Finance	1.3750	14/08/30	100,000	89	0.33

Aberdeen Euro Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Richemont International	1.0000	26/03/26	131,000	118	0.43
Swisscom (Lunar Funding)	1.1250	12/10/26	100,000	89	0.33
UBS	1.5000	30/11/24	335,000	304	1.11
UBS London (EMTN)	1.1250	30/06/20	200,000	182	0.67
				1,022	**3.75**
United Kingdom 18.93% (2017: 21.80%)					
Abbey National Treasury Services (EMTN)	2.6250	16/07/20	380,000	355	1.31
Annington Funding (EMTN)	1.6500	12/07/24	100,000	89	0.33
Aviva (EMTN)	VAR	05/07/43	130,000	138	0.51
Aviva (EMTN)	VAR	04/12/45	100,000	92	0.34
Barclays Bank (EMTN)	VAR	PERP	225,000	230	0.84
Barclays Bank (EMTN)	1.8750	08/12/23	125,000	114	0.42
Barclays (EMTN)	VAR	07/02/28	219,000	187	0.69
BAT International Finance (EMTN)	2.2500	16/01/30	150,000	133	0.49
BP Capital Markets (EMTN)	1.9530	03/03/25	300,000	285	1.04
BP Capital Markets (EMTN)	1.1170	25/01/24	192,000	175	0.64
BP Capital Markets (EMTN)	1.5940	03/07/28	115,000	104	0.38
Channel Link Enterprises Finance	VAR	30/06/50	200,000	186	0.68
Diageo Finance (EMTN)	-	17/11/20	100,000	89	0.33
Experian Finance (EMTN)	1.3750	25/06/26	120,000	107	0.39
FCE Bank (EMTN)	1.1140	13/05/20	227,000	206	0.76
FCE Bank (EMTN)	1.6150	11/05/23	100,000	91	0.33
GlaxoSmithKline Capital (EMTN)	1.2500	21/05/26	100,000	91	0.33
HBOS (EMTN)	VAR	18/03/30	200,000	200	0.73
Heathrow Funding (EMTN)	1.8750	12/07/32	100,000	88	0.32
HSBC	0.8750	06/09/24	150,000	132	0.49
Informa (EMTN)	1.5000	05/07/23	100,000	90	0.33
Lloyds Bank (EMTN)	VAR	12/02/24	320,000	300	1.11
Lloyds Banking (EMTN)	1.0000	09/11/23	120,000	107	0.39
Motability Operations (EMTN)	0.8750	14/03/25	160,000	142	0.52
Motability Operations (EMTN)	1.6250	09/06/23	100,000	94	0.34
National Westminster Bank (EMTN)	VAR	PERP	250,000	219	0.80
Nationwide Building Society (EMTN)	VAR	25/07/29	150,000	132	0.48
Royal Bank of Scotland (EMTN)	FRN	08/06/20	100,000	89	0.33
SELP Finance	1.5000	20/11/25	100,000	87	0.32
Sky (EMTN)	1.8750	24/11/23	150,000	140	0.51
Sky (GMTN)	2.2500	17/11/25	145,000	138	0.51
Smiths (EMTN)	2.0000	23/02/27	100,000	90	0.33
SSE	VAR	PERP	150,000	137	0.50
SSE (EMTN)	2.0000	17/06/20	200,000	185	0.68
Vodafone (EMTN)	2.8750	20/11/37	132,000	118	0.43
				5,160	**18.93**

Aberdeen Euro Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
United States 8.40% (2017: 10.28%)					
Apple	1.3750	24/05/29	257,000	233	0.85
AT&T	2.4000	15/03/24	400,000	382	1.40
AT&T	3.1500	04/09/36	110,000	99	0.36
Bank of America (EMTN)	VAR	07/02/25	150,000	135	0.50
Brown-Forman	1.2000	07/07/26	100,000	90	0.33
Citigroup	1.5000	24/07/26	200,000	178	0.65
General Motors Financial (EMTN)	0.9550	07/09/23	150,000	131	0.48
General Motors Financial International (EMTN)	1.1680	18/05/20	100,000	91	0.33
Goldman Sachs (EMTN)	1.3750	15/05/24	75,000	67	0.25
JPMorgan Chase (EMTN)	0.6250	25/01/24	150,000	132	0.48
Microsoft	3.1250	06/12/28	100,000	107	0.39
Mylan	3.1250	22/11/28	100,000	93	0.34
Praxair	1.2000	12/02/24	100,000	92	0.34
Thermo Fisher Scientific	1.4000	23/01/26	100,000	89	0.33
Thermo Fisher Scientific	1.3750	12/09/28	100,000	86	0.32
United Technologies	1.1500	18/05/24	100,000	90	0.33
Verizon Communications	1.8750	26/10/29	108,000	96	0.35
Walmart	2.5500	08/04/26	100,000	100	0.37
				2,291	**8.40**
Total Corporate Bonds				**24,568**	**90.12**
Government Bonds 5.73% (2017: 0.52%)					
China 0.44% (2017: nil)					
China Development Bank (EMTN)	0.3750	16/11/21	135,000	**120**	**0.44**
Germany 5.29% (2017: 0.52%)					
Germany (Federal Republic of)	0.5000	15/02/26	1,350,000	1,236	4.53
Germany (Federal Republic of)	4.0000	04/01/37	150,000	207	0.76
				1,443	**5.29**
Total Government Bonds				**1,563**	**5.73**
Total Bonds				**26,707**	**97.96**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**26,707**	**97.96**
Other transferable securities and money market instruments 1.02% (2017: 0.33%)					
Bonds 1.02% (2017: 0.33%)					
Corporate Bonds 1.02% (2017: 0.33%)					
Luxembourg nil (2017: nil)					
Teksid Aluminum Luxembourg SARL	11.3750	15/07/11	244,000	**1**	**-**

Aberdeen Euro Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
United States 1.02% (2017: 0.33%)					
Fidelity National Information Services	0.4000	15/01/21	100,000	89	0.33
Lehman Brothers (EMTN)	4.6250	14/03/19	2,000,000	-	-
United Parcel Service	0.3750	15/11/23	212,000	187	0.69
				276	**1.02**
Total Corporate Bonds				**277**	**1.02**
Total Bonds				**277**	**1.02**
Total Other transferable securities and money market instruments				**277**	**1.02**

Derivatives 0.01% (2017: 0.03%)
Forward currency exchange contracts 0.01% (2017: 0.03%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Merrill Lynch	EUR	GBP	07/09/18	230,355	203,000	3	0.01
Unrealised gains on forward currency exchange contracts						**3**	**0.01**
Unrealised gains on derivatives						**3**	**0.01**
Total investments						**26,987**	**98.99**
Other net assets						**276**	**1.01**
Total net assets						**27,263**	**100.00**

∞ A portion of this security is on loan at the year end.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen Euro Corporate Bond Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	173	0.64	0.63

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Germany (Federal Republic of)	202	Government Bond	Investment grade	BNP Paribas
France (Government of)	11	Government Bond	Investment grade	BNP Paribas
Total collateral received	**213**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	213	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
EUR	213
Total collateral received	**213**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
BNP Paribas	173	France	Tri-party
Total market value of securities lending	**173**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	213	-	**213**

Aberdeen Euro Corporate Bond Fund

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	173	-	**173**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	1	125.00
Direct operational costs (securities lending agent costs)[A]	-	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	-	(25.00)
Net return	**1**	**100.00**

[A] The unrounded direct operational costs and fees incurred for securities lending for the year to 31 July 2018 is £236.

Aberdeen Euro Corporate Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(300)		1,481
Revenue	2	446		454	
Expenses	3	(173)		(184)	
Net revenue before taxation		273		270	
Taxation	4	-		-	
Net revenue after taxation			273		270
Total return before distributions			**(27)**		**1,751**
Distributions	5		(273)		(270)
Change in net assets attributable to shareholders from investment activities			**(300)**		**1,481**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**27,838**		**31,561**
Amounts receivable on issue of shares	510		1,622	
Amounts payable on cancellation of shares	(787)		(6,831)	
		(277)		(5,209)
Dilution adjustment		-		4
Change in net assets attributable to shareholders from investment activities		(300)		1,481
Retained distributions on accumulation shares		2		1
Closing net assets attributable to shareholders		**27,263**		**27,838**

Aberdeen Euro Corporate Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		26,987	27,625
Current assets:			
Debtors	6	565	629
Cash and bank balances		370	90
Total assets		**27,922**	**28,344**
Liabilities:			
Creditors:			
Other creditors	7	589	434
Distribution payable		70	72
Total liabilities		**659**	**506**
Net assets attributable to shareholders		**27,263**	**27,838**

Aberdeen Euro Corporate Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital (losses)/gains**

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(324)	1,404
Forward currency contracts losses	(10)	(2)
Other currency gains/(losses)	34	(3)
Class actions	-	82
Net capital (losses)/gains	**(300)**	**1,481**

2. **Revenue**

	2018 £'000	2017 £'000
Interest on debt securities	445	453
Stock lending commission	1	1
Total revenue	**446**	**454**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	138	145
Operating, administrative and servicing fees	34	38
	172	183
Other expenses:		
Interest payable and similar charges	1	1
	1	1
Total expenses	**173**	**184**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

4. **Taxation**

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	-	-
Current tax charge	**-**	**-**
Total taxation	**-**	**-**

Aberdeen Euro Corporate Bond Fund

Factors affecting current tax charge for year
The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	273	270
Corporation tax at 20% (2017 - 20%)	55	54
Effects of:		
Income being paid as interest distribution	(55)	(54)
Total taxation	**-**	**-**

Factors that may affect future tax charges
There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax
There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions

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

	2018 £'000	2017 £'000
First interim	64	74
Second interim	73	59
Third interim	66	58
Final	70	72
	273	263
Add: Revenue deducted on cancellation of shares	-	8
Deduct: Revenue received on issue of shares	-	(1)
Distributions for the year	**273**	**270**
Total distributions	**273**	**270**

Details of the distribution per share are set out in the distribution tables on pages 285 to 286.

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	218	231
Amounts receivable for issue of shares	19	-
Sales awaiting settlement	328	319
Currency transactions awaiting settlement	-	79
Total debtors	**565**	**629**

Aberdeen Euro Corporate Bond Fund

7 **Other creditors**

	2018 £'000	2017 £'000
Accrued expenses	14	15
Amounts payable for cancellation of shares	-	21
Purchases awaiting settlement	575	319
Currency transactions awaiting settlement	-	79
Total other creditors	**589**	**434**

8. **Related parties**

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 273. £7,000 was due from the ACD (2017 - £33,000 was due to the ACD) at the year end.

The Investment Adviser

As at the year end the Fund held no investments that were managed by subsidiaries of Standard Life Aberdeen plc (2017 - nil).

9. **Material shareholders**

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 96% of the Fund's shares in issue.

10. **Shareholder funds**

The annual management charge on each share class is as follows:

Class 'A': 0.90%
Class 'I': 0.50%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 261 to 263. The distribution per share class is given in the distribution tables on pages 285 to 286. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	54,373	44,462	18,499,827
Creations during the year	19,400	68,400	233,900
Cancellations during the year	(29,100)	(10,100)	(490,000)
Closing shares in issue	**44,673**	**102,762**	**18,243,727**

11. **Securities on Loan**

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Aberdeen Euro Corporate Bond Fund

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
BNP Paribas	173	213	Government Bond
Total	**173**	**213**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	1	-	1

There was no stock on loan at 31 July 2017.

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	1	-	1

Aberdeen Euro Corporate Bond Fund

12. **Risk management policies and disclosures**

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Euro	281	26,961	27,242
Pound Sterling	(5)	26	21
Net assets	**276**	**26,987**	**27,263**
2017			
Euro	299	27,627	27,926
Pound Sterling	(86)	78	(8)
US Dollar	-	(80)	(80)
Net assets	**213**	**27,625**	**27,838**

Interest rate risk profile of financial assets and financial liabilities

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

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Euro	5,012	22,064	298	27,374
Pound Sterling	48	230	270	548
Total financial assets	**5,060**	**22,294**	**568**	**27,922**

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Euro	5,565	21,806	625	27,996
Pound Sterling	9	248	12	269
US Dollar	79	-	-	79
Total financial assets	**5,653**	**22,054**	**637**	**28,344**

Aberdeen Euro Corporate Bond Fund

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Euro	-	-	(576)	(576)
Pound Sterling	-	-	(83)	(83)
Total financial liabilities	**-**	**-**	**(659)**	**(659)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Euro	-	-	(319)	(319)
Pound Sterling	-	-	(108)	(108)
US Dollar	-	-	(79)	(79)
Total financial liabilities	**-**	**-**	**(506)**	**(506)**

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Sensitivity analysis

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

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	3.48%	3.43%
Maximum VaR	3.61%	3.65%
Average VaR	3.56%	3.52%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	2.26%	1.92%	-	(0.69%)	3.49%
31 July 2017	2.21%	1.92%	-	(0.68%)	3.45%

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

Aberdeen Euro Corporate Bond Fund

Counterparty risk

Credit quality of debt security investment assets

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

	Market value £'000	Percentage of total net assets %
2018		
Investment grade securities (AAA - BBB)	24,286	89.08
Below investment grade (BB and below)	1,946	7.14
Unrated securities	752	2.76
Derivatives*	3	0.01
Other net assets	276	1.01
Net assets	**27,263**	**100.00**

	Market value £'000	Percentage of total net assets %
2017		
Investment grade securities (AAA - BBB)	25,469	91.48
Below investment grade (BB and below)	1,689	6.07
Unrated securities	459	1.65
Derivatives*	8	0.03
Other net assets	213	0.77
Net assets	**27,838**	**100.00**

* Please refer to the counterparty risk note on page15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

Financial derivatives

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
Merrill Lynch	3	3
Total exposure	**3**	**3**

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
Barclays	6	6
Royal Bank of Canada	2	2
Total exposure	**8**	**8**

The Fund had no collateral pledged or collateral held in respect of derivatives as at 31 July 2018 (2017 - nil).

Aberdeen Euro Corporate Bond Fund

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	589	-	-	589
Distribution payable	-	70	-	-	70
Total financial liabilities	**-**	**659**	**-**	**-**	**659**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	434	-	-	434
Distribution payable	-	72	-	-	72
Total financial liabilities	**-**	**506**	**-**	**-**	**506**

13. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Bonds	13,863	26,253	13,957	30,214
Trades in the year before transactions costs	**13,863**	**26,253**	**13,957**	**30,214**
Commissions				
Bonds	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**13,863**	**26,253**	**13,957**	**30,214**

Aberdeen Euro Corporate Bond Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Taxes				
Bonds	-	-	-	-
Other expenses				
Bonds	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	-	-

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £92,000 in the year (2017 - £776,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.34% (2017 - 0.37%).

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Aberdeen Euro Corporate Bond Fund

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1[A]	1,444	-	144	-
Level 2	25,543	-	27,481	-
Level 3	-	-	-	-
Total	**26,987**	**-**	**27,625**	**-**

[A] Debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price, amount to £1,444,000 as at 31 July 2018 (2017 - £144,000).

Aberdeen Euro Corporate Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

First interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 October 2017

	Revenue	Equalisation	Distribution paid 31/01/18	Distribution paid 31/01/17
A Income shares				
Group 1	0.19555	-	0.19555	0.15758
Group 2	0.19551	0.00004	0.19555	0.15758
I Accumulation shares				
Group 1	0.45095	-	0.45095	0.35803
Group 2	0.42831	0.02264	0.45095	0.35803
I Income shares				
Group 1	0.34330	-	0.34330	0.27495
Group 2	0.26189	0.08141	0.34330	0.27495

Second interim interest distribution
Group 1: Shares purchased prior to 1 November 2017
Group 2: Shares purchased 1 November 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Income shares				
Group 1	0.22442	-	0.22442	0.14926
Group 2	0.22433	0.00009	0.22442	0.14926
I Accumulation shares				
Group 1	0.51606	-	0.51606	0.38043
Group 2	0.43637	0.07969	0.51606	0.38043
I Income shares				
Group 1	0.39197	-	0.39197	0.29161
Group 2	0.09992	0.29205	0.39197	0.29161

Third interim interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 30 April 2018

	Revenue	Equalisation	Distribution paid 31/07/18	Distribution paid 31/07/17
A Income shares				
Group 1	0.22077	-	0.22077	0.17921
Group 2	0.22069	0.00008	0.22077	0.17921
I Accumulation shares				
Group 1	0.47555	-	0.47555	0.40945
Group 2	0.31527	0.16028	0.47555	0.40945
I Income shares				
Group 1	0.36024	-	0.36024	0.31321
Group 2	0.21986	0.14038	0.36024	0.31321

Aberdeen Euro Corporate Bond Fund

Final interest distribution
Group 1: Shares purchased prior to 1 May 2018
Group 2: Shares purchased 1 May 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Income shares				
Group 1	0.23237	-	0.23237	0.23415
Group 2	0.15254	0.07983	0.23237	0.23415
I Accumulation shares				
Group 1	0.50224	-	0.50224	0.50670
Group 2	0.35344	0.14880	0.50224	0.50670
I Income shares				
Group 1	0.37954	-	0.37954	0.38674
Group 2	0.25985	0.11969	0.37954	0.38674

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

Aberdeen European Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims for maximum capital growth through investment in a broad spread of European securities.

The Manager will invest in European companies which offer good prospects for capital growth. Whilst the Fund will invest principally in companies incorporated in Europe, the Manager may also invest in companies which derive an important proportion of their earnings from European trade or operations. It is intended that the Fund will have minimal exposure to the UK. The Manager will also take opportunities as they arise to invest in European emerging markets.

Performance review

For the year ended 31 July 2018, the value of Aberdeen European Equity Fund – A Accumulation Shares increased by 14.51% compared with an increase of 5.79% in the benchmark, the FTSE World Europe ex UK Index.

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

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

Market review

European equities rose in the year under review that was characterised by two very distinct halves. In the initial six months, share prices in the sector rose in tandem with the broader market in a synchronised global economic upswing. In the latter half, however, property stocks suffered from bouts of volatility amid a raft of worries, ranging from apprehension over rising interest rates, inflationary fears stemming from accelerating energy prices after the US reneged on the Iran nuclear deal, but most of all, an escalating trade tussle triggered by the Trump administration's broadside of tariffs aimed indiscriminately at both friend and foe alike. Also dampening sentiment was a global technology sector sell-off induced by fears of increased regulatory scrutiny in the wake of Facebook's data leak. Political uncertainty also had a hand in curbing risk appetites, with French President Emmanuel Macron's labour reform facing serious threat from the railway unions' crippling strikes; a widening rift in Germany over Chancellor Angela Merkel's migration policy that threatened to rip apart the fragile coalition government; key parties in Italy initially failing to form a coalition government; and the prospect of snap elections in Spain following a no-confidence vote that ousted Prime Minister Mariano Rajoy. However, investors were subsequently comforted by an agreement between the US and Europe to avert a transatlantic trade war.

Portfolio review

At the stock level, global market leader Amplifon was a key contributor to relative performance as it continued to report solid margin gains, an acceleration in the expansion of its store network and robust organic growth. It also announced the acquisition of Spanish market leader GAES for €500 million. We believe this deal creates value for shareholders given the opportunity for the Spanish business to attain margin levels achieved in Amplifon's home market of Italy, given GAES' relative market position, which is some four times larger than the second largest player, and it can now leverage Amplifon's global scale in purchasing. Also benefiting the Fund was banking-software developer Temenos which delivered a robust first-quarter trading update and confirmed that it would not raise its bid for technology firm Fidessa, which was received positively by investors. Another contributor to relative return was Nemetschek, which produces software for the architecture, engineering and construction industries; it did well, posting good growth which drove earnings ahead of expectations, as well as releasing a new forecast for 2020, which positively signaled the sustainability of high growth for longer.

Capping gains was GrandVision, as its shares were dampened by disappointing results as operational performance weighed on the business, subduing the levels of anticipated growth. It recently appointed a CEO who will lay out his new vision for the business at the upcoming Capital Markets Day. Also costing the Fund was Henkel, which had a slow start in the first quarter because of delivery difficulties in its North American consumer goods business. However, its outlook remains upbeat: organic growth, particularly in the beauty care business, should rise by 2% to 4%. Another detractor was our lack of exposure to Total, which saw its share price advance amid the rising oil price.

In addition to the portfolio changes already mentioned in the first-half review, we sold Roche because of increasing concerns over its long-term growth potential, particularly in the light of worsening competition and the resultant pressure on pricing; alongside Fugro, ING and Swatch to reallocate capital into better quality opportunities elsewhere. We also divested Schindler and UBS in favour of better opportunities, including Kone and Julius Baer respectively. We believe Kone is a more attractive proposition, given its geographic exposures and valuation. Overall, we continue to like the long-term drivers of the elevator industry. We initiated a position in market leading Swiss private bank Julius Baer, which is both well-run and well-capitalised, and benefits from attractive exposures to the growing wealth management industry. It is also increasingly well placed to return excess capital to shareholders. Other new holdings included Davide Campari, Deutsche Boerse and Kerry. We like Davide Campari because of its attractive and improving brand portfolio across the spirits category. It enjoys a number of high quality characteristics, as well as an attractive valuation, given the outlook for both long-term growth and significant margin expansion. We initiated Deutsche Boerse as its valuation appeared compelling. The stock exchange occupies strong competitive positions and has exposure to a range of long-term growth drivers: it is likely to benefit from a potential cyclical recovery when volatility returns across asset classes, as well as from rising interest rates. Finally, we introduced Kerry for its robust business model, with exposure to many niche segments supporting the food and beverage sector that provide good returns and solid margins. Its valuation presented an attractive entry point, reinforced by a solid balance sheet.

Outlook

Looking ahead, European markets are likely to continue to face a fair amount of volatility amid a raft of worries, including the fallout of the escalating US-China trade tussle, a faster pace of monetary policy normalisation by the Fed, as well as rising energy prices and its impact on inflationary pressures. However, we remain confident in our holdings. In the near term, financing conditions remain largely conducive to continued growth, with real rates still negative across

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developed markets, while unemployment levels are at record lows. In the second-quarter results season, company earnings at an aggregate level have proven resilient against factors like rising input costs and heightened competition, while profit forecasts have remained largely upbeat. We think this is a consequence of our holdings' good pricing power, robust customer relationships and a diversified stream of earnings – both by geography and product. Meanwhile, companies should be able to absorb some of the cost pressures they might face in the months ahead, given their high profit margins that are near cycle highs in both the US and Europe. Overall, we believe that we hold some of the best quality names across the continent: they have good track records of being able to weather the more challenging times and ultimately, will prosper over the long term.

European Equity Team **August 2018**

Aberdeen European Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risk of investing in this Fund:
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.u**k.

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Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	186.62	158.26	143.04
Return before operating charges*	31.28	31.19	17.53
Operating charges	(3.18)	(2.83)	(2.31)
Return after operating charges*	28.10	28.36	15.22
Distributions on accumulation shares	(0.49)	(0.51)	(1.87)
Retained distributions on accumulation shares	0.49	0.51	1.87
Closing net asset value per share	214.72	186.62	158.26
* after direct transaction costs of:	0.08	-	0.01
Performance			
Return after charges	15.06%	17.92%	10.64%
Other information			
Closing net asset value (£'000s)	156,893	193,627	225,537
Closing number of shares	73,067,146	103,754,518	142,512,091
Operating charges	1.64%	1.66%	1.66%
Direct transaction costs	0.04%	-	0.01%
Prices			
Highest share price (pence)	216.73	191.87	159.04
Lowest share price (pence)	183.88	154.58	126.58

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

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I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	182.94	153.97	138.12
Return before operating charges*	30.96	30.49	17.08
Operating charges	(1.70)	(1.52)	(1.23)
Return after operating charges*	29.26	28.97	15.85
Distributions on accumulation shares	(1.99)	(1.87)	(2.84)
Retained distributions on accumulation shares	1.99	1.87	2.84
Closing net asset value per share	212.20	182.94	153.97
* after direct transaction costs of:	0.07	-	0.01
Performance			
Return after charges	15.99%	18.82%	11.48%
Other information			
Closing net asset value (£'000s)	45,495	40,013	43,751
Closing number of shares	21,439,852	21,872,723	28,414,131
Operating charges	0.89%	0.91%	0.91%
Direct transaction costs	0.04%	-	0.01%
Prices			
Highest share price (pence)	214.17	187.93	154.72
Lowest share price (pence)	181.08	150.40	122.72

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

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Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	217.51	181.70	161.78
Return before operating charges*	37.00	36.12	20.18
Operating charges	(0.32)	(0.31)	(0.26)
Return after operating charges*	36.68	35.81	19.92
Distributions on accumulation shares	(4.11)	(3.70)	(4.54)
Retained distributions on accumulation shares	4.11	3.70	4.54
Closing net asset value per share	254.19	217.51	181.70
* after direct transaction costs of:	0.09	-	0.02
Performance			
Return after charges	16.86%	19.71%	12.31%
Other information			
Closing net asset value (£'000s)	8,866	8,545	40,509
Closing number of shares	3,487,929	3,928,429	22,294,029
Operating charges	0.14%	0.16%	0.16%
Direct transaction costs	0.04%	-	0.01%
Prices			
Highest share price (pence)	256.55	223.25	182.57
Lowest share price (pence)	215.79	177.49	144.32

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

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Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 99.39% (2017: 95.32%)					
Equities 99.39% (2017: 95.32%)					
Austria 3.93% (2017: 4.58%)					
Schoeller-Bleckmann Oilfield Equipment			49,000	4,286	2.03
Vienna Insurance∞			184,000	4,014	1.90
				8,300	**3.93**
Denmark 6.56% (2017: 6.06%)					
Novo Nordisk 'B'			260,000	9,955	4.71
Novozymes 'B'			97,000	3,901	1.85
				13,856	**6.56**
Finland 2.04% (2017: nil)					
Kone			103,000	**4,315**	**2.04**
France 10.37% (2017: 7.98%)					
Dassault Systemes			36,544	4,115	1.95
Edenred∞			237,965	7,112	3.36
Essilor International			36,000	4,028	1.91
L'Oreal			36,000	6,650	3.15
				21,905	**10.37**
Germany 20.96% (2017: 11.78%)					
Bayer			97,065	8,245	3.90
Deutsche Boerse			60,300	6,070	2.87
Fuchs Petrolub			92,000	3,676	1.74
Hannover Re			42,000	4,271	2.02
Henkel			89,200	7,308	3.46
MTU Aero Engines∞			34,000	5,498	2.60
Nemetschek			86,700	9,203	4.37
				44,271	**20.96**
Ireland 2.11% (2017: nil)					
Kerry∞			55,100	**4,468**	**2.11**
Italy 9.08% (2017: 3.83%)					
Amplifon			579,000	9,890	4.69
Brunello Cucinelli∞			147,500	4,671	2.21
Davide Campari (Post Subdivision)∞			717,200	4,612	2.18
				19,173	**9.08**

Aberdeen European Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Netherlands 5.68% (2017: 11.53%)					
GrandVision			247,000	4,276	2.02
Heineken			100,200	7,733	3.66
				12,009	**5.68**
Norway nil (2017: 1.87%)					
Spain 3.62% (2017: 3.33%)					
Amadeus IT			117,500	**7,651**	**3.62**
Sweden 8.39% (2017: 10.36%)					
Assa Abloy 'B'			223,000	3,376	1.60
Atlas Copco			193,540	3,887	1.84
Epiroc			283,200	2,265	1.07
Svenska Handelsbanken 'A'∞			380,000	3,577	1.69
Swedish Match			110,310	4,618	2.19
				17,723	**8.39**
Switzerland 22.77% (2017: 29.23%)					
Burckhardt Compression∞			16,700	4,627	2.19
Julius Baer			95,200	3,991	1.89
Nestle			102,500	6,370	3.02
Partners			7,100	4,114	1.95
SGS∞			3,250	6,472	3.06
Tecan			37,000	7,157	3.39
Temenos∞			67,200	8,254	3.90
VAT∞			50,300	5,043	2.39
VZ			8,500	2,065	0.98
				48,093	**22.77**
United Kingdom 3.88% (2017: 4.77%)					
Unilever			186,600	**8,189**	**3.88**
Total Equities				**209,953**	**99.39**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**209,953**	**99.39**

Aberdeen European Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Open Ended Investment Funds 0.02% (2017: 4.22%)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1[†]			52	52	0.02
Total Open Ended Investment Funds				52	0.02
Total investments				210,005	99.41
Other net assets				1,249	0.59
Total net assets				211,254	100.00

[†] Managed by subsidiaries of Standard Life Aberdeen plc.
[∞] A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen European Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	40,426	19.25	19.14

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
UK Treasury	7,477	Government Bond	Investment grade	BNP Paribas
US Treasury	5,368	Government Bond	Investment grade	BNP Paribas
France (Government of)	2,665	Government Bond	Investment grade	BNP Paribas
Canada (Government of)	1,261	Government Bond	Investment grade	BNP Paribas
EADS	966	Equity	Main market listing	BNP Paribas
Banco Bilbao Vizcaya Argentaria	872	Equity	Main market listing	BNP Paribas
Tokyo Electron	843	Equity	Main market listing	BNP Paribas
Anheuser-Busch InBev	833	Equity	Main market listing	BNP Paribas
Terumo	832	Equity	Main market listing	BNP Paribas
Telefonica	822	Equity	Main market listing	BNP Paribas
Other Equity	27,782	Equity	Main market listing	BNP Paribas
Other Government Bond	729	Government Bond	Investment grade	BNP Paribas
Total collateral received	**50,450**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	50,450	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	403
CAD	1,261
CHF	281
DKK	111
EUR	17,264
GBP	12,848
JPY	9,953
SEK	112
USD	8,217
Total collateral received	**50,450**

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Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
NATIXIS	14,943	France	Tri-party
JPM Chase	9,509	United States	Tri-party
Morgan Stanley	8,784	United States	Tri-party
Citigroup	3,818	United States	Tri-party
Credit Suisse	3,372	Switzerland	Tri-party
Total market value of securities lending	**40,426**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	114	17,386	32,950	**50,450**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	40,426	**40,426**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	65	125.00
Direct operational costs (securities lending agent costs)	(13)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(13)	(25.00)
Net return	**52**	**100.00**

Aberdeen European Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		28,407		43,793
Revenue	2	4,467		6,334	
Expenses	3	(2,883)		(3,920)	
Net revenue before taxation		1,584		2,414	
Taxation	4	(614)		(1,166)	
Net revenue after taxation			970		1,248
Total return before distributions			**29,377**		**45,041**
Distributions	5		(974)		(1,249)
Change in net assets attributable to shareholders from investment activities			**28,403**		**43,792**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**242,185**		**309,797**
Amounts receivable on issue of shares	2,491		2,552	
Amounts payable on cancellation of shares	(62,798)		(115,154)	
		(60,307)		(112,602)
Dilution adjustment		43		112
Change in net assets attributable to shareholders from investment activities		28,403		43,792
Retained distributions on accumulation shares		930		1,086
Closing net assets attributable to shareholders		**211,254**		**242,185**

Aberdeen European Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		210,005	241,062
Current assets:			
Debtors	6	458	426
Cash and bank balances		1,225	1,327
Total assets		**211,688**	**242,815**
Creditors:			
Other creditors	7	434	630
Total liabilities		**434**	**630**
Net assets attributable to shareholders		**211,254**	**242,185**

Aberdeen European Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	28,303	43,755
Other currency gains	104	38
Net capital gains	**28,407**	**43,793**

2. Revenue

	2018 £'000	2017 £'000
Distributions from collective investment schemes:		
UK franked investment revenue	136	238
Offshore distributions - taxable	7	-
Overseas dividends	4,073	5,915
Stock dividends	197	70
Stock lending commission	52	60
Bank interest	2	2
Other revenue	-	49
Total revenue	**4,467**	**6,334**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	2,601	3,511
Operating, administrative and servicing fees	280	408
	2,881	3,919
Other expenses:		
Interest payable and similar charges	2	1
	2	1
Total expenses	**2,883**	**3,920**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	614	1,166
Current tax charge	**614**	**1,166**
Total taxation	**614**	**1,166**

Factors affecting current tax charge for year

The tax charge for the year is higher (2017 - higher) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	1,584	2,414
Corporation tax at 20% (2017 - 20%)	317	483
Effects of:		
UK dividends*	(27)	(48)
Non-taxable overseas dividends*	(854)	(1,197)
Excess management expenses	564	762
Irrecoverable overseas withholding tax	614	1,166
Total taxation	**614**	**1,166**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £5,853,000 (2017 - £5,289,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**

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

	2018 £'000	2017 £'000
Final	930	1,086
Add: Revenue deducted on cancellation of shares	52	177
Deduct: Revenue received on issue of shares	(8)	(14)
Distributions for the year	**974**	**1,249**
Total distributions	**974**	**1,249**

Details of the distribution per share are set out in the distribution tables on page 308.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	970	1,248
Add:		
Movement between share classes due to conversions	4	1
Distributions	**974**	**1,249**

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6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	2	7
Amounts receivable for issue of shares	110	-
Overseas withholding tax reclaimable	346	343
Merger debtor	-	76
Total debtors	**458**	**426**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	245	306
Amounts payable for cancellation of shares	189	324
Total other creditors	**434**	**630**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 298. £302,000 was due to the ACD (2017 - £599,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £52,000 (2017 - £10,210,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 0.75%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 290 to 292. The distribution per share class is given in the distribution tables on page 308. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	I Accumulation shares	Z Accumulation shares
Opening number of shares	103,754,518	21,872,723	3,928,429
Creations during the year	304,500	483,400	430,900
Cancellations during the year	(28,765,700)	(3,179,100)	(871,400)
Shares converted during the year	(2,226,172)	2,262,829	-
Closing shares in issue	**73,067,146**	**21,439,852**	**3,487,929**

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10. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Citigroup	3,313	3,673	Equity
Citigroup	505	531	Government Bond
Credit Suisse	3,372	3,614	Government Bond
JPM Chase	8,719	9,785	Equity
JPM Chase	790	843	Government Bond
Morgan Stanley	1,551	2,819	Equity
Morgan Stanley	7,233	12,511	Government Bond
NATIXIS	14,943	16,674	Equity
Total	**40,426**	**50,450**	

Aberdeen European Equity Fund

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	65	13	52

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
BNP Paribas	1,044	1,152	Equity
JPM Chase	6,040	6,704	Equity
NATIXIS	4,874	5,402	Equity
NATIXIS	2	3	Government Bond
Societe Generale	7,062	7,802	Equity
Societe Generale	356	375	Government Bond
Total	**19,378**	**21,438**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	75	15	60

11. Risk management policies and disclosures

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Danish Krone	77	13,856	13,933
Euro	216	130,281	130,497
Norwegian Krone	19	-	19
Pound Sterling	904	52	956
Swedish Krona	-	17,723	17,723
Swiss Franc	-	48,093	48,093
US Dollar	33	-	33
Net assets	**1,249**	**210,005**	**211,254**

Aberdeen European Equity Fund

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Danish Krone	71	14,668	14,739
Euro	167	115,748	115,915
Norwegian Krone	58	4,536	4,594
Pound Sterling	772	10,211	10,983
Swedish Krona	-	25,102	25,102
Swiss Franc	-	70,797	70,797
US Dollar	55	-	55
Net assets	**1,123**	**241,062**	**242,185**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £21,030,000 (2017 - £23,120,000).

Interest rate risk profile of financial assets and financial liabilities
The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £10,500,000 (2017 - £12,053,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives
The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	434	-	-	434
Total financial liabilities	**-**	**434**	**-**	**-**	**434**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	630	-	-	630
Total financial liabilities	**-**	**630**	**-**	**-**	**630**

Aberdeen European Equity Fund

12. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Collective Investment Schemes	33,903	-	44,514	4,870
Equities	68,001	50,835	117,012	154,704
Trades in the year before transactions costs	**101,904**	**50,835**	**161,526**	**159,574**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	28	32	(39)	(68)
Total commissions	**28**	**32**	**(39)**	**(68)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	38	-	-	-
Total taxes	**38**	**-**	**-**	**-**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	16	14	-	-
Total other expenses	**16**	**14**	**-**	**-**
Total transaction costs	**82**	**46**	**(39)**	**(68)**
Total net trades in the year after transaction costs	**101,986**	**50,881**	**161,487**	**159,506**

	Purchases		Sales	
	2018 %	2017 %	2018 %	2017 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.04	0.06	0.03	0.04
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Other expenses				
Collective Investment Schemes	-		-	-
Equities	0.02	0.03	-	-

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.03	0.04
Taxes	-	-
Other expenses	0.01	0.01
Total costs	**0.04**	**0.05**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Aberdeen European Equity Fund

There were no in specie transfers in the year (2017 - nil). There were corporate actions of £195,000 (net sales) in the year (2017 - £2,759,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.11% (2017 - 0.08%).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	209,953	-	230,852	-
Level 2	52	-	10,210	-
Level 3	-	-	-	-
Total	**210,005**	**-**	**241,062**	**-**

Aberdeen European Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Final dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.49422	-	0.49422	0.51362
Group 2	0.16834	0.32588	0.49422	0.51362
I Accumulation shares				
Group 1	1.98617	-	1.98617	1.86683
Group 2	1.12063	0.86554	1.98617	1.86683
Z Accumulation shares				
Group 1	4.10774	-	4.10774	3.69553
Group 2	3.67235	0.43539	4.10774	3.69553

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

Aberdeen European High Yield Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The investment objective is to provide an attractive level of income with the opportunity for some long-term capital return.

The Fund will be primarily invested in non-Investment grade Debt and debt related securities issued by companies, governments, government related bodies and supranational institutions that are domiciled in the UK or a European Country and/or non-Investment grade Debt and debt related securities issued by companies which conduct a significant proportion of their business activities in the UK or a European Country which, in the Investment Advisor's opinion, are likely to produce a high yield.

The Fund investments may be of any credit quality and may include securities not paying interest currently and securities in default following purchase.

The Fund may also invest in other transferable securities, money market instruments, cash, near cash, deposits, shares in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates). Derivatives may be used for efficient portfolio management and hedging purposes.

Under normal circumstances, the Fund may hold up to 10% of its net assets in cash or near cash assets. However, the Fund may from time to time adopt temporary defensive positions in response to adverse political, economic or bond market events in which case up to 100% of the Fund's net assets may be held in cash or near cash assets including short term Debt and debt related securities listed and traded on an eligible market or OTC market.

Performance review

For the year ended 31 July 2018, the value of Aberdeen European High Yield Bond Fund – A Accumulation Shares increased by 1.69% compared to an increase of 2.46% in the benchmark, the Merrill Lynch European Currency High Yield Constrained (Hedged GBP 100%) Index.

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

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

Market review

There was noticeable divergence in performance between the two halves of the period. The Bank of America Merrill Lynch (BAML) European High Yield Constrained index returned a solid 2% in the first six months. Risk assets rallied on an improved growth outlook globally with the economic data in Europe, in particular, impressing to the upside. This momentum was given a further boost towards the end of 2017 as President Trump's tax reform became increasingly topical. The measures announced in December were well received by markets. This was due to the boost in corporate earnings, capital expenditure and consumer finances in the region, which was expected to be specific for a number of geographies and sectors.

However, these positives gave way to concerns around Trump's tariff proposals. This was aimed at China in particular, and potential retorts from trade partners, the risk of escalation, and what the effects of this could be on global growth. Protectionist measures announced by the US government and counter-measures announced by China and the European Union (EU) stirred much of the volatility in the second six months of the period, resulting in a disappointing return of -0.4% for the European High Yield index. Unsurprisingly, emerging markets, being the most exposed to any potential trade war underperformed significantly. This was not helped by the strength of the dollar which is a traditional head wind for these economies. Furthermore, events in Venezuela and Argentina continued to deteriorate while the situation in Turkey became more fractious at the end of the period post the re-election of President Erdogan. Sanctions from the US, the beginnings of a run on the currency, and the unwillingness to tighten monetary conditions all contributed to the weakness, which deteriorated further in August. Repercussions have been widely felt, European banks with lending exposure to Turkey have been particularly targeted. The Fund is underweight this sector.

Within Europe more specifically, the market took a downturn in May and June due to the political situation in Italy. Following a two month stalemate, the victorious parties in Italy's elections, Five Star and the League, finally started serious talks in May. Despite having acute ideological differences, the two parties found common ground in a desire to challenge the fiscal constraints on tax cuts and spending placed on the country by the European Union terms of membership. While the parties have largely stopped publically expressing a desire to leave the Eurozone, their animosity towards Europe spooked the markets which have become concerned about a widening rift between Italy and the EU. Although risk assets globally experienced a meaningful bounce in July, after a subdued June, it is notable that Italian risk remains unloved by the market. Italian equities are currently trading at their one-year lows, while 10-year Italian government bond (BTP) yields have returned to levels last seen in 2014 (3.12%). The existential questions that have plagued Europe since 2010 are set to remain for global markets.

Portfolio review

From a top down perspective the Fund benefitted from a number of factors. The short duration strategy that has been embedded in the Fund for a number of years has made a positive impact as longer dated bonds have become increasingly less popular, while it also reduces the volatility profile of the portfolio. The underweight to BBs and overweight to lower rated bonds also drove performance, partially for the same reason in that investors are becoming increasingly wary of securities with higher interest rate sensitivity.

All things being equal, the lower the yield and longer the bond the higher the interest rate sensitivity (duration). Over the period, BBs returned 1.22% compared against 2.03% for Bs and 1.89% for CCCs. With regards to sector exposure we have benefitted from being underweight higher beta sectors such as autos, and banks in particular. Our large underweight to Italy was a tailwind for performance, especially later in the period, whilst our overweight to the UK and sterling denominate bonds was a positive. Those were the only two significant deviations from the market from a geographic perspective. At a stock level, our position in Obrascon, the Spanish construction company, was the greatest contributor to performance after the concession business was sold at a much higher valuation that the market had discounted. The de-leveraging impact was material and eventually led the bonds 25 points higher.

Aberdeen European High Yield Bond Fund

Our substantial overweight to Valeant, the North American pharmaceutical, was almost as significant. The company has managed to change its perception and investors have been rewarded as a result. They have managed to divest of assets, paying down debt with the proceeds, have improved their governance standards and termed out shorter term maturities all of which have been well received. Underlying earnings have stabilized and have displayed growth in certain areas. On a less positive note, Nyrstar, the zinc smelter, had a disappointing end to the period as the market became increasingly concerned about their balance sheet and ability to refinance the 2019 bonds. The bonds have recovered meaningfully since post stronger than expected earnings and cash flow generation, a ramp up of the new facility in Australia ahead of expectations, and the intention to buy back the shorter term bonds in the open market. Heat Exchangers bonds came under pressure due to deterioration in earnings but again the bonds have rallied in August post the announcement of a divestment and an improved liquidity picture. Finally, Kloeckner Pentaplast, the plastics packaging company, cost the Fund on weak earnings driven by higher input costs. However, in the long-term this should be recoverable.

Outlook

The outlook for high yield is mixed. The economic picture remains robust, which is translating into stronger corporate earnings. However, the technical outlook is fraught with potential pitfalls as developed market central banks move away from the historic levels of monetary easing we have experienced over the last decade. Away from Europe, the environment in emerging markets is also increasingly problematic, not helped by dollar strength, US protectionism, and events in Venezuela, Turkey and Argentina. Valuations have improved over the course of the year, and this is more notable in Europe than in the US, and the outlook for defaults remains muted.

Moody's are forecasting that global defaults rates will fall to 2% a year from now from 2.8% currently. In Europe the rate is expected to be even lower at 1.5% come July next year. As a general rule, it is hard for high yield to perform too poorly in such an environment. Nevertheless, the market will have to contend with higher underlying government bond yields, which all things being equal is a headwind for fixed income markets, and an expected rotation away from bonds, which is already underway. A number of sectors, such as retail, are suffering to compete with new technology, which is threatening the very existence of many traditional bricks and mortar businesses.

Good stock selection will be essential going forward. Positively, the demand for income remains high, and the supply of income generating assets remains low. Any central bank action, though the direction is undoubtedly changing, will likely be gradual allowing time for markets to acclimatize. It was encouraging to see flows come back to high yield once valuations improved suggesting any technical headwinds may not be as severe as some of the market predict. High yield is somewhat protected from interest rate risk being a relatively short dated and higher yielding market, and the Fund even more so given its long-term short-duration strategy.

Euro HY and Global Leverage Loans Team **August 2018**

Aberdeen European High Yield Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 3 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen European High Yield Bond Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	136.16	126.58	122.33
Return before operating charges*	3.53	12.39	7.60
Operating charges	(1.91)	(1.85)	(1.73)
Return after operating charges*	1.62	10.54	5.87
Distributions on accumulation shares	(7.45)	(8.21)	(8.11)
Retained distributions on accumulation shares	7.45	7.25	6.49
Closing net asset value per share	137.78	136.16	126.58
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.19%	8.33%	4.80%
Other information			
Closing net asset value (£'000s)	3,703	3,927	3,805
Closing number of shares	2,687,625	2,884,152	3,005,655
Operating charges	1.38%	1.40%	1.40%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	139.74	136.70	127.47
Lowest share price (pence)	136.45	127.07	118.61

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

Aberdeen European High Yield Bond Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	91.71	90.06	91.73
Return before operating charges*	2.36	7.97	4.35
Operating charges	(1.25)	(1.29)	(1.27)
Return after operating charges*	1.11	6.68	3.08
Distributions on income shares	(4.89)	(5.03)	(4.75)
Closing net asset value per share	87.93	91.71	90.06
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.21%	7.42%	3.36%
Other information			
Closing net asset value (£'000s)	8,683	7,382	7,276
Closing number of shares	9,874,822	8,048,715	8,078,997
Operating charges	1.38%	1.40%	1.40%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	93.02	92.94	92.32
Lowest share price (pence)	87.88	90.40	86.66

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

Aberdeen European High Yield Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	139.63	129.09	124.05
Return before operating charges*	3.61	12.67	7.75
Operating charges	(1.18)	(1.15)	(1.07)
Return after operating charges*	2.43	11.52	6.68
Distributions on accumulation shares	(7.66)	(8.40)	(8.24)
Retained distributions on accumulation shares	7.66	7.42	6.60
Closing net asset value per share	142.06	139.63	129.09
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.74%	8.92%	5.38%
Other information			
Closing net asset value (£'000s)	19,983	17,851	16,931
Closing number of shares	14,066,219	12,784,883	13,115,714
Operating charges	0.83%	0.85%	0.85%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	143.61	140.18	129.99
Lowest share price (pence)	139.95	129.60	120.65

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

Aberdeen European High Yield Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	105.77	103.30	104.64
Return before operating charges*	2.74	9.16	4.97
Operating charges	(0.87)	(0.90)	(0.88)
Return after operating charges*	1.87	8.26	4.09
Distributions on income shares	(5.66)	(5.79)	(5.43)
Closing net asset value per share	101.98	105.77	103.30
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.77%	8.00%	3.91%
Other information			
Closing net asset value (£'000s)	31,871	33,696	29,641
Closing number of shares	31,253,137	31,856,704	28,693,851
Operating charges	0.83%	0.85%	0.85%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	107.43	106.93	105.32
Lowest share price (pence)	101.87	103.70	99.17

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

Aberdeen European High Yield Bond Fund

Z Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	114.37	105.01	100.00[B]
Return before operating charges*	2.96	10.32	6.40
Operating charges	(0.15)	(0.16)	(0.15)
Return after operating charges*	2.81	10.16	6.25
Distributions on accumulation shares	(6.29)	(6.85)	(6.18)
Retained distributions on accumulation shares	6.29	6.05	4.94
Closing net asset value per share	117.18	114.37	105.01
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	2.46%	9.68%	6.25%
Other information			
Closing net asset value (£'000s)	22,921	30,156	88,571
Closing number of shares	19,560,152	26,367,952	84,349,152
Operating charges	0.13%	0.15%	0.15%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	118.22	114.81	105.72
Lowest share price (pence)	114.66	105.42	97.83

[A] Z Accumulation share class launched on 28 August 2015.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen European High Yield Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 94.90% (2017: 94.14%)					
Bonds 94.90% (2017: 94.14%)					
Corporate Bonds 90.66% (2017: 94.14%)					
Australia nil (2017: 1.03%)					
Austria 0.15% (2017: 0.14%)					
Wienerberger	VAR	PERP	139,000	**133**	**0.15**
Belgium nil (2017: 0.60%)					
Brazil 0.11% (2017: 0.10%)					
Petrobras Global Finance	4.7500	14/01/25	100,000	**95**	**0.11**
Canada 2.50% (2017: 1.62%)					
Cott Finance (EMTN)	5.5000	01/07/24	838,000	790	0.91
Entertainment One	6.8750	15/12/22	1,324,000	1,389	1.59
				2,179	**2.50**
China 0.81% (2017: 0.44%)					
BiSoho	5.8750	01/05/23	446,148	419	0.48
Eagle Intermediate Global/Ruyi US Finance	5.3750	01/05/23	325,000	289	0.33
				708	**0.81**
Denmark 1.73% (2017: 0.53%)					
DKT Finance ApS	7.0000	17/06/23	346,000	325	0.37
Nassa Topco	2.8750	06/04/24	1,266,000	1,179	1.36
				1,504	**1.73**
France 5.65% (2017: 8.29%)					
La Financiere Atalian∞	4.0000	15/05/24	654,000	563	0.65
La Financiere Atalian	6.6250	15/05/25	933,000	917	1.05
NewCo GB∞	8.0000	15/12/22	258,000	235	0.27
NewCo Sab MidCo∞	5.3750	15/04/25	537,000	471	0.54
Novafives	5.0000	15/06/25	470,000	407	0.47
Paprec	4.0000	31/03/25	542,000	485	0.56
Paprec	FRN	31/03/25	144,000	129	0.15
SFR∞	5.6250	15/05/24	1,853,000	1,714	1.96
				4,921	**5.65**
Germany 8.69% (2017: 5.60%)					
Adler Pezler	4.1250	01/04/24	250,000	224	0.26
Blitz	6.0000	30/07/26	936,000	840	0.96
CTC BondCo	5.2500	15/12/25	278,000	243	0.28
Nidda BondCo	5.0000	30/09/25	143,000	121	0.14
Nidda Healthcare	3.5000	30/09/24	351,000	306	0.35

Aberdeen European High Yield Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Platin 1426	5.3750	15/06/23	785,000	668	0.77
PrestigeBidCo	6.2500	15/12/23	1,010,000	956	1.10
Safari Verwaltungs∞	5.3750	30/11/22	780,000	702	0.81
Senvion∞	3.8750	25/10/22	1,540,000	1,214	1.39
Tele Columbus∞	3.8750	02/05/25	1,050,000	900	1.03
Unitymedia	3.7500	15/01/27	1,492,000	1,397	1.60
				7,571	**8.69**
Greece 0.75% (2017: 0.49%)					
Intralot Capital Luxembourg∞	6.7500	15/09/21	483,000	374	0.43
Intralot Capital Luxembourg	5.2500	15/09/24	395,000	278	0.32
				652	**0.75**
Guernsey 0.95% (2017: nil)					
Summit Germany	2.0000	31/01/25	987,000	**829**	**0.95**
Ireland 0.66% (2017: 0.81%)					
Ardagh Packaging Finance	6.7500	15/05/24	599,000	**577**	**0.66**
Israel 1.16% (2017: nil)					
Teva Pharmaceutical Finance Netherlands II∞	1.6250	15/10/28	795,000	579	0.66
Teva Pharmaceutical Finance Netherlands II	1.2500	31/03/23	300,000	252	0.29
Teva Pharmaceutical Finance Netherlands II	4.5000	01/03/25	192,000	179	0.21
				1,010	**1.16**
Italy 2.61% (2017: 5.16%)					
Telecom Italia Finance (EMTN)∞	7.7500	24/01/33	1,100,000	1,355	1.55
Wind Tre	2.7500	20/01/24	700,000	585	0.67
Wind Tre	2.6250	20/01/23	401,000	339	0.39
				2,279	**2.61**
Jersey 1.25% (2017: 1.04%)					
LHC3	4.1250	15/08/24	213,000	188	0.22
Nemean Bondco	7.3750	01/02/24	950,000	906	1.03
				1,094	**1.25**
Luxembourg 10.29% (2017: 11.22%)					
Altice∞	7.2500	15/05/22	2,370,000	2,165	2.49
Altice	6.2500	15/02/25	630,000	545	0.62
DEA Finance	7.5000	15/10/22	400,000	384	0.44
Galapagos∞	5.3750	15/06/21	1,250,000	948	1.09
Garfunkelux Holdco 2∞	11.0000	01/11/23	600,000	594	0.68
INEOS	5.3750	01/08/24	556,000	522	0.60
Kleopatra 1∞	8.5000	30/06/23	719,000	447	0.51
LHMC Finco	6.2500	20/12/23	246,000	225	0.26
Matterhorn Telecom∞	4.8750	01/05/23	950,000	858	0.98
Monitchem HoldCo 2∞	6.8750	15/06/22	703,000	560	0.64
Samsonite Finco (EMTN)	3.5000	15/05/26	267,000	232	0.27

Aberdeen European High Yield Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
SIG Combibloc	7.7500	15/02/23	600,000	556	0.64
Unilabs Subholding∞	5.7500	15/05/25	1,090,000	935	1.07
				8,971	**10.29**
Mexico 0.36% (2017: nil)					
CEMEX	2.7500	05/12/24	359,000	**313**	**0.36**
Netherlands 7.57% (2017: 8.22%)					
InterXion	4.7500	15/06/25	404,000	373	0.43
LGE HoldCo VI	7.1250	15/05/24	1,300,000	1,242	1.43
Lincoln Finance	6.8750	15/04/21	1,562,000	1,441	1.66
Maxeda DIY∞	6.1250	15/07/22	380,000	322	0.37
Nyrstar Netherlands (EMTN)	6.8750	15/03/24	1,363,000	979	1.12
OCI	5.0000	15/04/23	429,000	402	0.46
United	4.3750	01/07/22	471,000	431	0.49
United	FRN	01/07/23	303,000	271	0.31
UPCB Finance IV	4.0000	15/01/27	271,000	247	0.28
Ziggo Secured Finance	4.2500	15/01/27	1,000,000	889	1.02
				6,597	**7.57**
South Africa 0.79% (2017: 0.75%)					
Sappi Papier	3.3750	01/04/22	756,000	**685**	**0.79**
Spain 2.82% (2017: 7.11%)					
Aldesa Financial Services (EMTN)	7.2500	01/04/21	620,000	519	0.59
Codere Finance 2 Luxembourg	6.7500	01/11/21	703,000	603	0.69
Haya Finance 2017	5.2500	15/11/22	1,634,000	1,334	1.54
				2,456	**2.82**
Sweden 0.76% (2017: nil)					
Perstorp	11.0000	30/09/21	600,000	492	0.57
Verisure Midholding			190,000	167	0.19
				659	**0.76**
Switzerland nil (2017: 1.23%)					
United Kingdom 30.00% (2017: 32.47%)					
Amigo Luxembourg∞	7.6250	15/01/24	700,000	715	0.82
Arqiva Broadcast Finance (EMTN)	9.5000	31/03/20	1,250,000	1,291	1.48
Arrow Global Finance∞	5.1250	15/09/24	460,000	424	0.49
Barclays	VAR	PERP	650,000	603	0.69
Barclays	VAR	PERP	539,000	577	0.66
Cabot Financial Luxembourg (EMTN)	8.3750	01/08/20	700,000	713	0.82
Corral Petroleum	11.7500	15/05/21	670,000	639	0.73
CPUK Finance	4.2500	28/02/47	178,000	177	0.20
CYBG	VAR	PERP	1,320,000	1,351	1.55
EC Finance∞	2.3750	15/11/22	120,000	107	0.12
Galaxy Finco	7.8750	15/11/21	1,450,000	1,415	1.62

Aberdeen European High Yield Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
HBOS Capital Funding	VAR	PERP	428,000	433	0.50
Lloyds Bank (EMTN)	VAR	PERP	300,000	521	0.60
Lloyds Banking	VAR	PERP	1,371,000	1,417	1.63
Miller Homes	5.5000	15/10/24	100,000	100	0.11
Mizzen Bondco	7.0000	01/05/21	1,358,945	1,384	1.59
Moto Finance	4.5000	01/10/22	727,000	719	0.83
Nationwide Building Society (EMTN)	VAR	PERP	530,000	546	0.63
Nomad Foods Bondco	3.2500	15/05/24	444,000	394	0.45
PGH Capital	6.6250	18/12/25	1,076,000	1,187	1.36
Pinewood Finco (EMTN)	3.7500	01/12/23	691,000	691	0.79
Pinnacle Bidco	6.3750	15/02/25	593,000	600	0.69
PizzaExpress Financing 2∞	6.6250	01/08/21	444,000	412	0.47
Provident Financial (EMTN)	7.0000	04/06/23	223,000	227	0.26
RAC Bond	5.0000	06/11/22	923,000	865	0.99
Royal Bank of Scotland	5.5000	PERP	200,000	179	0.21
Saga	3.3750	12/05/24	855,000	813	0.93
Shop Direct Funding	7.7500	15/11/22	300,000	262	0.30
Stonegate Pub Financing	4.8750	15/03/22	1,349,000	1,331	1.53
Synlab Bondco	6.2500	01/07/22	900,000	827	0.95
Synlab Unsecured Bondco	8.2500	01/07/23	200,000	189	0.22
Tesco (EMTN)	5.5000	13/12/19	582,000	613	0.70
Thomas Cook∞	6.2500	15/06/22	363,000	343	0.39
TVL Finance	8.5000	15/05/23	308,000	322	0.37
Virgin Media Finance	6.3750	15/10/24	710,000	735	0.84
Virgin Media Secured Finance	5.0000	15/04/27	300,000	294	0.34
Voyage Care Bondco	5.8750	01/05/23	629,000	629	0.72
Voyage Care Bondco	10.0000	01/11/23	270,000	267	0.31
Vue International Bidco∞	7.8750	15/07/20	570,000	571	0.65
William Hill	4.2500	05/06/20	100,000	104	0.12
Worldpay Finance	3.7500	15/11/22	1,217,000	1,171	1.34
				26,158	**30.00**
United States 11.05% (2017: 7.29%)					
Adient Global∞	3.5000	15/08/24	819,000	694	0.80
Alliance Data Systems∞	5.2500	15/11/23	390,000	359	0.41
Avis Budget Finance∞	4.5000	15/05/25	1,020,000	923	1.06
BWAY	4.7500	15/04/24	255,000	228	0.26
Crown European∞	3.3750	15/05/25	1,140,000	1,046	1.21
Diamond BC∞	5.6250	15/08/25	104,000	85	0.10
Energizer Gamma Acquisition	4.6250	15/07/26	854,000	778	0.89
Equinix	2.8750	01/10/25	1,099,000	954	1.10
Federal-Mogul Financing	5.0000	15/07/24	800,000	745	0.85
Goodyear Dunlop Tires Europe∞	3.7500	15/12/23	300,000	275	0.32
International Game Technology	3.5000	15/07/24	600,000	544	0.62
International Game Technology∞	4.7500	15/02/23	500,000	483	0.55
Silgan	3.2500	15/03/25	213,000	194	0.22
Superior Industries International∞	6.0000	15/06/25	600,000	526	0.60
Valeant Pharmaceuticals	4.5000	15/05/23	1,169,000	1,006	1.16

Aberdeen European High Yield Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Vantiv	3.8750	15/11/25	500,000	479	0.55
WMG Acquisition	4.1250	01/11/24	334,000	308	0.35
				9,627	**11.05**
Total Corporate Bonds				**79,018**	**90.66**
Corporate Convertible Bonds 2.15% (2017: nil)					
Italy 2.15% (2017: nil)					
Telecom Italia	1.1250	26/03/22	2,200,000	**1,871**	**2.15**
Total Corporate Convertible Bonds				**1,871**	**2.15**
Government Bonds 2.09% (2017: nil)					
Italy 2.09% (2017: nil)					
Italy (Republic of)	1.5000	01/06/25	2,160,000	**1,824**	**2.09**
Total Government Bonds				**1,824**	**2.09**
Total Bonds				**82,713**	**94.90**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**82,713**	**94.90**
Other transferable securities and money market instruments 4.18% (2017: 4.91%)					
Equities 0.15% (2017: nil)					
Luxembourg 0.15% (2017: nil)					
BrightHouse			65,034	**130**	**0.15**
Total Equities				**130**	**0.15**
Bonds 4.03% (2017: 4.91%)					
Corporate Bonds 4.03% (2017: 4.91%)					
Czech Republic nil (2017: nil)					
Sazka (STEP)[Ω]	9.0000	12/07/21	134,111	**-**	**-**
Luxembourg 1.11% (2017: 1.36%)					
ARD Finance	6.6250	15/09/23	1,050,000	**966**	**1.11**
Netherlands 0.24% (2017: 0.32%)					
Constellium	4.2500	15/02/26	239,000	**213**	**0.24**
United Kingdom 1.89% (2017: 1.65%)					
BrightHouse Finco[∞]	9.0000	15/05/23	802,136	730	0.84
TalkTalk Telecom[∞]	5.3750	15/01/22	910,000	909	1.05
				1,639	**1.89**

Aberdeen European High Yield Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
United States 0.79% (2017: 1.58%)					
AMC Entertainment	6.3750	15/11/24	684,000	**692**	**0.79**
Total Corporate Bonds				**3,510**	**4.03**
Total Bonds				**3,510**	**4.03**
Total Other transferable securities and money market instruments				**3,640**	**4.18**

Derivatives (0.66%) (2017: (1.20%))

Forward currency exchange contracts (0.66%) (2017: (1.20%))

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Barclays Capital	GBP	USD	14/08/18	498,863	666,000	(9)	(0.01)
BNP Paribas	EUR	GBP	14/08/18	3,080,000	2,727,057	21	0.02
Citigroup	GBP	EUR	14/08/18	256,835	289,000	(1)	-
Merrill Lynch	GBP	EUR	14/08/18	59,546,702	67,384,000	(583)	(0.67)
Unrealised losses on forward currency exchange contracts						**(572)**	**(0.66)**
Unrealised losses on derivatives						**(572)**	**(0.66)**
Total investments[≠]						**85,781**	**98.42**
Other net assets						**1,380**	**1.58**
Total net assets						**87,161**	**100.00**

[∞] A portion of this security is on loan at the year end.
[Ω] Unapproved/unquoted security.
[≠] Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen European High Yield Bond Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	17,995	20.98	20.65

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Germany (Federal Republic of)	7,809	Government Bond	Investment grade	BNP Paribas
France (Government of)	5,119	Government Bond	Investment grade	BNP Paribas
UK Treasury	3,060	Government Bond	Investment grade	BNP Paribas
Netherlands (Kingdom of)	1,364	Government Bond	Investment grade	BNP Paribas
Sweden (Kingdom of)	894	Government Bond	Investment grade	BNP Paribas
Luxembourg (Grand Duchy of)	733	Government Bond	Investment grade	BNP Paribas
Australia (Commonwealth of)	370	Government Bond	Investment grade	BNP Paribas
Norway (Kingdom of)	156	Government Bond	Investment grade	BNP Paribas
Total collateral received	**19,505**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	19,505	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	370
EUR	15,919
GBP	3,060
NOK	156
Total collateral received	**19,505**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
JPM Chase	11,499	United States	Tri-party
BNP Paribas	3,194	France	Tri-party
Barclays	1,863	United Kingdom	Tri-party
Credit Suisse	1,062	Switzerland	Tri-party
Nomura	377	Japan	Tri-party
Total market value of securities lending	**17,995**		

Aberdeen European High Yield Bond Fund

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	580

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	18,925	-	**19,505**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	17,995	-	**17,995**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	186	125.00
Direct operational costs (securities lending agent costs)	(37)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(37)	(25.00)
Net return	**149**	**100.00**

Aberdeen European High Yield Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(2,711)		3,797
Revenue	2	5,077		7,638	
Expenses	3	(659)		(659)	
Net revenue before taxation		4,418		6,979	
Taxation	4	5		-	
Net revenue after taxation			4,423		6,979
Total return before distributions			**1,712**		**10,776**
Distributions	5		(4,954)		(7,455)
Change in net assets attributable to shareholders from investment activities			**(3,242)**		**3,321**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**93,012**		**146,224**
Amounts receivable on issue of shares	17,454		24,066	
Amounts payable on cancellation of shares	(22,752)		(85,011)	
		(5,298)		(60,945)
Dilution adjustment		15		337
Change in net assets attributable to shareholders from investment activities		(3,242)		3,321
Retained distributions on accumulation shares		2,674		4,075
Closing net assets attributable to shareholders		**87,161**		**93,012**

Aberdeen European High Yield Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		86,374	92,131
Current assets:			
Debtors	6	1,356	2,749
Cash and bank balances		445	7,014
Total assets		**88,175**	**101,894**
Liabilities:			
Investment liabilities		593	1,116
Creditors:			
Other creditors	7	226	7,591
Distribution payable		195	175
Total liabilities		**1,014**	**8,882**
Net assets attributable to shareholders		**87,161**	**93,012**

Aberdeen European High Yield Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital (losses)/gains**

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(3,256)	7,521
Forward currency contracts gains/(losses)	618	(3,828)
Other currency (losses)/gains	(73)	103
Class actions	-	1
Net capital (losses)/gains	**(2,711)**	**3,797**

2. **Revenue**

	2018 £'000	2017 £'000
Interest on debt securities	4,924	7,585
Stock lending commission	149	51
Bank interest	3	2
Other revenue	1	-
Total revenue	**5,077**	**7,638**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	531	473
Operating, administrative and servicing fees	123	180
	654	653
Other expenses:		
Interest payable and similar charges	5	6
	5	6
Total expenses	**659**	**659**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

4. **Taxation**

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	(5)	-
Current tax charge	**(5)**	**-**
Total taxation	**(5)**	**-**

Aberdeen European High Yield Bond Fund

Factors affecting current tax charge for year
The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	4,418	6,979
Corporation tax at 20% (2017 - 20%)	884	1,396
Effects of:		
Tax deductible on interest distributions	(884)	(1,396)
Irrecoverable overseas withholding tax	(5)	-
Total taxation	**(5)**	**-**

Factors that may affect future tax charges
There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax
There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
First interim	480	752
Second interim	357	735
Third interim	434	812
Fourth interim	445	666
Fifth interim	411	627
Sixth interim	424	630
Seventh interim	410	555
Eighth interim	382	556
Ninth interim	425	474
Tenth interim	447	547
Eleventh interim	311	545
Final	419	393
	4,945	7,292
Add: Revenue deducted on cancellation of shares	54	232
Deduct: Revenue received on issue of shares	(45)	(69)
Distributions for the year	**4,954**	**7,455**
Total distributions	**4,954**	**7,455**

Details of the distribution per share are set out in the distribution tables on pages 337 to 342.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	4,423	6,979
Add:		
Undistributed revenue brought forward	-	3
Authorised Corporate Director's periodic charge paid from capital	531	473
Distributions	**4,954**	**7,455**

Aberdeen European High Yield Bond Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	1,221	1,624
Amounts receivable for issue of shares	135	275
Sales awaiting settlement	-	796
Other debtor	-	54
Total debtors	**1,356**	**2,749**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	52	54
Amounts payable for cancellation of shares	174	7,067
Purchases awaiting settlement	-	470
Total other creditors	**226**	**7,591**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 325. £83,000 was due to the ACD (2017 - £6,833,000) at the year end.

The Investment Adviser

As at the year end the Fund held no investments that were managed by subsidiaries of Standard Life Aberdeen plc (2017 - nil).

9. Material shareholders

Harewood Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 26% of the Fund's shares in issue.

10. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.25%
Class 'I': 0.70%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on 312 to 316. The distribution per share class is given in the distribution tables on pages 337 to 342. All share classes have the same rights on winding up.

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Share reconciliation
As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	2,884,152	8,048,715	12,784,883	31,856,704
Creations during the year	200,723	3,395,041	4,848,300	6,880,890
Cancellations during the year	(389,711)	(1,278,997)	(3,576,484)	(7,732,500)
Shares converted during the year	(7,539)	(289,937)	9,520	248,043
Closing shares in issue	**2,687,625**	**9,874,822**	**14,066,219**	**31,253,137**

	Z Accumulation shares
Opening number of shares	26,367,952
Creations during the year	-
Cancellations during the year	(6,807,800)
Shares converted during the year	-
Closing shares in issue	**19,560,152**

11. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

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Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Barclays	1,863	1,983	Government Bond
BNP Paribas	3,194	3,759	Government Bond
Credit Suisse	1,062	1,132	Government Bond
JPM Chase	11,499	12,143	Government Bond
Nomura	377	488	Government Bond
Total	**17,995**	**19,505**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	186	37	149

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
Barclays	2,574	2,865	Government Bond
BNP Paribas	821	881	Government Bond
Citigroup	616	664	Government Bond
JPM Chase	9,899	10,450	Government Bond
Nomura	2,979	3,185	Government Bond
Total	**16,889**	**18,045**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	64	13	51

12. Risk management policies and disclosures

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

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

Aberdeen European High Yield Bond Fund

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Euro	1,729	55,690	698	58,117
Pound Sterling	4,846	23,911	798	29,555
US Dollar	-	492	11	503
Total financial assets	**6,575**	**80,093**	**1,507**	**88,175**

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Euro	6,279	56,255	925	63,459
Pound Sterling	9,828	26,783	1,824	38,435
Total financial assets	**16,107**	**83,038**	**2,749**	**101,894**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Pound Sterling	-	-	(1,014)	(1,014)
Total financial liabilities	**-**	**-**	**(1,014)**	**(1,014)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Euro	-	-	(470)	(470)
Pound Sterling	-	-	(8,412)	(8,412)
Total financial liabilities	**-**	**-**	**(8,882)**	**(8,882)**

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Sensitivity analysis

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

Aberdeen European High Yield Bond Fund

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	0.87%	0.84%
Maximum VaR	1.09%	1.28%
Average VaR	0.94%	1.00%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	-	0.51%	-	0.45%	0.96%
31 July 2017	-	0.49%	-	0.50%	0.99%

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

Counterparty risk

Credit quality of debt security investment assets

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

	Market value £'000	Percentage of total net assets %
2018		
Investment grade securities (AAA - BBB)	4,067	4.67
Below investment grade (BB and below)	79,869	91.63
Unrated securities	2,287	2.63
Equities	130	0.15
Derivatives*	(572)	(0.66)
Other net assets	1,380	1.58
Net assets	**87,161**	**100.00**

	Market value £'000	Percentage of total net assets %
2017		
Investment grade securities (AAA - BBB)	2,374	2.55
Below investment grade (BB and below)	87,941	94.55
Unrated securities	1,816	1.95
Derivatives*	(1,116)	(1.20)
Other net assets	1,997	2.15
Net assets	**93,012**	**100.00**

* Please refer to the counterparty risk note on page 15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

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Financial derivatives

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
BNP Paribas	21	21
Total exposure	**21**	**21**

The Fund had no exposure to derivatives as at 31 July 2017.

The Fund had no collateral pledged or collateral held in respect of derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	593	-	-	593
Non-derivatives					
Other creditors	-	226	-	-	226
Distribution payable	-	195	-	-	195
Total financial liabilities	**-**	**1,014**	**-**	**-**	**1,014**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	1,116	-	-	1,116
Non-derivatives					
Other creditors	-	7,591	-	-	7,591
Distribution payable	-	175	-	-	175
Total financial liabilities	**-**	**8,882**	**-**	**-**	**8,882**

Aberdeen European High Yield Bond Fund

13. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Bonds	40,083	50,349	49,571	102,607
Trades in the year before transactions costs	**40,083**	**50,349**	**49,571**	**102,607**
Commissions				
Bonds	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**40,083**	**50,349**	**49,571**	**102,607**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Taxes				
Bonds	-	-	-	-
Other expenses				
Bonds	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £1,237,000, in the year (2017 - £1,751,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.96% (2017 - 0.78%).

Aberdeen European High Yield Bond Fund

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1

Quoted prices in active markets for identical securities.

Level 2

Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3

Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1[A]	1,954	-	-	-
Level 2	84,420	593	92,131	1,116
Level 3	-	-	-	-
Total	**86,374**	**593**	**92,131**	**1,116**

[A] Debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price, amount to £1,824,000 as at 31 July 2018 (2017: nil).

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Distribution table
For the year ended 31 July 2018 (in pence per share)

First interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 August 2017

	Revenue	Equalisation	Distribution paid 30/09/17	Distribution paid 30/09/16
A Accumulation shares				
Group 1	0.71088	-	0.71088	0.52007
Group 2	0.27140	0.43948	0.71088	0.52007
A Income shares				
Group 1	0.47881	-	0.47881	0.37000
Group 2	0.14979	0.32902	0.47881	0.37000
I Accumulation shares				
Group 1	0.72914	-	0.72914	0.52487
Group 2	0.30625	0.42289	0.72914	0.52487
I Income shares				
Group 1	0.55234	-	0.55234	0.42000
Group 2	0.27448	0.27786	0.55234	0.42000
Z Accumulation shares				
Group 1	0.59713	-	0.59713	0.43187
Group 2	0.59713	-	0.59713	0.43187

Second interim interest distribution
Group 1: Shares purchased prior to 1 September 2017
Group 2: Shares purchased 1 September 2017 to 30 September 2017

	Revenue	Equalisation	Distribution paid 31/10/17	Distribution paid 31/10/16
A Accumulation shares				
Group 1	0.54938	-	0.54938	0.55040
Group 2	0.28621	0.26317	0.54938	0.55040
A Income shares				
Group 1	0.36812	-	0.36812	0.39000
Group 2	0.22072	0.14740	0.36812	0.39000
I Accumulation shares				
Group 1	0.56385	-	0.56385	0.55206
Group 2	0.21590	0.34795	0.56385	0.55206
I Income shares				
Group 1	0.42491	-	0.42491	0.44000
Group 2	0.18777	0.23714	0.42491	0.44000
Z Accumulation shares				
Group 1	0.46222	-	0.46222	0.45752
Group 2	0.46222	-	0.46222	0.45752

Aberdeen European High Yield Bond Fund

Third interim interest distribution
Group 1: Shares purchased prior to 1 October 2017
Group 2: Shares purchased 1 October 2017 to 31 October 2017

	Revenue	Equalisation	Distribution paid 30/11/17	Distribution paid 30/11/16
A Accumulation shares				
Group 1	0.65724	-	0.65724	0.62209
Group 2	0.37095	0.28629	0.65724	0.62209
A Income shares				
Group 1	0.43863	-	0.43863	0.43890
Group 2	0.18627	0.25236	0.43863	0.43890
I Accumulation shares				
Group 1	0.67486	-	0.67486	0.62446
Group 2	0.25685	0.41801	0.67486	0.62446
I Income shares				
Group 1	0.50654	-	0.50654	0.49561
Group 2	0.19893	0.30761	0.50654	0.49561
Z Accumulation shares				
Group 1	0.55333	-	0.55333	0.50882
Group 2	0.55333	-	0.55333	0.50882

Fourth interim interest distribution
Group 1: Shares purchased prior to 1 November 2017
Group 2: Shares purchased 1 November 2017 to 30 November 2017

	Revenue	Equalisation	Distribution paid 31/12/17	Distribution paid 31/12/16
A Accumulation shares				
Group 1	0.66327	-	0.66327	0.49204
Group 2	0.35983	0.30344	0.66327	0.49204
A Income shares				
Group 1	0.44057	-	0.44057	0.34549
Group 2	0.08100	0.35957	0.44057	0.34549
I Accumulation shares				
Group 1	0.68130	-	0.68130	0.53605
Group 2	0.20018	0.48112	0.68130	0.53605
I Income shares				
Group 1	0.50897	-	0.50897	0.42346
Group 2	0.13300	0.37597	0.50897	0.42346
Z Accumulation shares				
Group 1	0.55904	-	0.55904	0.41621
Group 2	0.55904	-	0.55904	0.41621

Aberdeen European High Yield Bond Fund

Fifth interim interest distribution
Group 1: Shares purchased prior to 1 December 2017
Group 2: Shares purchased 1 December 2017 to 31 December 2017

	Revenue	Equalisation	Distribution paid 31/01/18	Distribution paid 31/01/17
A Accumulation shares				
Group 1	0.61098	-	0.61098	0.53212
Group 2	0.20891	0.40207	0.61098	0.53212
A Income shares				
Group 1	0.40388	-	0.40388	0.37222
Group 2	0.24903	0.15485	0.40388	0.37222
I Accumulation shares				
Group 1	0.62794	-	0.62794	0.54381
Group 2	0.39463	0.23331	0.62794	0.54381
I Income shares				
Group 1	0.46687	-	0.46687	0.42786
Group 2	0.14811	0.31876	0.46687	0.42786
Z Accumulation shares				
Group 1	0.51552	-	0.51552	0.44340
Group 2	0.51552	-	0.51552	0.44340

Sixth interim interest distribution
Group 1: Shares purchased prior to 1 January 2018
Group 2: Shares purchased 1 January 2018 to 31 January 2018

	Revenue	Equalisation	Distribution paid 28/02/18	Distribution paid 28/02/17
A Accumulation shares				
Group 1	0.63483	-	0.63483	0.57236
Group 2	0.32892	0.30591	0.63483	0.57236
A Income shares				
Group 1	0.41779	-	0.41779	0.39875
Group 2	0.18376	0.23403	0.41779	0.39875
I Accumulation shares				
Group 1	0.65256	-	0.65256	0.58509
Group 2	0.32809	0.32447	0.65256	0.58509
I Income shares				
Group 1	0.48306	-	0.48306	0.45847
Group 2	0.28918	0.19388	0.48306	0.45847
Z Accumulation shares				
Group 1	0.53611	-	0.53611	0.47706
Group 2	0.53611	-	0.53611	0.47706

Aberdeen European High Yield Bond Fund

Seventh interim interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 28 February 2018

	Revenue	Equalisation	Distribution paid 31/03/18	Distribution paid 31/03/17
A Accumulation shares				
Group 1	0.60701	-	0.60701	0.55281
Group 2	0.25896	0.34805	0.60701	0.55281
A Income shares				
Group 1	0.39765	-	0.39765	0.38347
Group 2	0.17541	0.22224	0.39765	0.38347
I Accumulation shares				
Group 1	0.62442	-	0.62442	0.56515
Group 2	0.34881	0.27561	0.62442	0.56515
I Income shares				
Group 1	0.46012	-	0.46012	0.44094
Group 2	0.26359	0.19653	0.46012	0.44094
Z Accumulation shares				
Group 1	0.51337	-	0.51337	0.46231
Group 2	0.51337	-	0.51337	0.46231

Eighth interim interest distribution
Group 1: Shares purchased prior to 1 March 2018
Group 2: Shares purchased 1 March 2018 to 31 March 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.57041	-	0.57041	0.70502
Group 2	0.13721	0.43320	0.57041	0.70502
A Income shares				
Group 1	0.37204	-	0.37204	0.48703
Group 2	0.14551	0.22653	0.37204	0.48703
I Accumulation shares				
Group 1	0.58689	-	0.58689	0.72154
Group 2	0.20256	0.38433	0.58689	0.72154
I Income shares				
Group 1	0.43056	-	0.43056	0.56064
Group 2	0.19472	0.23584	0.43056	0.56064
Z Accumulation shares				
Group 1	0.48274	-	0.48274	0.58948
Group 2	0.48274	-	0.48274	0.58948

Aberdeen European High Yield Bond Fund

Ninth interim interest distribution
Group 1: Shares purchased prior to 1 April 2018
Group 2: Shares purchased 1 April 2018 to 30 April 2018

	Revenue	Equalisation	Distribution paid 31/05/18	Distribution paid 31/05/17
A Accumulation shares				
Group 1	0.63315	-	0.63315	0.62614
Group 2	0.36249	0.27066	0.63315	0.62614
A Income shares				
Group 1	0.41127	-	0.41127	0.43025
Group 2	0.33067	0.08060	0.41127	0.43025
I Accumulation shares				
Group 1	0.65151	-	0.65151	0.64120
Group 2	0.31132	0.34019	0.65151	0.64120
I Income shares				
Group 1	0.47601	-	0.47601	0.49556
Group 2	0.22640	0.24961	0.47601	0.49556
Z Accumulation shares				
Group 1	0.53606	-	0.53606	0.52386
Group 2	0.53606	-	0.53606	0.52386

Tenth interim interest distribution
Group 1: Shares purchased prior to 1 May 2018
Group 2: Shares purchased 1 May 2018 to 31 May 2018

	Revenue	Equalisation	Distribution paid 30/06/18	Distribution paid 30/06/17
A Accumulation shares				
Group 1	0.67484	-	0.67484	0.73770
Group 2	0.34341	0.33143	0.67484	0.73770
A Income shares				
Group 1	0.43637	-	0.43637	0.50455
Group 2	0.26252	0.17385	0.43637	0.50455
I Accumulation shares				
Group 1	0.69499	-	0.69499	0.75563
Group 2	0.34670	0.34829	0.69499	0.75563
I Income shares				
Group 1	0.50549	-	0.50549	0.58126
Group 2	0.25904	0.24645	0.50549	0.58126
Z Accumulation shares				
Group 1	0.57238	-	0.57238	0.61782
Group 2	0.57238	-	0.57238	0.61782

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Eleventh interim interest distribution
Group 1: Shares purchased prior to 1 June 2018
Group 2: Shares purchased 1 June 2018 to 30 June 2018

	Revenue	Equalisation	Distribution paid 31/07/18	Distribution paid 31/07/17
A Accumulation shares				
Group 1	0.47529	-	0.47529	0.76177
Group 2	0.19093	0.28436	0.47529	0.76177
A Income shares				
Group 1	0.30583	-	0.30583	0.51818
Group 2	0.05333	0.25250	0.30583	0.51818
I Accumulation shares				
Group 1	0.48970	-	0.48970	0.78077
Group 2	0.20898	0.28072	0.48970	0.78077
I Income shares				
Group 1	0.35445	-	0.35445	0.59733
Group 2	0.15901	0.19544	0.35445	0.59733
Z Accumulation shares				
Group 1	0.40357	-	0.40357	0.63850
Group 2	0.40357	-	0.40357	0.63850

Final interest distribution
Group 1: Shares purchased prior to 1 July 2018
Group 2: Shares purchased 1 July 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/08/18	Distribution paid 31/08/17
A Accumulation shares				
Group 1	0.66076	-	0.66076	0.57400
Group 2	0.39689	0.26387	0.66076	0.57400
A Income shares				
Group 1	0.42370	-	0.42370	0.38826
Group 2	0.19173	0.23197	0.42370	0.38826
I Accumulation shares				
Group 1	0.68111	-	0.68111	0.58863
Group 2	0.34396	0.33715	0.68111	0.58863
I Income shares				
Group 1	0.49128	-	0.49128	0.44780
Group 2	0.18665	0.30463	0.49128	0.44780
Z Accumulation shares				
Group 1	0.56128	-	0.56128	0.48175
Group 2	0.56128	-	0.56128	0.48175

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

Aberdeen European Property Share Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Equity and Equity-Related securities issued by companies that derive the majority of their income from the ownership, management or development of real estate located in Europe, including the United Kingdom.

The Fund may also invest in other transferable securities, money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Performance review

For the year ended 31 July 2018, the value of Aberdeen European Property Share Fund – A Accumulation Shares increased by 9.78% compared to an increase of 10.89% in the benchmark, the FTSE Epra Nareit Europe Ex-UK Re 10% Capped GBP Index.

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

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

Market review

European property shares rose in the year under review that was characterised by two very distinct halves. In the initial six months, share prices in the sector rose in tandem with the broader market in a synchronised global economic upswing. In the latter half, however, property stocks suffered from bouts of volatility amid a raft of worries, ranging from apprehension over rising interest rates in the United States, inflationary fears stemming from accelerating energy prices after the US reneged on the Iran nuclear deal, but most of all, an escalating trade tussle triggered by the Trump administration's broadside of tariffs aimed indiscriminately at both friend and foe alike. Political uncertainty also had a hand in curbing risk appetites, with French President Emmanuel Macron's labour reform facing serious threat from the railway unions' crippling strikes; a widening rift in Germany over Chancellor Angela Merkel's migration policy that threatened the fragile coalition government; key parties in Italy initially failing to form a coalition government; and the prospect of snap elections in Spain following a no-confidence vote that ousted Prime Minister Mariano Rajoy. However, investors were subsequently comforted by an agreement between the US and Europe to avert a transatlantic trade war.

Portfolio review

Shareholders enjoyed a year of attractive gains, albeit the Fund return was just shy of the benchmark figure. Our underweight to the very large German residential sector caused us to lag as it performed well, supported by continued very low interest rates and rising domestic demand for residential property. The Fund has a number of significant holdings in this area, including Deutsche Wohnen, Vonovia and LEG Immobilien. On the flip side, the allocation to the United Kingdom performed very strongly, both due to holding solid performers, such as industrial/logistics specialists, SEGRO and Hansteen, and robust mid-caps, such as UNITE and Workspace, as well as not owning the more retail-exposed companies, such as Intu Properties and Hammerson. Elsewhere in the Fund, our long-standing underweight to the retail sector proved helpful: particularly not owning the struggling UK retail landlords. While less positively in Sweden, a robust performance from multi-sector landlord Castellum was insufficient to mitigate a de-rating in the valuations of Hufvudstaden and Wihlborgs Fastigheter: their share prices were very strong at the start of the review period.

In portfolio activity we made a number of changes. Some were prompted by corporate activity: Austrian residential specialist BUWOG was sold for a healthy gain, following an agreed takeover offer from Vonovia; while others such as the exit of London office specialist Great Portland Estate and UK developer St Modwen followed pronounced share price strength, with both stocks having delivered a substantial valuation re-rating since their weakness after the 2016 EU Referendum result. We also exited London office developer Helical and German shopping-centre owner Deutsche Euroshop, where we felt the balance of risk and return was no longer favourable and to help move the Fund away from London offices and mature retail properties respectively. On the flip side, ongoing due diligence prompted a number of fresh investment opportunities, introducing CA Immobilien Anlagen, a developer and owner of properties across Germany, Austria and central Europe; Inmobiliaria Colonial, an owner of prime offices in Madrid, Paris; and Hibernia REIT, an owner and developer primarily of offices in Dublin. Taken together with more incremental adjustments to existing holdings, these changes reduced the Fund's exposure to London offices and European retail, while diversifying the Fund's asset exposure, with less in the UK and more in Ireland, Spain, and central Europe.

Outlook

Political news flow looks set to remain a source of volatility for markets. We take comfort, however, from the fact that economic fundamentals remain on an improving trajectory across much of Europe. Rising GDP and falling unemployment, together with a stable and accommodative monetary policy is supporting demand in the Fund's key areas of exposure, including offices, logistics, shops, and housing. This is reflected in company results, with the vast majority of the Fund's holdings reporting favourable growth in net asset values and dividends. The clear exception is the uncertainty hanging over the United Kingdom, given ongoing Brexit negotiations, and where economic fundamentals have been less robust. However, the Fund is significantly underweight the more cyclically-exposed UK retail and office segments, with our preference for specialists in areas, such as student, healthcare, and logistics, each of these segments exposed to relatively attractive fundamentals. Our ongoing due diligence has also continued to unlock fresh investment opportunities, allowing us to recycle gains and capital away from holdings where the risk-return prospects are less favourable. Our continued emphasis for both existing and potential ideas is to focus the Fund's capital on those companies offering the right properties, appropriate balance sheets and robust governance structures, to give confidence that they will prosper over the long term.

European Equity Team **August 2018**

Aberdeen European Property Share Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Concentrated portfolio: The Fund may hold a limited number of investments. If one of these investments declines in value this can have a greater impact on the fund's value than if it held a larger number of investments.
- Specialist Sector: The Fund invests in a specialist sector and it will not perform in line with funds that have a broader investment policy.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen European Property Share Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	203.55	186.30	167.94[A]
Return before operating charges*	23.13	20.29	21.14
Operating charges	(3.41)	(3.04)	(2.78)
Return after operating charges*	19.72	17.25	18.36
Distributions on accumulation shares	(6.74)	(6.74)	(5.35)
Retained distributions on accumulation shares	6.74	6.74	5.35
Closing net asset value per share	223.27	203.55	186.30
* after direct transaction costs of:	0.38	0.11	0.07
Performance			
Return after charges	9.69%	9.26%	10.93%
Other information			
Closing net asset value (£'000s)	6,874	5,217	5,123
Closing number of shares	3,078,634	2,562,974	2,749,902
Operating charges	1.61%	1.62%	1.62%
Direct transaction costs	0.18%	0.06%	0.04%
Prices			
Highest share price (pence)	224.45	206.57	186.21
Lowest share price (pence)	200.58	168.07	157.33

[A] The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen European Property Share Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	126.75	120.08	111.46[A]
Return before operating charges*	14.35	12.94	13.99
Operating charges	(2.11)	(1.95)	(1.83)
Return after operating charges*	12.24	10.99	12.16
Distributions on income shares	(4.17)	(4.32)	(3.54)
Closing net asset value per share	134.82	126.75	120.08
* after direct transaction costs of:	0.23	0.07	0.04
Performance			
Return after charges	9.66%	9.15%	10.91%
Other information			
Closing net asset value (£'000s)	570	566	520
Closing number of shares	422,789	446,389	432,935
Operating charges	1.61%	1.62%	1.62%
Direct transaction costs	0.18%	0.06%	0.04%
Prices			
Highest share price (pence)	138.89	131.98	123.29
Lowest share price (pence)	124.13	108.34	103.97

[A] The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen European Property Share Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	159.97	145.52	130.48[A]
Return before operating charges*	17.98	15.73	16.21
Operating charges	(1.44)	(1.28)	(1.17)
Return after operating charges*	16.54	14.45	15.04
Distributions on accumulation shares	(5.06)	(5.09)	(3.71)
Retained distributions on accumulation shares	5.06	5.09	3.71
Closing net asset value per share	176.51	159.97	145.52
* after direct transaction costs of:	0.30	0.09	0.05
Performance			
Return after charges	10.34%	9.93%	11.53%
Other information			
Closing net asset value (£'000s)	61,387	21,168	15,256
Closing number of shares	34,779,010	13,232,469	10,483,332
Operating charges	0.86%	0.87%	0.87%
Direct transaction costs	0.18%	0.06%	0.04%
Prices			
Highest share price (pence)	177.44	162.22	145.45
Lowest share price (pence)	157.89	131.57	122.68

[A] The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen European Property Share Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	111.28	104.64	96.31[A]
Return before operating charges*	12.48	11.19	11.92
Operating charges	(1.00)	(0.91)	(0.86)
Return after operating charges*	11.48	10.28	11.06
Distributions on income shares	(3.51)	(3.64)	(2.73)
Closing net asset value per share	119.25	111.28	104.64
* after direct transaction costs of:	0.21	0.06	0.04
Performance			
Return after charges	10.32%	9.82%	11.48%
Other information			
Closing net asset value (£'000s)	12,578	8,566	8,516
Closing number of shares	10,547,769	7,697,669	8,138,307
Operating charges	0.86%	0.87%	0.87%
Direct transaction costs	0.18%	0.06%	0.04%
Prices			
Highest share price (pence)	122.74	115.70	106.98
Lowest share price (pence)	109.40	94.61	90.15

[A] The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen European Property Share Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	235.00	212.51	189.50[A]
Return before operating charges*	26.11	22.75	23.24
Operating charges	(0.27)	(0.26)	(0.23)
Return after operating charges*	25.84	22.49	23.01
Distributions on accumulation shares	(7.37)	(7.45)	(5.39)
Retained distributions on accumulation shares	7.37	7.45	5.39
Closing net asset value per share	260.84	235.00	212.51
* after direct transaction costs of:	0.43	0.13	0.08
Performance			
Return after charges	11.00%	10.58%	12.14%
Other information			
Closing net asset value (£'000s)	43,292	41,803	44,026
Closing number of shares	16,597,008	17,788,908	20,717,308
Operating charges	0.11%	0.12%	0.12%
Direct transaction costs	0.18%	0.06%	0.04%
Prices			
Highest share price (pence)	262.22	238.11	212.40
Lowest share price (pence)	232.16	192.50	178.78

[A] The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen European Property Share Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 98.70% (2017: 95.32%)					
Equities 98.70% (2017: 95.32%)					
Austria 2.45% (2017: 1.85%)					
CA Immobilien Anlagen			114,100	**3,059**	**2.45**
France 13.02% (2017: 19.39%)					
Gecina			47,800	6,067	4.87
ICADE (REIT)			50,900	3,755	3.01
Klepierre (REIT)			226,900	6,416	5.14
				16,238	**13.02**
Germany 14.73% (2017: 15.16%)					
Deutsche Wohnen			211,542	7,879	6.32
LEG Immobilien			61,100	5,252	4.21
Vonovia			141,300	5,236	4.20
				18,367	**14.73**
Ireland 5.74% (2017: 2.84%)					
Cairn Homes			3,168,900	4,805	3.86
Hibernia REIT			1,807,300	2,347	1.88
				7,152	**5.74**
Netherlands 6.91% (2017: nil)					
Unibail-Rodamco-Westfield			51,100	**8,615**	**6.91**
Spain 5.05% (2017: 3.16%)					
Inmobiliaria Colonial∞			296,100	2,434	1.95
Merlin			342,700	3,865	3.10
				6,299	**5.05**
Sweden 13.06% (2017: 11.89%)					
Castellum			525,500	7,240	5.81
Hufvudstaden 'A'			434,700	5,137	4.12
Wihlborgs Fastigheter			429,300	3,908	3.13
				16,285	**13.06**
Switzerland 4.74% (2017: 4.94%)					
PSP Swiss Property			53,200	3,822	3.06
Zurich Airport			13,100	2,094	1.68
				5,916	**4.74**
United Kingdom 33.00% (2017: 36.09%)					
Assura (REIT)∞			6,753,700	3,823	3.07
Big Yellow (REIT)			307,300	2,924	2.34
Derwent London (REIT)			97,800	3,054	2.45

Aberdeen European Property Share Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Hansteen (REIT)			1,126,900	1,240	0.99
LondonMetric Property (REIT)			1,438,400	2,707	2.17
Rightmove			54,800	2,669	2.14
Savills			226,700	2,009	1.61
SEGRO (REIT)			1,036,300	6,892	5.53
Shaftesbury (REIT)			403,700	3,762	3.02
Sirius Real Estate			6,345,400	3,706	2.97
UNITE			541,700	4,745	3.81
Workspace (REIT)			332,800	3,614	2.90
				41,145	**33.00**
Total Equities				**123,076**	**98.70**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**123,076**	**98.70**
Open Ended Investment Funds 0.66% (2017: nil)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1†			823	**823**	**0.66**
Total Open Ended Investment Funds				**823**	**0.66**
Total investments				**123,899**	**99.36**
Other net assets				**802**	**0.64**
Total net assets				**124,701**	**100.00**

† Managed by subsidiaries of Standard Life Aberdeen plc.
∞ A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen European Property Share Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	1,065	0.86	0.85

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
UK Treasury	64	Government Bond	Investment grade	BNP Paribas
Intesa Sanpaolo	41	Equity	Main market listing	BNP Paribas
Banco Bilbao Vizcaya Argentaria	36	Equity	Main market listing	BNP Paribas
Mitsubishi UFJ Financial	36	Equity	Main market listing	BNP Paribas
Toyota Motor	35	Equity	Main market listing	BNP Paribas
Eni	34	Equity	Main market listing	BNP Paribas
Ferrari	33	Equity	Main market listing	BNP Paribas
Snam	31	Equity	Main market listing	BNP Paribas
Sony	31	Equity	Main market listing	BNP Paribas
Assicurazioni Generali	28	Equity	Main market listing	BNP Paribas
Other Equity	784	Equity	Main market listing	BNP Paribas
Other Government Bond	39	Government Bond	Investment grade	BNP Paribas
Total collateral received	**1,192**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	1,192	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	31
CAD	21
CHF	27
DKK	10
EUR	562
GBP	122
JPY	224
SEK	10
USD	185
Total collateral received	**1,192**

Aberdeen European Property Share Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
JPM Chase	723	United States	Tri-party
Citigroup	342	United States	Tri-party
Total market value of securities lending	**1,065**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	10	93	1,089	**1,192**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	1,065	**1,065**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	2	125.00
Direct operational costs (securities lending agent costs)[A]	-	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	-	(25.00)
Net return	**2**	**100.00**

[A] The unrounded direct operational costs and fees incurred for securities lending for the year to 31 July 2018 is £411.

Aberdeen European Property Share Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		7,497		4,671
Revenue	2	3,551		2,678	
Expenses	3	(575)		(346)	
Net revenue before taxation		2,976		2,332	
Taxation	4	(183)		(133)	
Net revenue after taxation			2,793		2,199
Total return before distributions			**10,290**		**6,870**
Distributions	5		(3,196)		(2,418)
Change in net assets attributable to shareholders from investment activities			**7,094**		**4,452**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**77,320**		**73,440**
Amounts receivable on issue of shares	50,571		8,710	
Amounts payable on cancellation of shares	(13,365)		(11,441)	
		37,206		(2,731)
Change in net assets attributable to shareholders from investment activities		7,094		4,452
Retained distributions on accumulation shares		3,081		2,159
Closing net assets attributable to shareholders		**124,701**		**77,320**

Aberdeen European Property Share Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		123,899	73,701
Current assets:			
Debtors	6	927	292
Cash and bank balances		380	3,855
Total assets		**125,206**	**77,848**
Liabilities:			
Provisions for liabilities	7	12	9
Creditors:			
Other creditors	8	178	287
Distribution payable		315	232
Total liabilities		**505**	**528**
Net assets attributable to shareholders		**124,701**	**77,320**

Aberdeen European Property Share Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	7,509	4,696
Other currency losses	(12)	(25)
Net capital gains	**7,497**	**4,671**

2. Revenue

	2018 £'000	2017 £'000
UK dividends	130	127
Distributions from collective investment schemes:		
Offshore distributions - taxable	12	-
UK REITs PID Income	483	524
UK REITs non PID Income	163	226
Overseas dividends	1,359	1,565
Overseas REIT income	1,078	-
Stock dividends	323	121
Stock lending commission	2	1
Bank interest	1	-
Other revenue	-	114
Total revenue	**3,551**	**2,678**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	466	261
Operating, administrative and servicing fees	109	85
Total expenses	**575**	**346**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

Aberdeen European Property Share Fund

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	14	65
Corporation tax prior year adjustment	-	6
Overseas withholding tax	166	65
Current tax charge	**180**	**136**
Deferred tax	3	-
Deferred tax prior year adjustment	-	(3)
Deferred tax charge/(credit)	**3**	**(3)**
Total taxation	**183**	**133**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	2,976	2,332
Corporation tax at 20% (2017 - 20%)	595	466
Effects of:		
UK dividends*	(80)	(76)
Non-taxable overseas dividends*	(498)	(328)
Corporation tax prior year adjustment	-	6
Irrecoverable overseas withholding tax	166	65
Total taxation	**183**	**133**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax

Provision for deferred taxation	2018 £'000	2017 £'000
Provision at start of year	9	12
Deferred tax charge / (credit) for the year	3	(3)
Provision at end of year	**12**	**9**

Aberdeen European Property Share Fund

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
Interim	550	540
Final	2,913	1,922
	3,463	2,462
Add: Revenue deducted on cancellation of shares	145	78
Deduct: Revenue received on issue of shares	(412)	(122)
Distributions for the year	**3,196**	**2,418**
Total distributions	**3,196**	**2,418**

Details of the distribution per share are set out in the distribution tables on page 365.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	2,793	2,199
Add:		
Undistributed revenue brought forward	-	3
Authorised Corporate Director's periodic charge paid from capital	466	261
Deduct:		
Tax relief on capital expenses	(63)	(45)
Distributions	**3,196**	**2,418**

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	145	56
Amounts receivable for issue of shares	666	199
Overseas withholding tax reclaimable	39	26
Sales awaiting settlement	70	-
Merger debtor	-	5
Tax reclaimable	7	6
Total debtors	**927**	**292**

7. Provisions for liabilities

	2018 £'000	2017 £'000
The provisions for liabilities comprise:		
Deferred tax	12	9
Total provisions for liabilities	**12**	**9**

8. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	65	34
Amounts payable for cancellation of shares	110	75
Purchases awaiting settlement	-	154
Corporation tax payable	3	24
Total other creditors	**178**	**287**

9. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 354. £501,000 was due from the ACD (2017 - £98,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £823,000 (2017 - nil) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

10. Material shareholders

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 35% of the Fund's shares in issue.

11. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.50%
Class 'I': 0.75%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 345 to 349. The distribution per share class is given in the distribution tables on page 365. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	2,562,974	446,389	13,232,469	7,697,669
Creations during the year	989,200	73,800	23,375,355	6,887,939
Cancellations during the year	(460,200)	(97,400)	(1,840,721)	(4,045,072)
Shares converted during the year	(13,340)	-	11,907	7,233
Closing shares in issue	**3,078,634**	**422,789**	**34,779,010**	**10,547,769**

	Z Accumulation shares
Opening number of shares	17,788,908
Creations during the year	661,900
Cancellations during the year	(1,853,800)
Shares converted during the year	-
Closing shares in issue	**16,597,008**

12. Contingent asset

The Fund is party to certain claims and proceedings to recover tax suffered in respect of overseas income. These claims and proceedings are considered a contingent asset of the Fund but have not been recognised in these Financial Statements as the outcome of the claims is dependent on continued litigation and tax filing requirements and as such is not sufficiently certain.

Aberdeen European Property Share Fund

13. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Citigroup	306	346	Equity
Citigroup	36	39	Government Bond
JPM Chase	663	743	Equity
JPM Chase	60	64	Government Bond
Total	**1,065**	**1,192**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	2	-	2

There was no stock on loan at 31 July 2017.

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
2017				
BNP Paribas	Securities Lending Agent	1	-	1

14. Risk management policies and disclosures

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

Foreign currency risk

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Euro	69	59,730	59,799
Pound Sterling	733	41,968	42,701
Swedish Krona	-	16,285	16,285
Swiss Franc	-	5,916	5,916
Net assets	**802**	**123,899**	**124,701**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Euro	24	32,792	32,816
Pound Sterling	3,595	27,896	31,491
Swedish Krona	-	9,191	9,191
Swiss Franc	-	3,822	3,822
Net assets	**3,619**	**73,701**	**77,320**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £8,200,000 (2017 - £4,583,000).

Interest rate risk profile of financial assets and financial liabilities

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Aberdeen European Property Share Fund

Other price risk

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £6,195,000 (2017 - £3,685,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Provisions for liabilities	-	-	12	-	12
Other creditors	-	178	-	-	178
Distribution payable	-	315	-	-	315
Total financial liabilities	**-**	**493**	**12**	**-**	**505**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Provisions for liabilities	-	-	9	-	9
Other creditors	-	287	-	-	287
Distribution payable	-	232	-	-	232
Total financial liabilities	**-**	**519**	**9**	**-**	**528**

Aberdeen European Property Share Fund

15. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Collective Investment Schemes	39,521	-	38,865	-
Equities	56,013	13,757	12,622	16,115
Trades in the year before transactions costs	**95,534**	**13,757**	**51,487**	**16,115**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	21	6	(7)	(7)
Total commissions	**21**	**6**	**(7)**	**(7)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	116	25	-	-
Total taxes	**116**	**25**	**-**	**-**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	30	4	-	-
Total other expenses	**30**	**4**	**-**	**-**
Total transaction costs	**167**	**35**	**(7)**	**(7)**
Total net trades in the year after transaction costs	**95,701**	**13,792**	**51,480**	**16,108**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.04	0.04	0.06	0.04
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	0.21	0.18	-	-
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	0.05	0.03	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.03	0.02
Taxes	0.12	0.04
Other expenses	0.03	0.01
Total costs	**0.18**	**0.07**

Aberdeen European Property Share Fund

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £2,214,000 in the year (2017 - £1,823,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.12% (2017 - 0.09%).

16. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	123,076	-	73,701	-
Level 2	823	-	-	-
Level 3	-	-	-	-
Total	**123,899**	**-**	**73,701**	**-**

Aberdeen European Property Share Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	1.32557	-	1.32557	1.56207
Group 2	0.47132	0.85425	1.32557	1.56207
A Income shares				
Group 1	0.82539	-	0.82539	1.00688
Group 2	0.32224	0.50315	0.82539	1.00688
I Accumulation shares				
Group 1	0.94618	-	0.94618	1.13369
Group 2	0.35720	0.58898	0.94618	1.13369
I Income shares				
Group 1	0.65817	-	0.65817	0.81520
Group 2	0.19832	0.45985	0.65817	0.81520
Z Accumulation shares				
Group 1	1.34776	-	1.34776	1.63881
Group 2	0.90020	0.44756	1.34776	1.63881

Final dividend distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	5.41017	-	5.41017	5.18057
Group 2	1.73781	3.67236	5.41017	5.18057
A Income shares				
Group 1	3.34788	-	3.34788	3.31006
Group 2	1.97432	1.37356	3.34788	3.31006
I Accumulation shares				
Group 1	4.11824	-	4.11824	3.95560
Group 2	1.95969	2.15855	4.11824	3.95560
I Income shares				
Group 1	2.84862	-	2.84862	2.82120
Group 2	2.20625	0.64237	2.84862	2.82120
Z Accumulation shares				
Group 1	6.02229	-	6.02229	5.80930
Group 2	3.77307	2.24922	6.02229	5.80930

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

Aberdeen European Smaller Companies Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to achieve capital growth primarily by investing in Equity and Equity-Related Securities of European smaller companies. Income is not a consideration.

Investments will generally be confined to smaller companies. In this context, smaller companies generally means companies which are, at the time of investment, of a market capitalisation appropriate for a small company sector benchmark. Investments in companies which subsequently outgrow the appropriate small company sector benchmark will not be sold unless, in the opinion of the Investment Adviser, this is in the best interests of Shareholders. This Fund may invest in companies listed or incorporated anywhere in the world, as long as the companies' principal activities are in, or their main economic exposure is to, Europe. The Fund may also hold ancillary liquid assets and Investment grade debt and debt-related securities.

Performance review

For the year ended 31 July 2018, the value of Aberdeen European Smaller Companies Equity Fund – A Accumulation Shares increased by 19.18% compared to an increase of 7.51% in the benchmark, EMIX Smaller Europe.

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

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

Market review

Small-cap European equities rose in the year under review that was characterised by two very distinct halves. In the initial six months, share prices in the sector rose in tandem with the broader market in a synchronised global economic upswing. In the latter half, however, property stocks suffered from bouts of volatility amid a raft of worries, ranging from apprehension over rising interest rates, inflationary fears stemming from accelerating energy prices after the US reneged on the Iran nuclear deal, but most of all, an escalating trade tussle triggered by the Trump administration's broadside of tariffs aimed indiscriminately at both friend and foe alike. Also dampening sentiment was a global technology sector sell-off induced by fears of increased regulatory scrutiny in the wake of Facebook's data leak. Political uncertainty also had a hand in curbing risk appetites, with French President Emmanuel Macron's labour reform facing serious threat from the railway unions' crippling strikes; a widening rift in Germany over Chancellor Angela Merkel's migration policy that threatened to rip apart the fragile coalition government; key parties in Italy initially failing to form a coalition government; and the prospect of snap elections in Spain following a no-confidence vote that ousted Prime Minister Mariano Rajoy. However, investors were subsequently comforted by an agreement between the US and Europe to avert a transatlantic trade war.

Portfolio review

At the stock level, UK engineering software developer Aveva was a key contributor as the market continued to warm to the corporate combination with Schneider Software and the potential synergy benefits from the transaction. Also contributing to relative return was Nemetschek, which produces software for the architecture, engineering and construction industries. The business outlined medium-term growth plans which were well received by the market and confirmed a very positive trading backdrop. Last, Dechra had a good start to the year, benefiting from continued strong growth in demand for pharmaceuticals for the small animal pet market and a positive. In addition the group continued to make complementary acquisitions.

Conversely, detracting from relative performance was funeral company Dignity, which issued a profit warning and a new pricing strategy in an attempt to stem market-share declines precipitated by fierce competition in its core market. We had exited the company in the first half. Also costing the Fund was Mothercare, which continued to suffer from a challenging trading environment, while also announcing that its Chairman would be stepping down, weeks after the CEO announced his departure. We had exited the company in the first half. Another detractor was our lack of exposure to Inmarsat, which saw its shares buoyed by news of potential takeover interest by rivals EchoStar and Eutelsat. This has since reverted after the company rejected the final bid by Eutelsat. We had exited the company during the year.

In addition to the portfolio changes already mentioned in the first-half review, we also exited Fugro to reallocate capital into better quality opportunities elsewhere. This included adding to existing holdings that were common across both the Aberdeen and Standard Life Funds. In particular, we added to GRENKE, Nemetschek and Xing to lower the cash balance, all of which have had supportive newsflow confirming their respective investment cases.

Outlook

Looking ahead, European markets are likely to continue to face a fair amount of volatility amid a raft of worries, including the fallout of the escalating US-China trade tussle, a faster pace of monetary policy normalisation by the Federal Reserve, as well as rising energy prices and its impact on inflationary pressures. However, we remain confident in our holdings. In the near term, financing conditions remain largely conducive to continued growth, with real rates still negative across developed markets, while unemployment levels are at record lows. In the second-quarter results season, company earnings at an aggregate level have proven resilient against factors like rising input costs and heightened competition, while profit forecasts have remained largely upbeat. We think this is a consequence of our holdings' good pricing power, robust customer relationships and a diversified stream of earnings – both by geography and product. Meanwhile, companies should be able to absorb some of the cost pressures they might face in the months ahead, given their high profit margins that are near cycle highs in both the US and Europe. Overall, we believe that we hold some of the best quality names across the continent: they have good track records of being able to weather the more challenging times and ultimately, will prosper over the long term.

Small Cap Equity Team **August 2018**

Aberdeen European Smaller Companies Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Smaller Companies: Shares of smaller companies may be more difficult to buy and sell than those of larger companies. This means that the Investment Manager may not be able to buy and sell at the best time or may suffer losses. This could reduce your returns.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen European Smaller Companies Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	1,445.33	1,137.06	1,060.17
Return before operating charges*	307.22	329.65	94.15
Operating charges	(25.19)	(21.38)	(17.26)
Return after operating charges*	282.03	308.27	76.89
Distributions on accumulation shares	(1.13)	-	(7.50)
Retained distributions on accumulation shares	1.13	-	7.50
Closing net asset value per share	1,727.36	1,445.33	1,137.06
* after direct transaction costs of:	-	0.27	0.99
Performance			
Return after charges	19.51%	27.11%	7.25%
Other information			
Closing net asset value (£'000s)	36,981	47,123	47,841
Closing number of shares	2,140,895	3,260,370	4,207,406
Operating charges	1.65%	1.67%	1.67%
Direct transaction costs	-	0.02%	0.10%
Prices			
Highest share price (pence)	1,745.76	1,464.37	1,148.95
Lowest share price (pence)	1,416.18	1,121.81	938.38

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

Aberdeen European Smaller Companies Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	176.08	137.49	127.24
Return before operating charges*	37.65	40.03	11.40
Operating charges	(1.70)	(1.44)	(1.15)
Return after operating charges*	35.95	38.59	10.25
Distributions on accumulation shares	(1.66)	(1.18)	(1.87)
Retained distributions on accumulation shares	1.66	1.18	1.87
Closing net asset value per share	212.03	176.08	137.49
* after direct transaction costs of:	-	0.03	0.12
Performance			
Return after charges	20.42%	28.07%	8.06%
Other information			
Closing net asset value (£'000s)	18,057	10,878	8,972
Closing number of shares	8,516,105	6,177,710	6,525,397
Operating charges	0.90%	0.92%	0.92%
Direct transaction costs	-	0.02%	0.10%
Prices			
Highest share price (pence)	214.29	178.18	138.92
Lowest share price (pence)	172.57	135.65	113.08

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

Aberdeen European Smaller Companies Equity Fund

K Accumulation shares [A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	138.60	108.14	100.00[B]
Return before operating charges*	29.70	31.51	9.00
Operating charges	(1.27)	(1.05)	(0.86)
Return after operating charges*	28.43	30.46	8.14
Distributions on accumulation shares	(1.41)	(1.03)	(1.20)
Retained distributions on accumulation shares	1.41	1.03	1.20
Closing net asset value per share	167.03	138.60	108.14
* after direct transaction costs of:	-	0.03	0.10
Performance			
Return after charges	20.51%	28.17%	8.14%
Other information			
Closing net asset value (£'000s)	111	8	6
Closing number of shares	66,646	5,800	6,000
Operating charges	0.83%	0.85%	0.85%
Direct transaction costs	-	0.02%	0.10%
Prices			
Highest share price (pence)	168.81	140.24	109.26
Lowest share price (pence)	135.84	106.69	96.48

[A]K Accumulation share class launched on 23 March 2016.
[B]The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen European Smaller Companies Equity Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	1,739.70	1,348.29	1,238.43
Return before operating charges*	373.44	393.98	111.93
Operating charges	(2.69)	(2.57)	(2.07)
Return after operating charges*	370.75	391.41	109.86
Distributions on accumulation shares	(30.39)	(23.22)	(27.45)
Retained distributions on accumulation shares	30.39	23.22	27.45
Closing net asset value per share	2,110.45	1,739.70	1,348.29
* after direct transaction costs of:	-	0.32	1.17
Performance			
Return after charges	21.31%	29.03%	8.87%
Other information			
Closing net asset value (£'000s)	2,113	35,763	51,139
Closing number of shares	100,113	2,055,713	3,792,913
Operating charges	0.15%	0.17%	0.17%
Direct transaction costs	-	0.02%	0.10%
Prices			
Highest share price (pence)	2,132.84	1,758.35	1,362.22
Lowest share price (pence)	1,705.40	1,330.26	1,105.00

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

Aberdeen European Smaller Companies Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 92.55% (2017: 99.70%)					
Equities 92.55% (2017: 99.70%)					
Austria 7.44% (2017: 7.30%)					
Do & Co			29,200	1,555	2.72
Schoeller-Bleckmann Oilfield Equipment			19,200	1,680	2.93
Vienna Insurance			47,000	1,025	1.79
				4,260	**7.44**
Denmark 2.19% (2017: 2.21%)					
Bavarian Nordic			17,000	396	0.69
Scandinavian Tobacco			69,000	856	1.50
				1,252	**2.19**
France 2.86% (2017: 1.96%)					
Inter Parfums			48,664	**1,639**	**2.86**
Germany 16.18% (2017: 13.53%)					
CANCOM			15,600	645	1.13
CTS Eventim			26,000	934	1.63
Gerresheimer			14,500	940	1.64
GRENKE Leasing			21,111	1,781	3.11
Hypoport			4,500	670	1.17
Nemetschek			24,039	2,552	4.46
XING			6,994	1,741	3.04
				9,263	**16.18**
Ireland 2.21% (2017: 2.92%)					
Cairn Homes			833,000	**1,263**	**2.21**
Italy 11.21% (2017: 9.10%)					
Amplifon			132,500	2,263	3.94
Brunello Cucinelli			57,500	1,821	3.18
Cerved Information Solutions			109,000	955	1.67
GIMA TT			59,000	702	1.23
Reply			13,200	681	1.19
				6,422	**11.21**
Netherlands nil (2017: 2.59%)					
Norway 1.84% (2017: 2.97%)					
Kongsberg Gruppen			68,000	**1,055**	**1.84**

Aberdeen European Smaller Companies Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Spain 1.68% (2017: 2.21%)					
Viscofan			18,300	**962**	**1.68**
Sweden 10.23% (2017: 12.25%)					
AddLife			37,300	683	1.19
Addtech 'B'			70,000	1,210	2.11
Cloetta			199,000	482	0.84
Coor Service Management			180,000	1,137	1.99
Elekta 'B'			129,000	1,380	2.41
Lagercrantz 'B'			121,000	966	1.69
				5,858	**10.23**
Switzerland 12.04% (2017: 13.03%)					
Belimo			280	900	1.57
Burckhardt Compression			4,600	1,275	2.23
dorma+kaba			1,700	831	1.45
Tecan			9,600	1,857	3.25
Temenos			9,100	1,118	1.95
VZ			3,750	911	1.59
				6,892	**12.04**
United Kingdom 24.67% (2017: 29.63%)					
Abcam			100,500	1,485	2.59
Aveva			95,300	2,507	4.37
Burford Capital			82,000	1,507	2.63
Close Brothers			31,500	500	0.87
Dechra Pharmaceuticals			71,500	2,135	3.73
Euromoney Institutional Investor			112,000	1,521	2.66
Genus			49,300	1,414	2.47
Oxford Instruments			97,500	930	1.62
Ultra Electronics			51,000	842	1.47
Victrex			41,000	1,293	2.26
				14,134	**24.67**
Total Equities				**53,000**	**92.55**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**53,000**	**92.55**
Other transferable securities and money market instruments nil (2017: nil)					
Equities nil (2017: nil)					
United States nil (2017: nil)					
Ashurst Technology[Ω]			3,184,500	-	-
Total Equities				-	-

Aberdeen European Smaller Companies Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Total Other transferable securities and money market instruments				-	-
Open Ended Investment Funds 6.01% (2017: nil)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1†			3,440	3,440	6.01
Total Open Ended Investment Funds				3,440	6.01
Total investments				56,440	98.56
Other net assets				822	1.44
Total net assets				57,262	100.00

† Managed by subsidiaries of Standard Life Aberdeen plc.
Ω Unapproved/unquoted security.
Comparative figures are as at 31 July 2017.

Aberdeen European Smaller Companies Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		10,535		25,080
Revenue	2	1,123		1,789	
Expenses	3	(742)		(968)	
Net revenue before taxation		381		821	
Taxation	4	(95)		(176)	
Net revenue after taxation			286		645
Total return before distributions			**10,821**		**25,725**
Distributions	5		(288)		(678)
Change in net assets attributable to shareholders from investment activities			**10,533**		**25,047**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**93,772**		**107,958**
Amounts receivable on issue of shares	6,300		1,236	
Amounts payable on cancellation of shares	(53,616)		(41,060)	
		(47,316)		(39,824)
Dilution adjustment		76		41
Change in net assets attributable to shareholders from investment activities		10,533		25,047
Retained distributions on accumulation shares		197		550
Closing net assets attributable to shareholders		**57,262**		**93,772**

Aberdeen European Smaller Companies Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		56,440	93,494
Current assets:			
Debtors	6	838	168
Cash and bank balances		475	2,708
Total assets		**57,753**	**96,370**
Liabilities:			
Creditors:			
Other creditors	7	491	2,598
Total liabilities		**491**	**2,598**
Net assets attributable to shareholders		**57,262**	**93,772**

Aberdeen European Smaller Companies Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	10,454	25,111
Other currency gains/(losses)	81	(31)
Net capital gains	**10,535**	**25,080**

2. Revenue

	2018 £'000	2017 £'000
UK dividends	422	746
Distributions from collective investment schemes:		
Offshore distributions - taxable	5	-
Overseas dividends	682	1,021
Underwriting commission	-	5
Stock dividends	-	16
Stock lending commission	13	1
Bank interest	1	-
Total revenue	**1,123**	**1,789**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	644	791
Operating, administrative and servicing fees	98	177
Total expenses	**742**	**968**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	95	176
Current tax charge	**95**	**176**
Total taxation	**95**	**176**

Factors affecting current tax charge for year

The tax charge for the year is higher (2017 - higher) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	381	821
Corporation tax at 20% (2017 - 20%)	76	164
Effects of:		
UK dividends*	(85)	(152)
Non-taxable overseas dividends*	(136)	(204)
Excess management expenses	145	192
Irrecoverable overseas withholding tax	95	176
Total taxation	**95**	**176**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £1,864,000 (2017 - £1,719,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
Final	197	550
Add: Revenue deducted on cancellation of shares	130	130
Deduct: Revenue received on issue of shares	(39)	(2)
Distributions for the year	**288**	**678**
Total distributions	**288**	**678**

Details of the distribution per share are set out in the distribution tables on page 385.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	286	645
Add:		
Revenue deficit transfer from capital account	-	33
Movement between share classes due to conversions	2	-
Distributions	**288**	**678**

Aberdeen European Smaller Companies Equity Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	27	56
Amounts receivable for issue of shares	550	1
Overseas withholding tax reclaimable	63	106
Currency transactions awaiting settlement	198	-
Other debtor	-	5
Total debtors	**838**	**168**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	62	80
Amounts payable for cancellation of shares	5	2,518
Purchases awaiting settlement	226	-
Currency transactions awaiting settlement	198	-
Total other creditors	**491**	**2,598**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 375. £489,000 was due from the ACD (2017 - £2,584,000 due to the ACD) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £3,440,000 (2017 - nil) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 0.75%
Class 'K': 0.675%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 368 to 371. The distribution per share class is given in the distribution tables on page 385. All share classes have the same rights on winding up.

Aberdeen European Smaller Companies Equity Fund

Share reconciliation
As at 31 July 2018

	A Accumulation shares	I Accumulation shares	K Accumulation shares	Z Accumulation shares
Opening number of shares	3,260,370	6,177,710	5,800	2,055,713
Creations during the year	44,200	2,743,100	66,100	-
Cancellations during the year	(1,106,200)	(844,700)	(43,600)	(1,955,600)
Shares converted during the year	(57,475)	439,995	38,346	-
Closing shares in issue	**2,140,895**	**8,516,105**	**66,646**	**100,113**

10. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

There was no stock on loan at 31 July 2018.

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	16	3	13

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
NATIXIS	2,875	3,186	Equity
NATIXIS	2	2	Government Bond
Total	**2,877**	**3,188**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	1	-	1

11. Risk management policies and disclosures

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Danish Krone	26	1,252	1,278
Euro	9	23,808	23,817
Norwegian Krone	-	1,055	1,055
Pound Sterling	787	17,575	18,362
Swedish Krona	-	5,858	5,858
Swiss Franc	-	6,892	6,892
Net assets	**822**	**56,440**	**57,262**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Danish Krone	27	2,073	2,100
Euro	98	37,151	37,249
Norwegian Krone	-	2,781	2,781
Pound Sterling	153	27,784	27,937
Swedish Krona	-	11,489	11,489
Swiss Franc	-	12,216	12,216
Net assets	**278**	**93,494**	**93,772**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £3,890,000 (2017 - £6,584,000).

Aberdeen European Smaller Companies Equity Fund

Interest rate risk profile of financial assets and financial liabilities
The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk
As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £2,822,000 (2017 - £4,675,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives
The Fund can use derivatives in order to meet its investment objectives or to protect from price and currency movements.

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	491	-	-	491
Total financial liabilities	**-**	**491**	**-**	**-**	**491**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	2,598	-	-	2,598
Total financial liabilities	**-**	**2,598**	**-**	**-**	**2,598**

Aberdeen European Smaller Companies Equity Fund

12. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Collective Investment Schemes	31,555	-	28,115	-
Equities	8,744	28,098	59,107	65,519
Trades in the year before transactions costs	**40,299**	**28,098**	**87,222**	**65,519**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	4	14	(21)	(29)
Total commissions	**4**	**14**	**(21)**	**(29)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	6	14	-	-
Total taxes	**6**	**14**	**-**	**-**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	2	5	-	-
Total other expenses	**2**	**5**	**-**	**-**
Total transaction costs	**12**	**33**	**(21)**	**(29)**
Total net trades in the year after transaction costs	**40,311**	**28,131**	**87,201**	**65,490**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.05	0.05	0.04	0.04
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	0.07	0.05	-	-
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	0.02	0.02	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.04
Taxes	0.01	0.01
Other expenses	-	-
Total costs	**0.05**	**0.05**

Aberdeen European Smaller Companies Equity Fund

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £618,000 in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.23% (2017 - 0.24%).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	53,000	-	93,494	-
Level 2	3,440	-	-	-
Level 3	-	-	-	-
Total	**56,440**	**-**	**93,494**	**-**

Aberdeen European Smaller Companies Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Final dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	1.13179	-	1.13179	-
Group 2	0.31252	0.81927	1.13179	-
I Accumulation shares				
Group 1	1.66274	-	1.66274	1.18170
Group 2	0.30772	1.35502	1.66274	1.18170
K Accumulation shares				
Group 1	1.41329	-	1.41329	1.02637
Group 2	0.36702	1.04627	1.41329	1.02637
Z Accumulation shares				
Group 1	30.39223	-	30.39223	23.21631
Group 2	30.39223	-	30.39223	23.21631

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

Aberdeen Financial Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide capital growth, whilst not excluding the occurrence of income, by investing predominantly in Equity and Equity-Related securities issued by financial institutions, such as banking, insurance, financial services and property companies, domiciled globally.

The Fund may also invest in other transferable securities, money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Performance review

For the year ended 31 July 2018, the value of Aberdeen Financial Equity Fund – A Income Shares increased by 6.16% compared to an increase of 7.66% in the benchmark, the FTSE World Financials Index.

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

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

Market review

The year under review was one of two halves. In the first, low volatility, a depreciating US dollar and positive corporate earnings in the US supported financial equities, with price-earnings multiples rising to historical highs. Firms with significant US operations benefited from the Republican tax cuts. Separately, the Federal Reserve appointed Jay Powell as its next chair, signalling continuity in the gradual normalisation of monetary policy. In Europe, optimism over economic recovery outweighed an unresolved Brexit, protracted talks to form a coalition government in Germany, and political turmoil in Spain in the wake of Catalonia's push for independence. Japan rose on brighter business prospects, in tandem with improvements in the global economy. The incumbent Prime Minister Shinzo Abe's snap election victory, along with the Bank of Japan maintaining monetary stimulus, and the finalisation of its free trade deal with Brussels, also contributed to the positive mood.

Investment sentiment became downbeat in the second half. The initial optimism towards global growth turned into concern that rising inflation could compel more aggressive monetary policy. Investors were also worried about a flare-up in trade tensions. US-China trade relations, which appeared to improve initially, quickly deteriorated amid rounds of brinkmanship. Other major trading partners also retaliated with import duties of their own against Trump's steel and aluminum tariffs.

Portfolio review

At the stock level, Suruga Bank in Japan was a key detractor from performance, declining after it was revealed to have offered loans based on falsified applications, and the accompanying regulatory attention. There was also concern that a slowdown in its consumer finance business would affect its profitability. We subsequently sold the stock due to its deteriorating quality controls. Turkish lender Akbank was weighed down by the country's heightened geopolitical risks, growth outlook and credit quality. We exited the stock too, as its relative advantage in lending narrowed, and it had a dollar debt mismatch. Not holding JP Morgan also hurt Fund performance, as it was buoyed by expectations that it would be a beneficiary of US tax reforms.

On the other hand, Visa was a key contributor to performance, lifted by better-than-expected results and its higher target for full-year earnings. Credit-reporting services provider Fair Isaac reported solid growth on price increases and higher volumes. Similarly, real estate investment firm Jones Lang LaSalle rose on better-than-expected earnings.

In portfolio activity, we initiated positions in several companies:

- Bank Rakyat, a high-quality franchise in Indonesia that is well-capitalised and exposed to good lending growth.
- Bank Pekao, a solid franchise in Poland with a history of conservative lending and balance sheet management.
- First Republic Bank, a San Francisco-based lender that is well-managed and has a good growth profile.
- Deutsche Boerse, a stock exchange operator that we believe is well-run and trading at attractive valuations.

To fund these initiations, we exited Suruga Bank and Akbank, as mentioned above. Aside from these, we also sold out of UK investment management firm Rathbones, Brazilian stock exchange B3 Brasil Bolsa Balcao and Singapore property developer City Developments, given their relatively high valuations.

Outlook

Global markets are expected to remain on tenterhooks, given geopolitical uncertainties and shifts in monetary policy over the next few months. Trade tensions between the US and its major trading partners, as well as political uncertainty in Europe, will weigh on investors' minds. They will also be keeping a close watch on how major central banks will manage liquidity and currency fluctuations. The outlook for emerging markets is cloudy too: the US' reduction of its balance sheet and its borrowing binge through a substantial increase in US Treasuries are affecting dollar funding for these markets.

Even amid these uncertainties, our approach remains the same. We focus on understanding the risks - including corporate earnings, escalating trade tensions, strong US dollar, political risk and a flattening yield curve - and positioning the portfolio to be relatively resilient should those risks materialise. From a portfolio construction perspective we use diversification as our main tool in managing them. However, our primary focus before we consider these macro elements is the business itself: we look for companies with structural growth drivers, a sustainable competitive advantage, and a strong market position. We believe that these fundamental factors give companies the resilience to navigate more difficult times should macroeconomic risks materialise. It also gives us the confidence to make use of periods of volatility when share prices are low to build our positions, given our long-term investment horizon.

Global Equity Team **August 2018**

Aberdeen Financial Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Smaller Companies: Shares of smaller companies may be more difficult to buy and sell than those of larger companies. This means that the Investment Manager may not be able to buy and sell at the best time or may suffer losses. This could reduce your returns.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**

Aberdeen Financial Equity Fund

Comparative tables

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	3,437.31	2,825.85	2,491.25
Return before operating charges*	272.48	680.76	396.08
Operating charges	(58.19)	(52.02)	(39.83)
Return after operating charges*	214.29	628.74	356.25
Distributions on income shares	(13.75)	(17.28)	(21.65)
Closing net asset value per share	3,637.85	3,437.31	2,825.85
* after direct transaction costs of:	0.59	0.81	1.67
Performance			
Return after charges	6.23%	22.25%	14.30%
Other information			
Closing net asset value (£'000s)	48,463	49,531	44,515
Closing number of shares	1,332,198	1,440,975	1,575,271
Operating charges	1.64%	1.65%	1.65%
Direct transaction costs	0.02%	0.03%	0.07%
Prices			
Highest share price (pence)	3,725.72	3,461.56	2,868.43
Lowest share price (pence)	3,348.09	2,780.40	2,110.64

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

Aberdeen Financial Equity Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	144.28	118.58	104.51
Return before operating charges*	11.48	28.62	16.67
Operating charges	(1.33)	(1.20)	(0.92)
Return after operating charges*	10.15	27.42	15.75
Distributions on income shares	(1.70)	(1.72)	(1.68)
Closing net asset value per share	152.73	144.28	118.58
* after direct transaction costs of:	0.03	0.03	0.07
Performance			
Return after charges	7.03%	23.12%	15.07%
Other information			
Closing net asset value (£'000s)	1,229	967	679
Closing number of shares	804,445	670,340	573,014
Operating charges	0.89%	0.90%	0.90%
Direct transaction costs	0.02%	0.03%	0.07%
Prices			
Highest share price (pence)	156.96	145.81	120.74
Lowest share price (pence)	140.68	116.69	88.56

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

Aberdeen Financial Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 98.45% (2017: 99.18%)					
Equities 98.45% (2017: 99.18%)					
Brazil 4.80% (2017: 7.07%)					
Banco Bradesco (ADR)			248,157	1,527	3.08
Iguatemi Empresa de Shopping Centers			125,400	856	1.72
				2,383	**4.80**
Canada 6.04% (2017: 5.87%)					
Canadian Western Bank			78,000	1,665	3.35
Royal Bank of Canada			22,500	1,336	2.69
				3,001	**6.04**
Chile 1.77% (2017: 1.63%)					
Parque Arauco			414,073	**880**	**1.77**
France nil (2017: 1.72%)					
Germany 0.99% (2017: nil)					
Deutsche Boerse			4,900	**493**	**0.99**
Hong Kong 8.93% (2017: 9.17%)					
AIA			328,000	2,184	4.39
Hong Kong Exchanges & Clearing			60,285	1,356	2.73
Swire Pacific 'A'			108,800	898	1.81
				4,438	**8.93**
India 5.43% (2017: 4.75%)					
Housing Development Finance			87,600	1,936	3.89
ICICI Bank			226,600	764	1.54
				2,700	**5.43**
Indonesia 1.01% (2017: nil)					
Bank Rakyat			3,105,000	**502**	**1.01**
Ireland 3.35% (2017: 2.77%)					
Experian			88,700	**1,662**	**3.35**

Aberdeen Financial Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Japan 8.32% (2017: 10.99%)					
Daito Trust Construction Co			11,100	1,411	2.84
Japan Exchange Group Inc			108,300	1,463	2.95
Mitsubishi Estate Co			95,245	1,258	2.53
				4,132	**8.32**
Mexico 1.95% (2017: 1.82%)					
Grupo Financiero Banorte			182,900	**971**	**1.95**
Netherlands 1.56% (2017: nil)					
Unibail-Rodamco-Westfield			4,600	**775**	**1.56**
Philippines 3.64% (2017: 3.28%)					
Ayala Land			3,090,300	**1,810**	**3.64**
Poland 1.34% (2017: nil)					
Bank Pekao∞			28,700	**667**	**1.34**
Singapore 2.39% (2017: 4.36%)					
Oversea-Chinese Banking			183,424	**1,188**	**2.39**
Sweden 1.10% (2017: 0.99%)					
Svenska Handelsbanken 'A'			58,200	**548**	**1.10**
Switzerland 1.64% (2017: 1.70%)					
UBS			65,000	**817**	**1.64**
Thailand 4.91% (2017: 4.03%)					
Kasikornbank (Alien)			264,600	1,358	2.73
Tesco Lotus Retail Growth Freehold & Leasehold Property Fund			2,523,400	1,081	2.18
				2,439	**4.91**
Turkey nil (2017: 1.50%)					
United Kingdom 7.26% (2017: 9.53%)					
HSBC			92,100	673	1.35
Prudential			108,400	1,956	3.94
Standard Chartered			142,442	980	1.97
				3,609	**7.26**

Aberdeen Financial Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
United States 32.02% (2017: 28.00%)					
Aetna			5,700	818	1.65
Boston Private Financial			49,500	542	1.09
Charles Schwab			44,200	1,720	3.46
CME			13,900	1,686	3.39
Fair Isaac			8,500	1,305	2.63
First Republic Bank			8,200	618	1.24
Intercontinental Exchange			36,000	2,028	4.08
Jones Lang LaSalle			10,200	1,330	2.68
M&T Bank			14,800	1,956	3.94
Regions Financial			72,300	1,025	2.06
Visa 'A'[∞]			27,600	2,877	5.80
				15,905	**32.02**
Total Equities				**48,920**	**98.45**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**48,920**	**98.45**
Total investments				**48,920**	**98.45**
Other net assets				**772**	**1.55**
Total net assets				**49,692**	**100.00**

[∞] A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen Financial Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	3,146	6.43	6.33

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Aurizon Holdings	157	Equity	Main market listing	BNP Paribas
Coca-Cola HBC	157	Equity	Main market listing	BNP Paribas
Associated British Foods	157	Equity	Main market listing	BNP Paribas
Shire	156	Equity	Main market listing	BNP Paribas
Suncor Energy	156	Equity	Main market listing	BNP Paribas
Persimmon	156	Equity	Main market listing	BNP Paribas
Experian	156	Equity	Main market listing	BNP Paribas
Power Corporation of Canada	155	Equity	Main market listing	BNP Paribas
Qantas Airways	155	Equity	Main market listing	BNP Paribas
CRH	155	Equity	Main market listing	BNP Paribas
Other Equity	1,894	Equity	Main market listing	BNP Paribas
Other Government Bond	29	Government Bond	Investment grade	BNP Paribas
Total collateral received	**3,483**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	3,483	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	382
CAD	680
EUR	149
GBP	1,424
JPY	100
USD	748
Total collateral received	**3,483**

Aberdeen Financial Equity Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Bank of Nova Scotia	2,817	Canada	Tri-party
JPM Chase	329	United States	Tri-party
Total market value of securities lending	**3,146**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	29	3,454	**3,483**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	3,146	**3,146**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	2	125.00
Direct operational costs (securities lending agent costs)[A]	-	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	-	(25.00)
Net return	**2**	**100.00**

[A] The unrounded direct operational costs and fees incurred for securities lending for the year to 31 July 2018 is £461.

Aberdeen Financial Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		2,848		9,398
Revenue	2	1,116		1,156	
Expenses	3	(814)		(792)	
Net revenue before taxation		302		364	
Taxation	4	(101)		(95)	
Net revenue after taxation			201		269
Total return before distributions			**3,049**		**9,667**
Distributions	5		(201)		(269)
Change in net assets attributable to shareholders from investment activities			**2,848**		**9,398**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**50,498**		**45,194**
Amounts receivable on issue of shares	717		345	
Amounts payable on cancellation of shares	(4,372)		(4,440)	
		(3,655)		(4,095)
Change in net assets attributable to shareholders from investment activities		2,848		9,398
Unclaimed distributions > 6 years		1		1
Closing net assets attributable to shareholders		**49,692**		**50,498**

Aberdeen Financial Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		48,920	50,086
Current assets:			
Debtors	6	47	44
Cash and bank balances		1,114	643
Total assets		**50,081**	**50,773**
Creditors:			
Other creditors	7	195	72
Distribution payable		194	203
Total liabilities		**389**	**275**
Net assets attributable to shareholders		**49,692**	**50,498**

Aberdeen Financial Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	2,859	9,401
Other currency losses	(11)	(3)
Net capital gains	**2,848**	**9,398**

2. Revenue

	2018 £'000	2017 £'000
UK dividends	102	130
Overseas REIT income	-	18
Overseas dividends	1,011	1,008
Stock lending commission	2	-
Bank interest	1	-
Total revenue	**1,116**	**1,156**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	745	718
Operating, administrative and servicing fees	69	72
	814	790
Other expenses:		
Interest payable and similar charges	-	2
	-	2
Total expenses	**814**	**792**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	101	95
Current tax charge	**101**	**95**
Total taxation	**101**	**95**

Factors affecting current tax charge for year

The tax charge for the year is higher (2017 - higher) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	302	364
Corporation tax at 20% (2017 - 20%)	60	73
Effects of:		
UK dividends*	(21)	(26)
Non-taxable overseas dividends*	(188)	(186)
Excess management expenses	151	142
Tax effect of expensed double taxation relief	(2)	(3)
Irrecoverable overseas withholding tax	101	95
Total taxation	**101**	**95**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £435,000 (2017 - £284,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions

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

	2018 £'000	2017 £'000
Interim	3	60
Final	194	203
	197	263
Add: Revenue deducted on cancellation of shares	6	8
Deduct: Revenue received on issue of shares	(2)	(2)
Distributions for the year	**201**	**269**
Total distributions	**201**	**269**

Details of the distribution per share are set out in the distribution tables on page 405.

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	42	34
Amounts receivable for issue of shares	-	2
Overseas withholding tax reclaimable	4	7
Other debtor	1	1
Total debtors	**47**	**44**

Aberdeen Financial Equity Fund

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	67	70
Amounts payable for cancellation of shares	128	2
Total other creditors	**195**	**72**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 395. £190,000 was due to the ACD (2017 - £63,000) at the year end.

The Investment Adviser

As at the year end the Fund held no investments that were managed by subsidiaries of Standard Life Aberdeen plc (2017 - nil).

9. Material shareholders

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 85% of the Fund's shares in issue.

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 0.75%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 388 to 389. The distribution per share class is given in the distribution tables on page 405. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Income shares	I Income shares
Opening number of shares	1,440,975	670,340
Creations during the year	9,810	242,443
Cancellations during the year	(112,376)	(256,029)
Shares converted during the year	(6,211)	147,691
Closing shares in issue	**1,332,198**	**804,445**

11. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Aberdeen Financial Equity Fund

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Bank of Nova Scotia	2,817	3,116	Equity
JPM Chase	302	338	Equity
JPM Chase	27	29	Government Bond
Total	**3,146**	**3,483**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	2	-	2

There was no stock on loan at 31 July 2017.

12. Risk management policies and disclosures

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Aberdeen Financial Equity Fund

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Brazilian Real	9	856	865
Canadian Dollar	11	3,001	3,012
Chilean Peso	-	880	880
Euro	-	1,269	1,269
Hong Kong Dollar	-	4,437	4,437
Indian Rupee	-	2,700	2,700
Indonesian Rupiah	-	502	502
Japanese Yen	-	4,132	4,132
Mexican Nuevo Peso	-	971	971
Philippine Peso	-	1,810	1,810
Polish Zloty	4	667	671
Pound Sterling	734	5,272	6,006
Singapore Dollar	-	1,188	1,188
Swedish Krona	-	548	548
Swiss Franc	-	817	817
Thai Baht	12	2,439	2,451
US Dollar	2	17,431	17,433
Net assets	**772**	**48,920**	**49,692**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Brazilian Real	12	2,235	2,247
Canadian Dollar	10	2,965	2,975
Chilean Peso	-	824	824
Euro	1	870	871
Hong Kong Dollar	-	4,631	4,631
Indian Rupee	-	2,399	2,399
Japanese Yen	4	5,550	5,554
Mexican Nuevo Peso	-	917	917
Philippine Peso	-	1,656	1,656
Pound Sterling	352	6,214	6,566
Singapore Dollar	-	2,202	2,202
Swedish Krona	1	501	502
Swiss Franc	-	859	859
Thai Baht	11	2,037	2,048
Turkish Lira	-	759	759
US Dollar	21	15,467	15,488
Net assets	**412**	**50,086**	**50,498**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £4,370,000 (2017 - £4,393,000).

Aberdeen Financial Equity Fund

Interest rate risk profile of financial assets and financial liabilities
The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £2,446,000 (2017 - £2,504,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives
The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	195	-	-	195
Distribution payable	-	194	-	-	194
Total financial liabilities	**-**	**389**	**-**	**-**	**389**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	72	-	-	72
Distribution payable	-	203	-	-	203
Total financial liabilities	**-**	**275**	**-**	**-**	**275**

Aberdeen Financial Equity Fund

13. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Equities	5,134	6,262	9,163	10,607
Trades in the year before transactions costs	**5,134**	**6,262**	**9,163**	**10,607**
Commissions				
Equities	2	2	(3)	(4)
Total commissions	**2**	**2**	**(3)**	**(4)**
Taxes				
Equities	1	1	(1)	-
Total taxes	**1**	**1**	**(1)**	**-**
Other expenses				
Equities	-	-	(1)	(5)
Total other expenses	**-**	**-**	**(1)**	**(5)**
Total transaction costs	**3**	**3**	**(5)**	**(9)**
Total net trades in the year after transaction costs	**5,137**	**6,265**	**9,158**	**10,598**

	Purchases		Sales	
	2018 %	2017 %	2018 %	2017 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.04	0.03	0.03	0.04
Taxes				
Equities	0.02	0.02	0.01	-
Other expenses				
Equities	-	-	0.01	0.05

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.02	0.01
Taxes	-	0.01
Other expenses	-	0.01
Total costs	**0.02**	**0.03**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were no corporate actions in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.17% (2017 - 0.11%).

Aberdeen Financial Equity Fund

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1

Quoted prices in active markets for identical securities.

Level 2

Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3

Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	48,920	-	50,086	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total	**48,920**	**-**	**50,086**	**-**

Aberdeen Financial Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Income shares				
Group 1	-	-	-	3.68438
Group 2	-	-	-	3.68438
I Income shares				
Group 1	0.41356	-	0.41356	0.63585
Group 2	0.06298	0.35058	0.41356	0.63585

Final dividend distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Income shares				
Group 1	13.74981	-	13.74981	13.60031
Group 2	2.98197	10.76784	13.74981	13.60031
I Income shares				
Group 1	1.28984	-	1.28984	1.08899
Group 2	0.73349	0.55635	1.28984	1.08899

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

Aberdeen Global High Yield Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in a portfolio of sub-Investment grade Debt and debt-related securities, denominated in or hedged back to Sterling.

A majority of the portfolio will invest in Debt and debt-related securities issued by companies based in Europe and/or North America.

The Fund may also invest in other transferable securities, including Investment Grade Debt and debt-related securities, Equity and Equity-Related securities, money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

The Fund may also invest to a minority extent in Debt and debt-related securities of companies and governments based in developing countries.

Performance review

For the year ended 31 July 2018, the value of Aberdeen Global High Yield Bond Fund – A Accumulation Shares increased by 0.31% compared to an increase of 1.07% in the benchmark, the Barclays Global High Yield Corporate Index (hedged to GBP).

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

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

Market review

There was noticeable divergence in performance between the two halves of the period. The Bank of America Merrill Lynch (BAML) European High Yield Constrained index returned a solid 2% in the first six months. Risk assets rallied on an improved growth outlook globally with the economic data in Europe, in particular, impressing to the upside. This momentum was given a further boost towards the end of 2017 as President Trump's tax reform became increasingly topical. The measures announced in December were well received by markets. This was due to the boost in corporate earnings, capital expenditure and consumer finances in the region, which was expected to be specific for a number of geographies and sectors.

However, these positives gave way to concerns around Trump's tariff proposals. This was aimed at China in particular, and potential retorts from trade partners, the risk of escalation, and what the effects of this could be on global growth. Protectionist measures announced by the US government and counter-measures announced by China and the European Union (EU) stirred much of the volatility in the second six months of the period, resulting in a disappointing return of -0.4% for the European High Yield index. Unsurprisingly, emerging markets, being the most exposed to any potential trade war underperformed significantly. This was not helped by the strength of the dollar which is a traditional head wind for these economies. Furthermore, events in Venezuela and Argentina continued to deteriorate while the situation in Turkey became more fractious at the end of the period post the re-election of President Erdogan. Sanctions from the US, the beginnings of a run on the currency, and the unwillingness to tighten monetary conditions all contributed to the weakness, which deteriorated further in August. Repercussions have been widely felt, European banks with lending exposure to Turkey have been particularly targeted. The Fund is underweight this sector.

Within Europe more specifically, the market took a downturn in May and June due to the political situation in Italy. Following a two month stalemate, the victorious parties in Italy's elections, Five Star and the League, finally started serious talks in May. Despite having acute ideological differences, the two parties found common ground in a desire to challenge the fiscal constraints on tax cuts and spending placed on the country by the European Union terms of membership. While the parties have largely stopped publically expressing a desire to leave the Eurozone, their animosity towards Europe spooked the markets which have become concerned about a widening rift between Italy and the EU. Although risk assets globally experienced a meaningful bounce in July, after a subdued June, it is notable that Italian risk remains unloved by the market. Italian equities are currently trading at their one-year lows, while 10-year Italian government bond (BTP) yields have returned to levels last seen in 2014 (3.12%). The existential questions that have plagued Europe since 2010 are set to remain for global markets.

Despite the global political turmoil, it is important to note that the US high yield market was a safe haven during the review period. While the market experienced $21bn of outflows in the first half of 2018, supply is down 23% year-on-year, and once coupon re-investment is considered, the market has strong technical support. This was likely aided by the strong macro-economic environment experienced in the region currently as tax cuts and de-regulation begin to take effect. Treasuries, a source of volatility year-to-date for US assets, also stabilised later in the period which also contributed to the positive US high yield environment. Leveraged loan funds received $11bn of inflows over the last three months of the review period also suggests confidence in a low default rate outlook but a preference for floating rate income.

Portfolio review

Stock selection was the main positive contributor to performance over the review period, rather than top down positioning. Exceptions came from a short Treasury position that generated approximately 30 basis points (bps) of relative performance. The Federal Reserve (Fed) delivered their seventh post-crisis hike and duration suffered, particularly in the US market. The Funds underweight to Turkey also positively contributed to performance.

From a stock specific perspective, the largest contributors to performance came from Obrascon, the Spanish construction firm, and Valeant, the North American pharmaceutical. Obrascon sold their concessions business at a much higher valuation that the market had discounted. The de-leveraging impact resulted in leading the bonds 25bps higher. Valeant has managed to change its public perception and investors have been rewarded as a result. They have divested assets and paid debt with the proceeds, resulting in improved governance standards and shorter term maturities which have been well received. Underlying earnings have also stabilized and shown growth in certain areas.

Aberdeen Global High Yield Bond Fund

The Fund's position in New Look, the fashion retailer in the UK, was a drag to performance after we exited at a loss after poor earnings. We became concerned by the loss of supplier insurance and the announcement of their engagement with a number of landlords to attempt a company voluntary arrangement (CVA), which can often be a signalling to a wider capital structure restructuring. An equally small position in Cenveo, US publishing services, negatively impacted performance as it was announced that their outdated business model is due to be restructured.

Outlook

The outlook for high yield is mixed. The economic picture remains robust, which is translating into stronger corporate earnings. However, the technical outlook is fraught with potential pitfalls as developed market central banks move away from the historic levels of monetary easing we have experienced over the last decade. Away from Europe, the environment in emerging markets is also increasingly problematic, not helped by dollar strength, US protectionism, and events in Venezuela, Turkey and Argentina. Valuations have improved over the course of the year, and this is more notable in Europe than in the US, and the outlook for defaults remains muted.

Moody's are forecasting that global defaults rates will fall to 2% a year from now from 2.8% currently. In Europe the rate is expected to be even lower at 1.5% come July next year. As a general rule, it is hard for high yield to perform too poorly in such an environment. Nevertheless, the market will have to contend with higher underlying government bond yields, which all things being equal is a headwind for fixed income markets, and an expected rotation away from bonds, which is already underway. A number of sectors, such as retail, are suffering to compete with new technology, which is threatening the very existence of many traditional bricks and mortar businesses.

Good stock selection will be essential going forward. Positively, the demand for income remains high, and the supply of income generating assets remains low. Any central bank action, though the direction is undoubtedly changing, will likely be gradual allowing time for markets to acclimatize. It was encouraging to see flows come back to high yield once valuations improved suggesting any technical headwinds may not be as severe as some of the market predict. High yield is somewhat protected from interest rate risk being a relatively short dated and higher yielding market, and the Fund even more so given its long-term short-duration strategy.

Euro HY and Global Leverage Loans Team **August 2018**

Aberdeen Global High Yield Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 3 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Global High Yield Bond Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	157.42	144.67	146.36
Return before operating charges*	2.89	15.23	2.00
Operating charges	(2.16)	(2.08)	(2.28)
Return after operating charges*	0.73	13.15	(0.28)
Distributions on accumulation shares	(7.49)	(7.48)	(7.05)
Retained distributions on accumulation shares	7.49	7.08	5.64
Closing net asset value per share	158.15	157.42	144.67
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.46%	9.09%	(0.19%)
Other information			
Closing net asset value (£'000s)	124	93	127
Closing number of shares	78,706	58,991	87,713
Operating charges	1.36%	1.37%	1.62%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	161.04	158.11	146.96
Lowest share price (pence)	156.43	144.70	129.90

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

Aberdeen Global High Yield Bond Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	94.86	91.31	96.17
Return before operating charges*	1.75	9.23	0.27
Operating charges	(1.28)	(1.29)	(1.48)
Return after operating charges*	0.47	7.94	(1.21)
Distributions on income shares	(4.44)	(4.39)	(3.65)
Closing net asset value per share	90.89	94.86	91.31
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.50%	8.70%	(1.26%)
Other information			
Closing net asset value (£'000s)	90,429	95,371	189,152
Closing number of shares	99,489,767	100,540,625	207,159,202
Operating charges	1.36%	1.37%	1.62%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	96.52	96.43	96.55
Lowest share price (pence)	91.05	90.81	83.61

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Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Global High Yield Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	166.17	151.84	152.57
Return before operating charges*	3.05	16.04	2.11
Operating charges	(1.28)	(1.24)	(1.12)
Return after operating charges*	1.77	14.80	0.99
Distributions on accumulation shares	(8.94)	(8.84)	(8.62)
Retained distributions on accumulation shares	8.94	8.37	6.90
Closing net asset value per share	167.94	166.17	151.84
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.07%	9.75%	0.65%
Other information			
Closing net asset value (£'000s)	2,064	3,286	1,232
Closing number of shares	1,228,989	1,977,530	811,203
Operating charges	0.76%	0.77%	0.77%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	170.50	166.89	153.29
Lowest share price (pence)	165.72	151.87	135.89

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

Aberdeen Global High Yield Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	90.39	87.00	91.62
Return before operating charges*	1.66	8.78	0.11
Operating charges	(0.68)	(0.69)	(0.66)
Return after operating charges*	0.98	8.09	(0.55)
Distributions on income shares	(4.77)	(4.70)	(4.07)
Closing net asset value per share	86.60	90.39	87.00
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.08%	9.30%	(0.60%)
Other information			
Closing net asset value (£'000s)	6,708	3,994	4,643
Closing number of shares	7,745,664	4,418,778	5,336,974
Operating charges	0.76%	0.77%	0.77%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	92.10	92.02	92.00
Lowest share price (pence)	86.84	86.55	79.68

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

Aberdeen Global High Yield Bond Fund

P Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	91.04	87.64	92.30
Return before operating charges*	1.68	8.83	0.08
Operating charges	(0.52)	(0.53)	(0.51)
Return after operating charges*	1.16	8.30	(0.43)
Distributions on income shares	(4.97)	(4.90)	(4.23)
Closing net asset value per share	87.23	91.04	87.64
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.27%	9.47%	(0.47%)
Other information			
Closing net asset value (£'000s)	13,370	21,276	27,547
Closing number of shares	15,326,611	23,370,310	31,433,323
Operating charges	0.57%	0.58%	0.58%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	92.81	92.73	92.68
Lowest share price (pence)	87.50	87.18	80.27

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

Aberdeen Global High Yield Bond Fund

P Gross Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	87.59	84.32	88.80
Return before operating charges*	1.63	8.77	1.11
Operating charges	(0.50)	(0.51)	(0.49)
Return after operating charges*	1.13	8.26	0.62
Distributions on income shares	(4.79)	(4.99)	(5.10)
Closing net asset value per share	83.93	87.59	84.32
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.29%	9.80%	0.70%
Other information			
Closing net asset value (£'000s)	548	953	1,285
Closing number of shares	652,717	1,088,038	1,524,195
Operating charges	0.57%	0.58%	0.58%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	89.29	89.22	89.17
Lowest share price (pence)	84.19	83.88	77.24

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

Aberdeen Global High Yield Bond Fund

Q Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	91.05	87.63	92.29
Return before operating charges*	1.68	8.83	0.06
Operating charges	(0.43)	(0.43)	(0.42)
Return after operating charges*	1.25	8.40	(0.36)
Distributions on income shares	(5.06)	(4.98)	(4.30)
Closing net asset value per share	87.24	91.05	87.63
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.37%	9.59%	(0.39%)
Other information			
Closing net asset value (£'000s)	18,093	22,057	173,213
Closing number of shares	20,740,463	24,225,284	197,666,577
Operating charges	0.48%	0.48%	0.48%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	92.83	92.76	92.67
Lowest share price (pence)	87.52	87.19	80.26

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

Aberdeen Global High Yield Bond Fund

Q Gross Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	87.64	84.32	88.81
Return before operating charges*	1.61	8.77	1.10
Operating charges	(0.42)	(0.42)	(0.40)
Return after operating charges*	1.19	8.35	0.70
Distributions on income shares	(4.86)	(5.03)	(5.19)
Closing net asset value per share	83.97	87.64	84.32
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.36%	9.90%	0.79%
Other information			
Closing net asset value (£'000s)	138	271	8,866
Closing number of shares	164,976	309,195	10,514,224
Operating charges	0.48%	0.48%	0.48%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	89.35	89.29	89.18
Lowest share price (pence)	84.24	83.94	77.25

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

Aberdeen Global High Yield Bond Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	161.70	146.85	146.80
Return before operating charges*	2.96	15.54	2.07
Operating charges	(0.18)	(0.19)	(0.17)
Return after operating charges*	2.78	15.35	1.90
Distributions on accumulation shares	(9.79)	(9.57)	(9.24)
Retained distributions on accumulation shares	9.79	9.07	7.39
Closing net asset value per share	164.48	161.70	146.85
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.72%	10.45%	1.29%
Other information			
Closing net asset value (£'000s)	468,821	526,188	552,307
Closing number of shares	285,023,487	325,401,058	376,092,763
Operating charges	0.11%	0.12%	0.12%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	166.44	162.39	148.24
Lowest share price (pence)	161.30	146.88	131.33

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

Aberdeen Global High Yield Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 94.43% (2017: 92.22%)					
Bonds 94.43% (2017: 92.22%)					
Corporate Bonds 94.43% (2017: 91.52%)					
Argentina 0.63% (2017: 0.60%)					
Aeropuertos Argentina 2000	6.8750	01/02/27	2,460,000	1,824	0.30
Cablevision	6.5000	15/06/21	1,900,000	1,442	0.24
IRSA Propiedades Comerciales	8.7500	23/03/23	670,000	512	0.09
				3,778	**0.63**
Australia 0.16% (2017: 0.15%)					
FMG Resources August 2006	4.7500	15/05/22	1,295,000	**960**	**0.16**
Barbados nil (2017: 0.44%)					
Brazil 3.27% (2017: 2.95%)					
Azul Investments	5.8750	26/10/24	2,223,000	1,589	0.26
Banco Do Brasil	VAR	PERP	2,663,000	2,066	0.34
JBS USA Finance	5.7500	15/06/25	6,930,000	4,946	0.82
Petrobras Global Finance∞	8.7500	23/05/26	12,800,000	11,031	1.85
				19,632	**3.27**
Canada 2.95% (2017: 3.98%)					
Bombardier	7.5000	15/03/25	4,205,000	3,367	0.56
Cenovus Energy	3.8000	15/09/23	611,000	453	0.08
Entertainment One∞	6.8750	15/12/22	3,000,000	3,149	0.52
First Quantum Minerals	7.0000	15/02/21	3,490,000	2,687	0.45
GFL Environmental	5.6250	01/05/22	985,000	713	0.12
MEG Energy	7.0000	31/03/24	3,414,000	2,352	0.39
Taseko Mines	8.7500	15/06/22	3,632,000	2,810	0.47
Teine Energy	6.8750	30/09/22	500,000	384	0.06
Telesat	8.8750	15/11/24	2,169,000	1,773	0.30
				17,688	**2.95**
Chile 0.30% (2017: 0.27%)					
Latam Finance	6.8750	11/04/24	2,372,000	**1,795**	**0.30**
China 0.45% (2017: nil)					
Eagle Intermediate Global/Ruyi US Finance	7.5000	01/05/25	2,491,000	1,890	0.31
Eagle Intermediate Global/Ruyi US Finance	5.3750	01/05/23	325,000	289	0.05
eHi Car Services	5.8750	14/08/22	775,000	543	0.09
				2,722	**0.45**
Democratic Republic of the Congo 0.10% (2017: nil)					
HTA	9.1250	08/03/22	740,000	**573**	**0.10**

Aberdeen Global High Yield Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Denmark 0.42% (2017: nil)					
DKT Finance	9.3750	17/06/23	3,148,000	**2,508**	**0.42**
Dominican Republic 0.44% (2017: 0.41%)					
AES Andres Dominican Power	7.9500	11/05/26	3,332,000	**2,642**	**0.44**
France 3.61% (2017: 3.43%)					
BNP Paribas∞	VAR	PERP	2,667,000	2,165	0.36
Credit Agricole	8.3750	PERP	3,768,000	3,016	0.50
La Financiere Atalian	4.0000	15/05/24	3,455,000	2,975	0.50
SFR	6.0000	15/05/22	7,605,000	5,976	0.99
SFR	5.3750	15/05/22	2,290,000	2,100	0.35
SFR	7.3750	01/05/26	1,478,000	1,114	0.19
SPCM	4.8750	15/09/25	5,965,000	4,354	0.72
				21,700	**3.61**
Germany 3.30% (2017: 0.92%)					
Nidda BondCo	5.0000	30/09/25	737,000	624	0.10
Nidda Healthcare	3.5000	30/09/24	1,522,000	1,326	0.22
Platin 1426	5.3750	15/06/23	1,218,000	1,036	0.17
Platin 1426	6.8750	15/06/23	448,000	393	0.07
PrestigeBidCo	6.2500	15/12/23	4,362,000	4,130	0.69
Senvion	3.8750	25/10/22	7,441,000	5,873	0.98
Tele Columbus	3.8750	02/05/25	1,633,000	1,400	0.23
ZF North America Capital	4.7500	29/04/25	6,480,000	5,040	0.84
				19,822	**3.30**
Greece 0.46% (2017: nil)					
Intralot Capital Luxembourg∞	5.2500	15/09/24	3,939,000	**2,767**	**0.46**
Guatemala nil (2017: 0.08%)					
India 0.50% (2017: 0.48%)					
Vedanta Resources	6.1250	09/08/24	4,195,000	**2,974**	**0.50**
Indonesia 0.44% (2017: 0.40%)					
Pertamina Persero (EMTN)	4.3000	20/05/23	3,440,000	**2,615**	**0.44**
Ireland 1.00% (2017: 0.70%)					
Ardagh Packaging Finance	7.2500	15/05/24	3,975,000	3,159	0.52
Ardagh Packaging Finance	4.7500	15/07/27	1,382,000	1,338	0.22
C&W Senior Financing Designated Activity	6.8750	15/09/27	2,055,000	1,535	0.26
				6,032	**1.00**
Israel 0.18% (2017: nil)					
Teva Pharmaceutical Finance Netherlands II∞	4.5000	01/03/25	1,175,000	**1,096**	**0.18**

Aberdeen Global High Yield Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Italy 1.15% (2017: 2.27%)					
Telecom Italia Capital	6.0000	30/09/34	5,865,000	4,393	0.73
Wind Tre	5.0000	20/01/26	3,666,000	2,510	0.42
				6,903	**1.15**
Jamaica 0.45% (2017: nil)					
Digicel∞	8.2500	30/09/20	4,855,000	**2,693**	**0.45**
Jersey 1.37% (2017: 1.24%)					
LHC3	4.1250	15/08/24	1,804,000	1,593	0.27
Nemean Bondco∞	7.3750	01/02/24	6,950,000	6,623	1.10
				8,216	**1.37**
Kazakhstan 0.17% (2017: 0.16%)					
Nostrum Oil & Gas Finance	8.0000	25/07/22	1,430,000	**1,035**	**0.17**
Luxembourg 3.50% (2017: 2.83%)					
Altice Financing∞	7.5000	15/05/26	3,615,000	2,683	0.45
Altice Finco∞	8.1250	15/01/24	2,000,000	1,551	0.26
Galapagos∞	5.3750	15/06/21	2,000,000	1,516	0.25
INEOS∞	5.3750	01/08/24	3,320,000	3,115	0.52
Kleopatra 1	8.5000	30/06/23	1,712,000	1,062	0.18
LHMC Finco	7.8750	20/12/23	1,271,000	971	0.16
Matterhorn Telecom∞	4.8750	01/05/23	6,769,000	6,115	1.02
Unilabs Subholding	5.7500	15/05/25	4,640,000	3,980	0.66
				20,993	**3.50**
Mauritius 0.34% (2017: 0.30%)					
Liquid Telecommunications Financing	8.5000	13/07/22	2,590,000	**2,048**	**0.34**
Mexico 0.90% (2017: 0.97%)					
CEMEX	7.7500	16/04/26	2,676,000	2,247	0.37
CEMEX Finance	6.0000	01/04/24	2,603,000	2,052	0.34
Elementia	5.5000	15/01/25	740,000	544	0.09
Grupo Posadas	7.8750	30/06/22	740,000	575	0.10
				5,418	**0.90**
Netherlands 4.72% (2017: 3.82%)					
Cimpress	7.0000	15/06/26	4,000,000	3,133	0.52
Constellium	6.6250	01/03/25	4,435,000	3,448	0.57
Constellium	5.8750	15/02/26	937,000	704	0.12
ING Groep	VAR	PERP	3,756,000	2,836	0.47
InterXion∞	4.7500	15/06/25	1,798,000	1,664	0.28
Lincoln Finance	6.8750	15/04/21	4,145,000	3,824	0.64
Nyrstar Netherlands (EMTN)	6.8750	15/03/24	3,550,000	2,549	0.42
OCI	5.0000	15/04/23	736,000	690	0.11
VEON	4.9500	16/06/24	2,439,000	1,780	0.30
Ziggo Secured Finance	5.5000	15/01/27	10,590,000	7,689	1.29
				28,317	**4.72**

Aberdeen Global High Yield Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Nigeria 0.76% (2017: 0.66%)					
IHS Netherlands	9.5000	27/10/21	1,960,000	1,529	0.25
United Bank for Africa	7.7500	08/06/22	2,650,000	2,030	0.34
Zenith Bank	7.3750	30/05/22	1,304,000	1,004	0.17
				4,563	**0.76**
Peru nil (2017: 0.42%)					
Russian Federation 0.35% (2017: 0.32%)					
Credit Bank of Moscow	5.8750	07/11/21	705,000	530	0.09
Evraz	6.5000	22/04/20	1,360,000	1,066	0.17
Sberbank of Russia	6.1250	07/02/22	655,000	524	0.09
				2,120	**0.35**
South Africa nil (2017: 0.32%)					
Spain 1.10% (2017: 1.49%)					
Codere Finance 2 Luxembourg	6.7500	01/11/21	3,490,000	2,999	0.50
Haya Finance 2017∞	5.2500	15/11/22	3,840,000	3,134	0.52
Obrascon Huarte Lain∞	5.5000	15/03/23	536,000	480	0.08
				6,613	**1.10**
Switzerland 1.14% (2017: 0.29%)					
Dufry Finance∞	4.5000	01/08/23	5,430,000	5,022	0.83
UBS∞	VAR	PERP	2,291,000	1,841	0.31
				6,863	**1.14**
Turkey 0.18% (2017: 0.72%)					
Akbank	7.2000	16/03/27	1,694,000	**1,070**	**0.18**
Ukraine 0.24% (2017: nil)					
MHP	6.9500	03/04/26	1,933,000	**1,420**	**0.24**
United Arab Emirates 0.35% (2017: nil)					
Shelf Drilling	8.2500	15/02/25	2,695,000	**2,096**	**0.35**
United Kingdom 10.64% (2017: 9.60%)					
Barclays	VAR	PERP	2,970,000	2,756	0.46
Cabot Financial Luxembourg (EMTN)	8.3750	01/08/20	1,762,000	1,795	0.30
Corral Petroleum	11.7500	15/05/21	4,365,000	4,176	0.70
CYBG∞	VAR	PERP	4,085,000	4,177	0.70
CYBG∞	VAR	09/02/26	4,030,000	4,143	0.69
Fiat Chrysler Finance Europe (EMTN)∞	4.7500	15/07/22	6,150,000	6,132	1.02
Galaxy Finco	7.8750	15/11/21	3,500,000	3,414	0.57
KCA Deutag UK Finance	9.6250	01/04/23	3,171,000	2,426	0.40
Lloyds Banking	VAR	PERP	2,998,000	3,489	0.58
Nationwide Building Society (EMTN)	VAR	PERP	2,055,000	2,116	0.35
PGH Capital	6.6250	18/12/25	2,956,000	3,261	0.54
PizzaExpress Financing 2∞	6.6250	01/08/21	2,573,000	2,389	0.40

Aberdeen Global High Yield Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
RAC Bond	5.0000	06/11/22	3,400,000	3,187	0.53
Royal Bank of Scotland	8.6250	PERP	3,300,000	2,715	0.45
Saga	3.3750	12/05/24	1,969,000	1,872	0.31
Synlab Bondco	6.2500	01/07/22	6,800,000	6,250	1.04
Thomas Cook	6.2500	15/06/22	2,074,000	1,957	0.33
TVL Finance	8.5000	15/05/23	1,327,200	1,389	0.23
Virgin Media Finance	7.0000	15/04/23	500,000	516	0.09
Virgin Media Secured Finance	5.5000	15/01/25	5,580,000	5,688	0.95
				63,848	**10.64**
United States 48.42% (2017: 51.30%)					
Albertsons	5.7500	15/03/25	7,055,000	4,840	0.81
Alliance Data Systems	5.8750	01/11/21	1,754,000	1,364	0.23
Alliance Data Systems∞	5.2500	15/11/23	1,250,000	1,152	0.19
Altice US Finance I	5.3750	15/07/23	2,875,000	2,211	0.37
Altice US Finance I∞	5.5000	15/05/26	1,481,000	1,109	0.18
AmeriGas Finance	5.8750	20/08/26	1,937,000	1,436	0.24
Antero Resources	5.1250	01/12/22	1,044,000	798	0.13
Apergy	6.3750	01/05/26	3,871,000	3,006	0.50
Ascend Learning	6.8750	01/08/25	1,611,000	1,243	0.21
Avis Budget Car Rental∞	5.5000	01/04/23	5,942,000	4,462	0.74
Avis Budget Car Rental∞	6.3750	01/04/24	1,766,000	1,323	0.22
Avis Budget Car Rental	5.2500	15/03/25	1,037,000	727	0.12
Bank of America	VAR	PERP	2,685,000	2,131	0.36
Berry Petroleum	7.0000	15/02/26	1,649,000	1,311	0.22
Blue Racer Finance	6.1250	15/11/22	4,100,000	3,166	0.53
BMC Software Finance	8.1250	15/07/21	5,975,000	4,663	0.77
Boyd Gaming	6.3750	01/04/26	4,414,000	3,441	0.57
Bruin E&P Partners	8.8750	01/08/23	2,060,000	1,586	0.26
BWAY	4.7500	15/04/24	1,544,000	1,381	0.23
Callon Petroleum	6.1250	01/10/24	956,000	740	0.12
Calpine	5.7500	15/01/25	9,440,000	6,621	1.10
Carrizo Oil & Gas∞	6.2500	15/04/23	1,833,000	1,422	0.24
CCO Capital	5.7500	15/02/26	15,025,000	11,382	1.89
CenturyLink	5.6250	01/04/20	1,978,000	1,542	0.26
Change Healthcare Finance	5.7500	01/03/25	8,402,000	6,197	1.03
Cheniere Corpus Christi∞	5.8750	31/03/25	8,093,000	6,494	1.08
Cheniere Energy Partners	5.2500	01/10/25	1,001,000	759	0.13
Commercial Metals	5.7500	15/04/26	3,831,000	2,818	0.47
Diamond BC∞	5.6250	15/08/25	1,813,000	1,488	0.25
Dynegy	7.6250	01/11/24	4,675,000	3,819	0.64
Dynegy	8.1250	30/01/26	2,620,000	2,195	0.37
Dynegy	7.3750	01/11/22	1,240,000	987	0.16
EMI Music Publishing	7.6250	15/06/24	2,974,000	2,440	0.41
Energizer Gamma Acquisition	4.6250	15/07/26	2,189,000	1,994	0.33
Energizer Gamma Acquisition	6.3750	15/07/26	247,000	193	0.03
Equinix	5.3750	01/04/23	7,236,000	5,654	0.94
Frontier Communications	10.5000	15/09/22	4,020,000	2,781	0.46
Golden Nugget	8.7500	01/10/25	8,795,000	6,956	1.16

Aberdeen Global High Yield Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Golden Nugget	6.7500	15/10/24	3,570,000	2,715	0.45
Goldman Sachs	VAR	PERP	5,185,000	4,032	0.67
Goodyear Tire & Rubber∞	5.1250	15/11/23	2,975,000	2,234	0.37
Graham	5.7500	01/06/26	2,849,000	2,188	0.36
Hardwoods Acquisition	7.5000	01/08/21	6,895,000	4,823	0.80
Harland Clarke	6.8750	01/03/20	3,235,000	2,429	0.40
Harland Clarke	8.3750	15/08/22	3,170,000	2,311	0.38
HCA	5.8750	15/02/26	3,200,000	2,522	0.42
Hilcorp Energy Finance	5.7500	01/10/25	3,736,000	2,841	0.47
Iron Mountain	5.2500	15/03/28	3,835,000	2,704	0.45
JPMorgan Chase	VAR	PERP	4,480,000	3,187	0.53
KB Home	7.0000	15/12/21	4,347,000	3,492	0.58
Lennar	4.5000	30/04/24	1,302,000	963	0.16
Level 3 Financing	5.3750	01/05/25	8,065,000	5,995	1.00
Meredith	6.8750	01/02/26	4,456,000	3,422	0.57
Meritage Homes	6.0000	01/06/25	3,512,000	2,696	0.45
MGM Resorts International	4.6250	01/09/26	4,214,000	3,020	0.50
MPT Operating Partnership Finance	5.0000	15/10/27	2,666,000	1,966	0.33
Nationstar Mortgage	6.5000	01/07/21	4,390,000	3,355	0.56
Nationstar Mortgage	6.5000	01/06/22	4,240,000	3,216	0.54
Neiman Marcus	8.0000	15/10/21	4,470,000	2,147	0.36
New Enterprise Stone & Lime	10.1250	01/04/22	4,128,000	3,344	0.56
NRG Energy	7.2500	15/05/26	2,060,000	1,672	0.28
Oasis Petroleum	6.8750	15/01/23	3,592,000	2,800	0.47
Park-Ohio Industries	6.6250	15/04/27	446,000	343	0.06
PBF Logistics Finance	6.8750	15/05/23	1,975,000	1,528	0.25
Pitney Bowes	3.6250	01/10/21	4,340,000	3,122	0.52
Post	5.0000	15/08/26	4,410,000	3,169	0.53
Prestige Brands	6.3750	01/03/24	840,000	640	0.11
Radiate Finance	6.6250	15/02/25	4,040,000	2,880	0.48
Rite Aid	6.1250	01/04/23	10,030,000	7,684	1.27
Sabine Pass Liquefaction	5.8750	30/06/26	3,531,000	2,928	0.49
Sabine Pass Liquefaction	5.0000	15/03/27	3,300,000	2,596	0.43
Sabine Pass Liquefaction	5.6250	01/02/21	2,500,000	1,993	0.33
Sable International Finance	6.8750	01/08/22	4,070,000	3,242	0.54
Sanchez Energy	6.1250	15/01/23	4,786,000	2,504	0.42
Sanchez Energy	7.2500	15/02/23	3,095,000	2,322	0.39
Sinclair Television	5.8750	15/03/26	8,553,000	6,427	1.07
Sinclair Television	5.6250	01/08/24	1,437,000	1,082	0.18
Sprint	7.8750	15/09/23	7,235,000	5,888	0.98
Sprint	7.6250	01/03/26	1,894,000	1,498	0.25
Staples	8.5000	15/09/25	2,160,000	1,548	0.26
Steel Dynamics	5.5000	01/10/24	1,595,000	1,242	0.21
Steel Dynamics	5.1250	01/10/21	1,095,000	844	0.14
Summit Materials Finance	5.1250	01/06/25	51,000	37	0.01
Tempo Acquisition	6.7500	01/06/25	6,300,000	4,643	0.77
Tenet Healthcare	4.6250	15/07/24	3,006,000	2,214	0.37
Tenet Healthcare	6.7500	15/06/23	1,770,000	1,370	0.23
Topbuild	5.6250	01/05/26	3,102,000	2,317	0.39

Aberdeen Global High Yield Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
TransDigm	6.5000	15/07/24	2,130,000	1,662	0.28
Transoceon Guardian	5.8750	15/01/24	3,860,000	2,972	0.50
TTM Technologies	5.6250	01/10/25	4,761,000	3,584	0.60
United Rentals North America	5.7500	15/11/24	4,705,000	3,668	0.61
Valeant Pharmaceuticals	4.5000	15/05/23	7,000,000	6,031	1.00
Valvoline	5.5000	15/07/24	4,867,000	3,747	0.62
Warrior Met Coal	8.0000	01/11/24	1,825,000	1,438	0.24
Whiting Petroleum	5.7500	15/03/21	610,000	474	0.08
WMG Acquisition	5.5000	15/04/26	2,601,000	1,963	0.33
WPX Energy	5.7500	01/06/26	465,000	355	0.06
WR Grace & Co-Conn	5.6250	01/10/24	6,755,000	5,407	0.90
WR Grace & Co-Conn	5.1250	01/10/21	5,363,000	4,160	0.69
Wyndham Worldwide	5.1000	01/10/25	2,950,000	2,316	0.39
Wyndham Worldwide	4.1500	01/04/24	3,085,000	2,314	0.39
XPO Logistics	6.1250	01/09/23	2,414,000	1,891	0.31
Zayo Capital	6.0000	01/04/23	8,649,000	6,767	1.13
				290,716	**48.42**
Zambia 0.44% (2017: nil)					
First Quantum Minerals	6.8750	01/03/26	3,532,000	**2,622**	**0.44**
Total Corporate Bonds				**566,858**	**94.43**
Corporate Convertible Bonds nil (2017: 0.35%)					
Luxembourg nil (2017: 0.35%)					
Total Corporate Convertible Bonds				-	-
Government Bonds nil (2017: 0.35%)					
Paraguay nil (2017: 0.35%)					
Total Government Bonds				-	-
Total Bonds				**566,858**	**94.43**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**566,858**	**94.43**
Other transferable securities and money market instruments 2.57% (2017: 1.70%)					
Equities nil (2017: nil)					
United States nil (2017: nil)					
New Cotal Participation[Ω]			20	-	-
Total Equities				-	-
Bonds 2.57% (2017: 1.70%)					
Corporate Bonds 2.38% (2017: 1.70%)					
Luxembourg 0.01% (2017: 0.01%)					
Teksid Aluminum Luxembourg SARL	11.3750	15/07/11	12,974,000	**58**	**0.01**

Aberdeen Global High Yield Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Netherlands nil (2017: 0.24%)					
South Africa 0.45% (2017: 0.39%)					
Sappi Papier	7.5000	15/06/32	3,470,000	**2,692**	**0.45**
United Kingdom 0.37% (2017: 0.76%)					
TalkTalk Telecom∞	5.3750	15/01/22	2,248,000	**2,246**	**0.37**
United States 1.55% (2017: 0.30%)					
AMC Entertainment	6.3750	15/11/24	4,656,000	4,712	0.79
Cenveo	6.0000	01/08/19	2,497,000	714	0.12
Momentive Performance[Ω]	8.8750	15/10/20	21,698,000	-	-
Moss Creek Resources	7.5000	15/01/26	3,860,000	2,869	0.48
Radiate Finance	6.8750	15/02/23	1,301,000	960	0.16
				9,255	**1.55**
Total Corporate Bonds				**14,251**	**2.38**
Government Bonds 0.19% (2017: nil)					
Venezuela 0.19% (2017: nil)					
Petroleos de Venezuela	6.0000	16/05/24	7,000,000	**1,167**	**0.19**
Total Government Bonds				**1,167**	**0.19**
Total Bonds				**15,418**	**2.57**
Total Other transferable securities and money market instruments				**15,418**	**2.57**

Derivatives (0.98%) (2017: 1.68%)

Future contracts 0.01% (2017: nil)

Future	Maturity	Notional	Unrealised Gains/(Losses) £'000	Total Net Assets %
CBT US 5 year Note	28/09/18	(418)	49	0.01
Unrealised gains on future contracts			**49**	**0.01**

Forward currency exchange contracts (0.99%) (2017: 1.68%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Barclays Capital	GBP	USD	14/08/18	113,345,352	150,643,000	(1,435)	(0.24)
BNP Paribas	GBP	EUR	14/08/18	536,062	601,000	-	-
Citigroup	GBP	USD	14/08/18	113,440,265	150,643,000	(1,340)	(0.22)
Citigroup	GBP	USD	14/08/18	4,573,328	6,000,000	2	-
Merrill Lynch	GBP	USD	14/08/18	113,426,172	150,643,000	(1,354)	(0.23)
Merrill Lynch	GBP	EUR	14/08/18	92,295,462	104,196,000	(684)	(0.11)
Merrill Lynch	GBP	EUR	14/08/18	1,367,655	1,544,000	(10)	-
Merrill Lynch	GBP	EUR	14/08/18	892,491	1,000,000	-	-
Merrill Lynch	GBP	EUR	14/08/18	388,356	435,000	-	-

Aberdeen Global High Yield Bond Fund

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Morgan Stanley	USD	GBP	14/08/18	10,000,000	7,480,158	139	0.02
State Street	USD	GBP	14/08/18	20,000,000	15,096,038	143	0.02
UBS	GBP	USD	14/08/18	113,413,805	150,642,000	(1,365)	(0.23)
Unrealised losses on forward currency exchange contracts						**(5,904)**	**(0.99)**
Unrealised losses on derivatives						**(5,855)**	**(0.98)**
Total investments[≠]						**576,421**	**96.02**
Other net assets						**23,874**	**3.98**
Total net assets						**600,295**	**100.00**

[∞] A portion of this security is on loan at the year end.
[Ω] Unapproved/unquoted security.
[≠] Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen Global High Yield Bond Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	46,918	8.14	7.82

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
France (Government of)	23,238	Government Bond	Investment grade	BNP Paribas
Germany (Federal Republic of)	11,568	Government Bond	Investment grade	BNP Paribas
UK Treasury	4,902	Government Bond	Investment grade	BNP Paribas
Netherlands (Kingdom of)	4,811	Government Bond	Investment grade	BNP Paribas
Sweden (Kingdom of)	3,868	Government Bond	Investment grade	BNP Paribas
Luxembourg (Grand Duchy of)	3,170	Government Bond	Investment grade	BNP Paribas
Australia (Commonwealth of)	450	Government Bond	Investment grade	BNP Paribas
Norway (Kingdom of)	191	Government Bond	Investment grade	BNP Paribas
Total collateral received	**52,198**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	52,198	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	450
EUR	46,655
GBP	4,902
NOK	191
Total collateral received	**52,198**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
JPM Chase	15,511	United States	Tri-party
BNP Paribas	9,529	France	Tri-party
Barclays	8,055	United Kingdom	Tri-party
Credit Suisse	7,778	Switzerland	Tri-party
Nomura	6,045	Japan	Tri-party
Total market value of securities lending	**46,918**		

Aberdeen Global High Yield Bond Fund

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	705

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	51,493	-	**52,198**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	46,918	-	**46,918**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	405	125.00
Direct operational costs (securities lending agent costs)	(81)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(81)	(25.00)
Net return	**324**	**100.00**

Aberdeen Global High Yield Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(26,934)		29,418
Revenue	2	38,769		46,202	
Expenses	3	(2,171)		(2,580)	
Net revenue before taxation		36,598		43,622	
Taxation	4	(50)		(172)	
Net revenue after taxation			36,548		43,450
Total return before distributions			**9,614**		**72,868**
Distributions	5		(36,548)		(43,474)
Change in net assets attributable to shareholders from investment activities			**(26,934)**		**29,394**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**673,489**		**958,372**
Amounts receivable on issue of shares	24,991		8,885	
Amounts payable on cancellation of shares	(100,558)		(354,812)	
		(75,567)		(345,927)
Dilution adjustment		122		1,044
Change in net assets attributable to shareholders from investment activities		(26,934)		29,394
Retained distributions on accumulation shares		29,183		30,604
Unclaimed distributions > 6 years		2		2
Closing net assets attributable to shareholders		**600,295**		**673,489**

Aberdeen Global High Yield Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		582,609	645,028
Current assets:			
Debtors	6	11,145	16,747
Cash and bank balances	7	21,667	18,524
Total assets		**615,421**	**680,299**
Liabilities:			
Investment liabilities		6,188	1,167
Provisions for liabilities	8	-	81
Creditors:			
Amounts held at futures clearing houses and brokers		49	-
Other creditors	9	7,158	3,703
Distribution payable		1,731	1,859
Total liabilities		**15,126**	**6,810**
Net assets attributable to shareholders		**600,295**	**673,489**

Aberdeen Global High Yield Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital (losses)/gains**

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(20,638)	52,184
Derivative contracts	1,306	2,110
Forward currency contracts losses	(7,459)	(24,430)
Other currency gains/(losses)	4	(469)
Class actions	(147)	23
Net capital (losses)/gains	**(26,934)**	**29,418**

2. **Revenue**

	2018 £'000	2017 £'000
Interest on debt securities	38,232	44,985
Distributions from collective investment schemes:		
UK interest distributions	-	850
Stock lending commission	324	174
Bank interest	213	101
Derivative revenue:		
Interest on swap contracts	-	92
Total revenue	**38,769**	**46,202**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,469	1,760
Operating, administrative and servicing fees	700	819
	2,169	2,579
Other expenses:		
Interest payable and similar charges	2	1
	2	1
Total expenses	**2,171**	**2,580**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

Aberdeen Global High Yield Bond Fund

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	10	-
Double tax relief	(10)	-
Overseas withholding tax	50	172
Current tax charge	**50**	**172**
Total taxation	**50**	**172**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017- 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	36,598	43,622
Corporation tax at 20% (2017 - 20%)	7,320	8,724
Effects of:		
Tax deductible on interest distributions	(7,310)	(8,696)
Double tax relief	(10)	(28)
Irrecoverable overseas withholding tax	50	172
Total taxation	**50**	**172**

Factors that may affect future tax charges

There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
First interim	9,625	12,203
Second interim	8,514	9,865
Third interim	8,835	9,420
Final	9,135	9,916
	36,109	41,404
Add: Revenue deducted on cancellation of shares	622	2,128
Deduct: Revenue received on issue of shares	(183)	(58)
Distributions for the year	**36,548**	**43,474**
Total distributions	**36,548**	**43,474**

Details of the distribution per share are set out in the distribution tables on pages 442 to 445.

Aberdeen Global High Yield Bond Fund

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	36,548	43,450
Add:		
Undistributed revenue brought forward	-	24
Distributions	**36,548**	**43,474**

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	9,794	10,616
Amounts receivable for issue of shares	46	27
Sales awaiting settlement	-	4,731
Merger debtor	8	468
Currency transactions awaiting settlement	388	-
Other debtor	706	702
Tax reclaimable	203	203
Total debtors	**11,145**	**16,747**

7. Cash and bank balances

	2018 £'000	2017 £'000
Amounts held at futures clearing houses and brokers	343	471
Cash and bank balances	21,324	18,053
Total cash and bank balances	**21,667**	**18,524**

8. Provisions for liabilities

	2018 £'000	2017 £'000
The provisions for liabilities comprise:		
CGT liability	-	81
Total provisions for liabilities	**-**	**81**

9. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	165	191
Amounts payable for cancellation of shares	1,171	277
Purchases awaiting settlement	5,371	3,235
Currency transactions awaiting settlement	388	-
Other creditors	63	-
Total other creditors	**7,158**	**3,703**

Aberdeen Global High Yield Bond Fund

10. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 429. £1,240,000 was due to the ACD (2017 - £375,000) at the year end.

The Investment Adviser

As at the year end the Fund held no investments that were managed by subsidiaries of Standard Life Aberdeen plc (2017 - nil).

11. Material shareholders

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 81% of the Fund's shares in issue.

12. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.25%
Class 'I': 0.65%
Class 'P': 0.46%
Class 'P' Gross: 0.46%
Class 'Q': 0.46%
Class 'Q' Gross: 0.46%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 409 to 417. The distribution per share class is given in the distribution tables on pages 442 to 445. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	58,991	100,540,625	1,977,530	4,418,778
Creations during the year	33,245	18,286,746	435,325	3,731,402
Cancellations during the year	(15,669)	(19,022,674)	(1,183,866)	(1,241,900)
Shares converted during the year	2,139	(314,930)	-	837,384
Closing shares in issue	**78,706**	**99,489,767**	**1,228,989**	**7,745,664**

	P Income shares	P Gross Income shares	Q Income shares	Q Gross Income shares
Opening number of shares	23,370,310	1,088,038	24,225,284	309,195
Creations during the year	670,114	45,269	3,393,037	-
Cancellations during the year	(8,622,788)	(480,590)	(6,461,831)	(144,219)
Shares converted during the year	(91,025)	-	(416,027)	-
Closing shares in issue	**15,326,611**	**652,717**	**20,740,463**	**164,976**

	Z Accumulation shares
Opening number of shares	325,401,058
Creations during the year	12,000
Cancellations during the year	(40,389,571)
Shares converted during the year	-
Closing shares in issue	**285,023,487**

Aberdeen Global High Yield Bond Fund

13. **Securities on Loan**

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Barclays	8,055	8,576	Government Bond
BNP Paribas	9,529	11,129	Government Bond
Credit Suisse	7,778	8,287	Government Bond
JPM Chase	15,511	16,378	Government Bond
Nomura	6,045	7,828	Government Bond
Total	**46,918**	**52,198**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	405	81	324

Aberdeen Global High Yield Bond Fund

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
Barclays Bank	28,399	31,611	Government Bond
JPM Chase	12,333	16,296	Government Bond
Nomura	8,798	9,407	Government Bond
HSBC	1,438	1,516	Government Bond
Total	**50,968**	**58,830**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	218	44	174

14. Risk management policies and disclosures

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

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

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Euro	4,176	90,950	1,573	96,699
Pound Sterling	29,704	41,580	1,957	73,241
US Dollar	13,893	423,641	7,947	445,481
Total financial assets	**47,773**	**556,171**	**11,477**	**615,421**

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Euro	9,282	56,259	936	66,477
Pound Sterling	26,506	40,059	14,202	80,767
US Dollar	10,265	510,563	12,227	533,055
Total financial assets	**46,053**	**606,881**	**27,365**	**680,299**

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Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Euro	-	-	(388)	(388)
Pound Sterling	-		(9,705)	(9,705)
US Dollar	(49)	-	(4,984)	(5,033)
Total financial liabilities	**(49)**	**-**	**(15,077)**	**(15,126)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Euro	-	-	(3,235)	(3,235)
Pound Sterling	-	-	(3,572)	(3,572)
US Dollar	-	-	(3)	(3)
Total financial liabilities	**-**	**-**	**(6,810)**	**(6,810)**

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Sensitivity analysis

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

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	1.64%	1.97%
Maximum VaR	2.18%	2.69%
Average VaR	1.94%	2.26%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	0.02%	1.02%	-	0.67%	1.71%
31 July 2017	0.02%	1.26%	-	0.78%	2.06%

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

Aberdeen Global High Yield Bond Fund

Counterparty risk

Credit quality of debt security investment assets

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

	Market value £'000	Percentage of total net assets %
2018		
Investment grade securities (AAA - BBB)	28,859	4.81
Below investment grade (BB and below)	549,158	91.48
Unrated securities	4,259	0.71
Derivatives*	(5,855)	(0.98)
Other net assets	23,874	3.98
Net assets	**600,295**	**100.00**

	Market value £'000	Percentage of total net assets %
2017		
Investment grade securities (AAA - BBB)	27,375	4.06
Below investment grade (BB and below)	590,154	87.63
Unrated securities	14,992	2.23
Derivatives*	11,340	1.68
Other net assets	29,628	4.40
Net assets	**673,489**	**100.00**

* Please refer to the counterparty risk note on page 15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

Financial derivatives

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
Citigroup	2	2
Morgan Stanley	139	139
State Street	143	143
Total exposure	**284**	**284**

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
BNP Paribas	55	55
Citigroup	3,749	3,749
Goldman Sachs	2,877	2,877
HSBC	2,902	2,902
JPM Chase	2,863	2,863
State Street	61	61
Total exposure	**12,507**	**12,507**

The Fund had no collateral pledged or collateral held in respect of derivatives as at 31 July 2018 (2017 - nil).

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Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	6,188	-	-	6,188
Non-derivatives					
Amounts held at futures clearing houses and brokers	49	-	-	-	49
Other creditors	-	7,158	-	-	7,158
Distribution payable	-	1,731	-	-	1,731
Total financial liabilities	**49**	**15,077**	**-**	**-**	**15,126**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	1,167	-	-	1,167
Non-derivatives					
Provisions for liabilities	-	-	81	-	81
Other creditors	-	3,703	-	-	3,703
Distribution payable	-	1,859	-	-	1,859
Total financial liabilities	**-**	**6,729**	**81**	**-**	**6,810**

Aberdeen Global High Yield Bond Fund

15. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Bonds	287,821	323,020	305,820	588,144
Collective Investment Schemes	-	-	-	31,899
Equities	-	-	-	163
Trades in the year before transactions costs	**287,821**	**323,020**	**305,820**	**620,206**
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**287,821**	**323,020**	**305,820**	**620,206**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities				
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities				
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities				

Aberdeen Global High Yield Bond Fund

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £11,710,000 in the year (2017 - £24,983,000 (net sales)).

There were transaction costs in respect of derivatives of £1,000 for the year (2017 - £6,000). The transaction costs in respect of derivatives expressed as a percentage of net asset value is 0.00% (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.75% (2017 - 0.72%).

16. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	49	-	-	3
Level 2	582,560	6,188	645,028	1,164
Level 3	-	-	-	-
Total	**582,609**	**6,188**	**645,028**	**1,167**

Aberdeen Global High Yield Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

First interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 October 2017

	Revenue	Equalisation	Distribution paid 31/01/18	Distribution paid 31/01/17
A Accumulation shares				
Group 1	1.85848	-	1.85848	1.61295
Group 2	0.79353	1.06495	1.85848	1.61295
A Income shares				
Group 1	1.11984	-	1.11984	1.01796
Group 2	0.34626	0.77358	1.11984	1.01796
I Accumulation shares				
Group 1	2.21609	-	2.21609	1.87738
Group 2	0.63028	1.58581	2.21609	1.87738
I Income shares				
Group 1	1.20538	-	1.20538	1.07568
Group 2	0.46548	0.73990	1.20538	1.07568
P Income shares				
Group 1	1.25728	-	1.25728	1.12151
Group 2	0.61692	0.64036	1.25728	1.12151
P Gross Income shares				
Group 1	1.20937	-	1.20937	1.34926
Group 2	1.20937	-	1.20937	1.34926
Q Income shares				
Group 1	1.28109	-	1.28109	1.13078
Group 2	0.71353	0.56756	1.28109	1.13078
Q Gross Income shares				
Group 1	1.22812	-	1.22812	1.32105
Group 2	1.22812	-	1.22812	1.32105
Z Accumulation shares				
Group 1	2.42342	-	2.42342	2.00751
Group 2	0.96661	1.45681	2.42342	2.00751

Aberdeen Global High Yield Bond Fund

Second interim interest distribution
Group 1: Shares purchased prior to 1 November 2017
Group 2: Shares purchased 1 November 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	1.73984	-	1.73984	1.80529
Group 2	0.60475	1.13509	1.73984	1.80529
A Income shares				
Group 1	1.03618	-	1.03618	1.12704
Group 2	0.18663	0.84955	1.03618	1.12704
I Accumulation shares				
Group 1	2.09628	-	2.09628	2.14013
Group 2	0.74978	1.34650	2.09628	2.14013
I Income shares				
Group 1	1.12528	-	1.12528	1.21151
Group 2	0.35755	0.76773	1.12528	1.21151
P Income shares				
Group 1	1.17800	-	1.17800	1.26290
Group 2	0.57336	0.60464	1.17800	1.26290
P Gross Income shares				
Group 1	1.13316	-	1.13316	1.21627
Group 2	0.82611	0.30705	1.13316	1.21627
Q Income shares				
Group 1	1.20109	-	1.20109	1.29492
Group 2	0.58361	0.61748	1.20109	1.29492
Q Gross Income shares				
Group 1	1.15650	-	1.15650	1.24132
Group 2	1.15650	-	1.15650	1.24132
Z Accumulation shares				
Group 1	2.31528	-	2.31528	2.32555
Group 2	1.27885	1.03643	2.31528	2.32555

Aberdeen Global High Yield Bond Fund

Third interim interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 30 April 2018

	Revenue	Equalisation	Distribution paid 31/07/18	Distribution paid 31/07/17
A Accumulation shares				
Group 1	1.90041	-	1.90041	1.76437
Group 2	1.59750	0.30291	1.90041	1.76437
A Income shares				
Group 1	1.11954	-	1.11954	1.08845
Group 2	0.58619	0.53335	1.11954	1.08845
I Accumulation shares				
Group 1	2.26110	-	2.26110	2.09007
Group 2	1.46886	0.79224	2.26110	2.09007
I Income shares				
Group 1	1.19876	-	1.19876	1.16738
Group 2	0.51243	0.68633	1.19876	1.16738
P Income shares				
Group 1	1.24855	-	1.24855	1.21724
Group 2	0.18860	1.05995	1.24855	1.21724
P Gross Income shares				
Group 1	1.20137	-	1.20137	1.17111
Group 2	1.20137	-	1.20137	1.17111
Q Income shares				
Group 1	1.26802	-	1.26802	1.23967
Group 2	0.39664	0.87138	1.26802	1.23967
Q Gross Income shares				
Group 1	1.22042	-	1.22042	1.19319
Group 2	1.22042	-	1.22042	1.19319
Z Accumulation shares				
Group 1	2.46831	-	2.46831	2.27226
Group 2	1.23262	1.23569	2.46831	2.27226

Aberdeen Global High Yield Bond Fund

Final interest distribution
Group 1: Shares purchased prior to 1 May 2018
Group 2: Shares purchased 1 May 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	1.99488	-	1.99488	1.89718
Group 2	1.08443	0.91045	1.99488	1.89718
A Income shares				
Group 1	1.16110	-	1.16110	1.15710
Group 2	0.41992	0.74118	1.16110	1.15710
I Accumulation shares				
Group 1	2.37014	-	2.37014	2.25844
Group 2	1.43662	0.93352	2.37014	2.25844
I Income shares				
Group 1	1.23968	-	1.23968	1.24535
Group 2	0.70232	0.53736	1.23968	1.24535
P Income shares				
Group 1	1.29093	-	1.29093	1.29821
Group 2	0.80697	0.48396	1.29093	1.29821
P Gross Income shares				
Group 1	1.24167	-	1.24167	1.24879
Group 2	0.48717	0.75450	1.24167	1.24879
Q Income shares				
Group 1	1.30905	-	1.30905	1.31818
Group 2	0.72835	0.58070	1.30905	1.31818
Q Gross Income shares				
Group 1	1.25978	-	1.25978	1.27357
Group 2	1.25978	-	1.25978	1.27357
Z Accumulation shares				
Group 1	2.58726	-	2.58726	2.46219
Group 2	1.59293	0.99433	2.58726	2.46219

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

Aberdeen Japan Equity Fund

For the year ended 31 July 2018

Investment objective and policy
To produce capital growth.

The objective will be achieved through investment in a diversified portfolio of Japanese securities.

Performance review
For the year ended 31 July 2018, the value of Aberdeen Japan Equity Fund – A Accumulation Shares increased by 4.24% compared to an increase of 10.10% in the benchmark, Topix (Tokyo First Section) to 31 May 2018 then MSCI Japan Index thereafter.

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

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

Market review
Japanese equities rose over the review period, underpinned by a weaker yen, robust economic growth and an improving corporate earnings outlook. Sentiment received a fillip as Prime Minister Shinzo Abe's gamble to call snap elections paid off with a resounding victory, ensuring a continuation of his expansionary policies. Across sectors, automation and semiconductor-related companies, as well as video games and electric vehicle-related names, outperformed. However, markets turned more volatile in 2018, triggered by growing concerns over slowing global growth and the escalating US-China trade divide. Higher oil prices and fears of faster monetary policy normalisation by the US Federal Reserve also dampened risk appetite. Information technology names came under pressure as a result.

On the macro front, the economy's longest growth streak ended in the first-quarter of 2018, which GDP shrinking by 0.6%. Meanwhile, Bank of Japan governor Haruhiko Kuroda was re-appointed for a second term. The central bank continued to defy the global trend of monetary policy normalisation, as it pledged to keep interest rates low and downgraded its inflation projections.

Portfolio review
The Fund lagged the benchmark, mainly due to stock-specific issues. Our exposure to the financial sector was a major detractor, particularly the position in Suruga Bank. We had liked the lender for its unique business model of extending loans to individuals and businesses that traditional banks shied away from, which allowed it to generate superior net-interest margins while keeping credit costs low. However, the stock tumbled on news that the lender offered loans to real estate investors based on falsified applications. We were highly concerned that several employees were aware of the fraud. As a result, we exited the company, given that its level of governance no longer met our quality requirements.

Japan Tobacco also cost performance, as declining domestic sales volumes due to the penetration of its rivals' novel nicotine products pressured its shares. Its own novel-nicotine product, Ploom Tech, suffered from production issues that hindered the company from supplying sufficient volumes amid rising demand for reduced-risk products. Japan Tobacco has since changed its senior management and resolved the production issues, while continuing to extend its presence in outside Japan through acquisitions. Although valuations remain favourable, we lowered Japan Tobacco's weighting in light of our concerns, as we await evidence of success in key milestones.

Elsewhere, Yahoo Japan was another laggard, as it continued to increase investments to build its e-commerce and data-analytics capabilities. However, it remains Japan's largest search-portal operator, and is well-placed to capture opportunities from the online-advertising market.

Mitigating the losses were the Fund's healthcare-sector exposures. Laboratory-testing equipment manufacturer Sysmex rose on robust sales of its medical-testing machines and associated consumables that underpin recurring revenues, while prospects for its surgical-robot venture appear encouraging. Chugai Pharmaceutical also did well amid positive tests for its hemophilia treatment Hemlibra. We expect it to become the company's next blockbuster drug, given that it secured "premium pricing" in Japan and garnered "breakthrough therapy" status in the US.

Other positive contributors included cosmetics company Shiseido and baby-product maker Pigeon. Shiseido reaped the rewards from its successful restructuring and a focused marketing strategy that focused on its prestige cosmetic lines, while Pigeon's shares strengthened on good results that were lifted by healthy sales. Both companies also benefited from robust demand from China, which is likely to continue given the mainland's burgeoning middle class and its growing desire for premium products.

Apart from the aforementioned portfolio activity, we had mentioned in the interim report the initiations of Renesas Electronics, an automotive chipmaker that is well-positioned to benefit from growth of trends such as electric vehicles and autonomous driving; Komatsu, a mining equipment maker with a progressive management; Start Today, an e-commerce platform operator with a sizable user-base and transaction volumes; as well as Yamaha, which has narrowed its focus to musical instruments after a difficult restructuring.

Our portfolio adjustments continued in the latter half with the addition of four new names. In the industrial sector, we introduced MISUMI and Hoshizaki Electric. MISUMI produces and distributes industrial components, and offers shorter lead times on its custom-made products thanks to a logistics-driven manufacturing process. This has allowed it to outpace its rivals and underpinned repeat orders and cross-selling opportunities. Kitchen-appliances maker Hoshizaki Electric is known for its energy-efficient refrigerators, ice machines and dishwashers. It boasts good brand recognition and a dominant position in the domestic market, supported by direct customer relationships that bolster a lucrative maintenance-and-repair business.

Aberdeen Japan Equity Fund

Elsewhere, we initiated Coca-Cola Bottlers Japan. Formed through a merger of the country's two largest bottlers, the company's dynamic leadership introduced international best-practices to its operations, including streamlining its logistics footprint to increase profitability, and improving shareholder returns. We also introduced systems integrator Otsuka, which has cultivated a network of over a million small-and-medium enterprises. Otsuka began with office equipment, before cross-selling its higher-margin system integration services. We believe there is still room for it to grow, given rising resource constraints at SMEs and the greater adoption of IT.

Against this, we exited sportswear maker Asics over its challenging operating environment, and Astellas Pharma, due to slowing growth of its key prostate cancer treatment Xtandi and expiring patents for its other core drugs. We sold Sekisui House, as our confidence was dented by news of a fraudulent land purchase and a boardroom coup. In the banking sector, we divested Concordia Financial, as we believe that rising credit costs will erode its profits. We also exited gas-appliances manufacturer Rinnai and developer Mitsubishi Estate in favour of better opportunities elsewhere.

Outlook

Volatility is expected to stay as investors grapple with normalising monetary conditions and the looming risk of a full-blown trade war. Simmering geopolitical tensions in the region and elsewhere could boost the yen, dampening the outlook for Japan's export sector. Meanwhile, policy uncertainty remains a possibility, given the falling popularity of the Abe administration.

Nevertheless, we are positive about the prospects for Japanese equities. The recent economic lull appears transitory, as global growth remains steady and domestic consumption continues to gain traction. Reform to address the shrinking workforce and sluggish wage growth is underway, while risks of lower spending from the upcoming consumption tax seem limited. Across sectors, earnings momentum appears sustainable. Many of our holdings possess the competitive edge against their rivals, allowing them to tap on structural tailwinds and solidify their position. Their financials are healthy, and they are led by progressive management. We are heartened to see that our engagement efforts at Nippon Paint and Japan Exchange were well received by the market. We stay confident in the long-term potential of our holdings and believe that their sound fundamentals should keep the portfolio well-positioned to withstand future challenges.

Asia Pacific Equity Team **August 2018**

Aberdeen Japan Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Concentrated portfolio: The Fund may hold a limited number of investments. If one of these investments declines in value this can have a greater impact on the fund's value than if it held a larger number of investments.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Japan Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	228.44	213.29	171.34
Return before operating charges*	14.35	18.75	44.76
Operating charges	(3.86)	(3.60)	(2.81)
Return after operating charges*	10.49	15.15	41.95
Distributions on accumulation shares	-	(0.27)	-
Retained distributions on accumulation shares	-	0.27	-
Closing net asset value per share	238.93	228.44	213.29
* after direct transaction costs of:	0.01	-	0.04
Performance			
Return after charges	4.59%	7.10%	24.48%
Other information			
Closing net asset value (£'000s)	34,437	35,634	44,768
Closing number of shares	14,412,523	15,599,268	20,989,289
Operating charges	1.62%	1.61%	1.61%
Direct transaction costs	0.01%	-	0.02%
Prices			
Highest share price (pence)	254.74	237.57	213.34
Lowest share price (pence)	220.81	208.11	149.64

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

Aberdeen Japan Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	245.56	227.55	181.42
Return before operating charges*	15.43	20.07	47.74
Operating charges	(2.22)	(2.06)	(1.61)
Return after operating charges*	13.21	18.01	46.13
Distributions on accumulation shares	(1.68)	(2.16)	(1.55)
Retained distributions on accumulation shares	1.68	2.16	1.55
Closing net asset value per share	258.77	245.56	227.55
* after direct transaction costs of:	0.02	-	0.04
Performance			
Return after charges	5.38%	7.91%	25.43%
Other information			
Closing net asset value (£'000s)	93,898	424,674	653,880
Closing number of shares	36,286,413	172,941,989	287,353,306
Operating charges	0.87%	0.86%	0.86%
Direct transaction costs	0.01%	-	0.02%
Prices			
Highest share price (pence)	274.78	255.16	227.59
Lowest share price (pence)	237.58	222.62	158.65

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

Aberdeen Japan Equity Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	268.31	246.79	195.40
Return before operating charges*	16.92	21.80	51.60
Operating charges	(0.34)	(0.28)	(0.21)
Return after operating charges*	16.58	21.52	51.39
Distributions on accumulation shares	(3.85)	(4.31)	(3.00)
Retained distributions on accumulation shares	3.85	4.31	3.00
Closing net asset value per share	284.89	268.31	246.79
* after direct transaction costs of:	0.02	-	0.04
Performance			
Return after charges	6.18%	8.72%	26.30%
Other information			
Closing net asset value (£'000s)	1	55	346
Closing number of shares	368	20,368	140,268
Operating charges	0.12%	0.11%	0.11%
Direct transaction costs	0.01%	-	0.02%
Prices			
Highest share price (pence)	301.29	278.57	246.83
Lowest share price (pence)	259.85	241.54	171.08

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

Aberdeen Japan Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 99.79% (2017: 99.24%)					
Equities 99.79% (2017: 99.24%)					
Basic Materials 10.98% (2017: 8.79%)					
Chemicals 10.98% (2017: 8.79%)					
Kansai Paint Co∞			110,500	1,931	1.50
Nippon Paint Holdings Co∞			122,000	4,034	3.14
Shin-Etsu Chemical Co			106,000	8,132	6.34
				14,097	**10.98**
Total Basic Materials				**14,097**	**10.98**
Consumer Goods 29.26% (2017: 29.49%)					
Automobiles & Parts 8.85% (2017: 7.72%)					
Denso Corp			105,000	3,917	3.06
Honda Motor Co			93,000	2,122	1.65
Stanley Electric Co Ltd			130,000	3,462	2.71
Toyota Motor Corp			37,000	1,840	1.43
				11,341	**8.85**
Beverages 1.48% (2017: nil)					
Coca-Cola West Co			69,500	**1,903**	**1.48**
Food Producers 0.94% (2017: 2.21%)					
Calbee Inc			48,000	**1,210**	**0.94**
Household Goods & Home Construction 3.56% (2017: 5.08%)					
Makita Corp			134,000	**4,572**	**3.56**
Leisure Goods 3.85% (2017: 2.32%)					
Shimano Inc∞			11,500	1,256	0.98
Yamaha Corporation			103,700	3,680	2.87
				4,936	**3.85**
Personal Goods 8.02% (2017: 7.17%)					
Mandom Corp			61,000	1,446	1.13
Pigeon Corp∞			123,000	4,489	3.49
Shiseido			78,000	4,361	3.40
				10,296	**8.02**
Tobacco 2.56% (2017: 4.99%)					
Japan Tobacco Inc			152,000	**3,287**	**2.56**
Total Consumer Goods				**37,545**	**29.26**

Aberdeen Japan Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Consumer Services 10.54% (2017: 9.83%)					
General Retailers 8.57% (2017: 7.15%)					
Nitori Holdings Co Ltd			16,000	1,837	1.43
Seven & i Holdings Co			140,960	4,372	3.41
Start Today Co Ltd			102,000	3,112	2.42
USS Co			117,000	1,684	1.31
				11,005	**8.57**
Travel & Leisure 1.97% (2017: 2.68%)					
East Japan Railway Co			35,500	**2,523**	**1.97**
Total Consumer Services				**13,528**	**10.54**
Financials 4.97% (2017: 13.34%)					
Banks nil (2017: 3.00%)					
Financial Services 3.98% (2017: 5.17%)					
AEON Financial Service Co∞			124,500	1,951	1.52
Japan Exchange Group Inc			234,000	3,161	2.46
				5,112	**3.98**
Real Estate Investment & Services 0.99% (2017: 5.17%)					
Daito Trust Construction Co			10,000	**1,271**	**0.99**
Total Financials				**6,383**	**4.97**
Health Care 10.34% (2017: 9.11%)					
Health Care Equipment & Services 4.77% (2017: 3.34%)					
Sysmex Corp			85,000	**6,119**	**4.77**
Pharmaceuticals & Biotechnology 5.57% (2017: 5.77%)					
Chugai Pharmaceutical Co			94,000	3,629	2.83
Shionogi & Co∞			85,000	3,517	2.74
				7,146	**5.57**
Total Health Care				**13,265**	**10.34**
Industrials 23.03% (2017: 19.37%)					
Electronic & Electrical Equipment 4.53% (2017: 4.74%)					
Keyence Corp			14,514	**5,814**	**4.53**
Industrial Engineering 18.50% (2017: 14.63%)					
Amada Co			624,000	4,746	3.70
Daikin Industries Ltd			51,020	4,625	3.60
FANUC Corp			28,500	4,255	3.32

Aberdeen Japan Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Hoshizaki Electric			23,500	1,800	1.40
Komatsu Ltd			88,500	1,974	1.54
MISUMI			98,000	1,896	1.48
Nabtesco Corp			189,000	4,441	3.46
				23,737	**18.50**
Total Industrials				**29,551**	**23.03**
Technology 7.53% (2017: 5.52%)					
Software & Computer Services 5.68% (2017: 5.52%)					
Otsuka Corp			65,800	1,952	1.52
SCSK Corp			70,000	2,512	1.96
Yahoo Japan Corp[∞]			979,000	2,833	2.20
				7,297	**5.68**
Technology Hardware & Equipment 1.85% (2017: nil)					
Renesas Electronics Corp			350,000	**2,372**	**1.85**
Total Technology				**9,669**	**7.53**
Telecommunications 3.14% (2017: 3.79%)					
Mobile Telecommunications 3.14% (2017: 3.79%)					
KDDI Corp			190,000	**4,025**	**3.14**
Total Telecommunications				**4,025**	**3.14**
Total Equities				**128,063**	**99.79**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**128,063**	**99.79**
Open Ended Investment Funds nil (2017: nil)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1[†]			1	**1**	**-**
Total Open Ended Investment Funds				**1**	**-**
Total investments				**128,064**	**99.79**
Other net assets				**272**	**0.21**
Total net assets				**128,336**	**100.00**

[†] Managed by subsidiaries of Standard Life Aberdeen plc.
[∞] A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen Japan Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	11,278	8.81	8.79

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
France (Government of)	2,058	Government Bond	Investment grade	BNP Paribas
Nestle	351	Equity	Main market listing	BNP Paribas
Canada (Government of)	325	Government Bond	Investment grade	BNP Paribas
Intesa Sanpaolo	316	Equity	Main market listing	BNP Paribas
Eni	295	Equity	Main market listing	BNP Paribas
UK Treasury	218	Government Bond	Investment grade	BNP Paribas
Amadeus IT	211	Equity	Main market listing	BNP Paribas
Heineken	211	Equity	Main market listing	BNP Paribas
Bayer	211	Equity	Main market listing	BNP Paribas
Credit Agricole	208	Equity	Main market listing	BNP Paribas
Other Equity	7,879	Equity	Main market listing	BNP Paribas
Other Government Bond	88	Government Bond	Investment grade	BNP Paribas
Total collateral received	**12,371**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	12,371	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	104
CAD	325
CHF	951
DKK	111
EUR	6,600
GBP	844
JPY	798
SEK	112
USD	2,526
Total collateral received	**12,371**

Aberdeen Japan Equity Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Citigroup	3,789	United States	Tri-party
BNP Paribas	3,184	France	Tri-party
JPM Chase	2,464	United States	Tri-party
Merrill Lynch	1,841	United States	Tri-party
Total market value of securities lending	**11,278**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	113	2,576	9,682	**12,371**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	11,278	**11,278**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	43	125.00
Direct operational costs (securities lending agent costs)	(9)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(9)	(25.00)
Net return	**34**	**100.00**

Aberdeen Japan Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		13,331		47,339
Revenue	2	2,965		11,563	
Expenses	3	(1,860)		(5,656)	
Net revenue before taxation		1,105		5,907	
Taxation	4	(293)		(1,152)	
Net revenue after taxation			812		4,755
Total return before distributions			**14,143**		**52,094**
Distributions	5		(833)		(4,755)
Change in net assets attributable to shareholders from investment activities			**13,310**		**47,339**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**460,363**		**698,994**
Amounts receivable on issue of shares	22,884		54,589	
Amounts payable on in specie transfers[A]	(296,241)		-	
Amounts payable on cancellation of shares	(72,622)		(344,710)	
		(345,979)		(290,121)
Dilution adjustment		32		376
Change in net assets attributable to shareholders from investment activities		13,310		47,339
Retained distributions on accumulation shares		610		3,775
Closing net assets attributable to shareholders		**128,336**		**460,363**

[A] Relating to an in specie transfer to HSBC Global Custody Nominee (UK) Limited on 29 August 2017.

Aberdeen Japan Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		128,064	456,885
Current assets:			
Debtors	6	979	12,600
Cash and bank balances		141	1,056
Total assets		**129,184**	**470,541**
Liabilities:			
Creditors:			
Other creditors	7	848	10,178
Total liabilities		**848**	**10,178**
Net assets attributable to shareholders		**128,336**	**460,363**

Aberdeen Japan Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	13,493	48,846
Other currency losses	(162)	(1,507)
Net capital gains	**13,331**	**47,339**

2. Revenue

	2018 £'000	2017 £'000
Distributions from collective investment schemes:		
Offshore distributions - taxable	-	1
Overseas dividends	2,930	11,522
Stock lending commission	34	39
Bank interest	1	1
Total revenue	**2,965**	**11,563**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,639	4,954
Operating, administrative and servicing fees	221	702
Total expenses	**1,860**	**5,656**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	293	1,152
Current tax charge	**293**	**1,152**
Total taxation	**293**	**1,152**

Factors affecting current tax charge for year

The tax charge for the year is higher (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	1,105	5,907
Corporation tax at 20% (2017 - 20%)	221	1,181
Effects of:		
Non-taxable overseas dividends*	(586)	(2,304)
Excess management expenses	365	1,123
Irrecoverable overseas withholding tax	293	1,152
Total taxation	**293**	**1,152**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £9,259,000 (2017 - £8,894,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
Final	610	3,775
Add: Revenue deducted on cancellation of shares	253	1,127
Deduct: Revenue received on issue of shares	(30)	(147)
Distributions for the year	**833**	**4,755**
Total distributions	**833**	**4,755**

Details of the distribution per share are set out in the distribution tables on page 467.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	812	4,755
Add:		
Revenue deficit transfer from capital account	20	-
Movement between share classes due to conversions	1	-
Distributions	**833**	**4,755**

Aberdeen Japan Equity Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	228	973
Amounts receivable for issue of shares	3	10
Sales awaiting settlement	372	6,217
Currency transactions awaiting settlement	376	5,400
Total debtors	**979**	**12,600**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	117	369
Amounts payable for cancellation of shares	359	3,291
Purchases awaiting settlement	-	1,121
Currency transactions awaiting settlement	372	5,397
Total other creditors	**848**	**10,178**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 457. £459,000 was due to the ACD (2017 - £3,602,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £1,000 (2017 - £1,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.50%
Class 'I': 0.75%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 449 to 451. The distribution per share class is given in the distribution tables on page 467. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	I Accumulation shares	Z Accumulation shares
Opening number of shares	15,599,268	172,941,989	20,368
Creations during the year	6,607,199	2,743,500	500
Cancellations during the year	(7,590,200)	(139,588,096)	(20,500)
Shares converted during the year	(203,744)	189,020	-
Closing shares in issue	**14,412,523**	**36,286,413**	**368**

Aberdeen Japan Equity Fund

10. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
BNP Paribas	3,184	3,502	Equity
Citigroup	3,289	3,645	Equity
Citigroup	500	526	Government Bond
JPM Chase	2,259	2,535	Equity
JPM Chase	205	218	Government Bond
Merrill Lynch	1,841	1,945	Government Bond
Total	**11,278**	**12,371**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	43	9	34

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
Citigroup	12,261	13,599	Equity
Citigroup	4,021	4,233	Government Bond
Deutsche Bank	1,497	1,665	Equity
Total	**17,779**	**19,497**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	49	10	39

11. Risk management policies and disclosures

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Japanese Yen	220	128,063	128,283
Pound Sterling	52	1	53
Net assets	**272**	**128,064**	**128,336**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Japanese Yen	960	456,884	457,844
Pound Sterling	2,518	1	2,519
Net assets	**3,478**	**456,885**	**460,363**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £12,828,000 (2017 - £45,784,000).

Interest rate risk profile of financial assets and financial liabilities

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Aberdeen Japan Equity Fund

Other price risk

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £6,403,000 (2017 - £22,844,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	848	-	-	848
Total financial liabilities	**-**	**848**	**-**	**-**	**848**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	10,178	-	-	10,178
Total financial liabilities	**-**	**10,178**	**-**	**-**	**10,178**

Aberdeen Japan Equity Fund

12. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Collective Investment Schemes	7,153	12,521	7,153	12,520
Equities	39,490	107,454	86,884	392,686
Trades in the year before transactions costs	**46,643**	**119,975**	**94,037**	**405,206**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	17	62	(26)	(122)
Total commissions	**17**	**62**	**(26)**	**(122)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**17**	**62**	**(26)**	**(122)**
Total net trades in the year after transaction costs	**46,660**	**120,037**	**94,011**	**405,084**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.04	0.06	0.03	0.03
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.02	0.03
Taxes	-	-
Other expenses	-	-
Total costs	**0.02**	**0.03**

Aberdeen Japan Equity Fund

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were in specie transfers of £294,963,000 in the year (2017 - nil). There were no corporate actions in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.22% (2017 - 0.15%).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	128,063	-	456,884	-
Level 2	1	-	1	-
Level 3	-	-	-	-
Total	**128,064**	**-**	**456,885**	**-**

Aberdeen Japan Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Final dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	-	-	-	0.26801
Group 2	-	-	-	0.26801
I Accumulation shares				
Group 1	1.68204	-	1.68204	2.15806
Group 2	0.87108	0.81096	1.68204	2.15806
Z Accumulation shares				
Group 1	3.84970	-	3.84970	4.31258
Group 2	2.50972	1.33998	3.84970	4.31258

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

Aberdeen Latin American Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund's investment objective is long-term total return to be achieved by investing in equities and equity-related securities of Latin American companies or companies with significant activities in Latin America.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Performance review

For the year ended 31 July 2018, the value of Aberdeen Latin American Equity Fund – A Accumulation Shares decreased by 2.66% compared to an increase of 1.34% in the benchmark, the MSCI EM Latin America 10/40 NR Index.

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

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

Market review

Latin American equities posted modest gains in the year under review. Optimism fuelled by the synchronised economic upswing and higher commodity prices gave way to renewed volatility, as investors were jittery about the Federal Reserve's hawkish stance, rising US dollar strength and regional policy uncertainty. Also curbing appetite was the worsening trade spat between the US and its major partners that threatened to derail global growth.

Across regional markets, Peru and Colombia were the best performers, buoyed by positive political developments. Peru recovered after President Kuczynski resigned, ending the political overhang that halted investment in the country since congress's first attempt to impeach him. Likewise, sentiment improved in Colombia, following business-friendly Ivan Duque's presidential victory.

Brazilian stocks were robust in the first half of the period, after the economy emerged from its worse recession ever, but subsequently corrected, on slower-than-expected recovery. Investors were also rattled by a nationwide trucker's strike that stifled economic activity and dented the country's growth outlook. Meanwhile, voter intention ahead of the upcoming general elections remained fragmented after former president Lula lost his appeal against a graft conviction, leaving the race wide open. Mexican equities lagged their peers on lingering concerns over the progress of NAFTA talks and jitters before the presidential elections in July. However, sentiment has since rebounded, underpinned by attractive valuations and President-elect Lopez Obrador's moderate tone towards the private sector. Elsewhere, persistently elevated inflation in Argentina triggered a sharp currency devaluation and capital outflows, sending Argentine stocks into correction territory. The central bank was forced to hike rates several times to protect the peso, while President Macri sought a bail-out deal with the IMF, paving the way for more consolidation measures. More positively, investors were comforted by the market's re-inclusion into MSCI Emerging Market Index next year.

Portfolio review

The bulk of the underperformance was caused by our choice of stocks in Brazil. Notably, Ultrapar sold off, following disappointing results amid intensifying competition in the fuel-distribution segment. Meanwhile, the lack of exposure to Petrobras continued to weigh on performance. The state-owned oil company remained highly volatile: its shares plummeted following the truckers strike but subsequently recovered as concerns over political interference in its pricing receded. Elsewhere, shopping-mall operator Multiplan suffered from a weak consumer environment. That said it remained Brazil's leading mall owner, with strategic locations, a solid tenant base and a pipeline of sites under development. Also costing performance was the widening discount of Bradespar to Vale.

Conversely, the Fund benefited from the light exposure to Mexico, which lagged the broader regional index, and what we choose to hold in the country. Retailer Walmex fared well on the back of healthy results, underpinned by higher same-store sales, gains in market share, and faster e-commerce growth. Lender Banorte's earnings were lifted by a solid loan book. Meanwhile, the lack of exposure to Cemex and Grupo Televisa boosted performance. Cemex was hurt by lacklustre results, while Grupo Televisa retreated following a class-action lawsuit.

Elsewhere, the off-benchmark exposure to IT services company Globant, an initiation during the period, was positive. Deriving a substantial portion of its earnings in hard currency, Globant was relatively insulated from the wider sell-off in Argentina.

In addition to the portfolio activity mentioned in the interim review, we introduced Argentine bank BBVA Frances, a well-run and conservative lender with good opportunities for growth that was trading at attractive valuations. We also initiated Brazil's leading pharmacy chain Raia Drogasil, following a correction in its share price, and Mexican energy infrastructure company IEnova, on attractive valuations.

Against this, we exited Soriana in light of ongoing operational underperformance and better opportunities elsewhere.

Outlook

Volatility is expected to stay as investors grapple with normalising monetary conditions worldwide and the looming likelihood of a full-blown trade war following some rather questionable decisions by the Trump administration. Meanwhile, appetite for emerging-market assets has abated somewhat on the back of rising US rates and a stronger greenback. Adding to the uncertainty in Latin America are upcoming elections in Brazil.

Aberdeen Latin American Equity Fund

Nevertheless, there are causes for optimism. Most Latin American economies are buoyed by recovery in domestic consumption and private investment, thanks to market-friendly policies and brightening political outlooks. There is greater clarity in Chile and Peru, where business conditions have improved under new leadership. Argentina is not out of the woods, but investor confidence has slowly returned. In Brazil, social rejection of a pension scheme overhaul has subsided, paving the way for it to remain a key item on the next administration's agenda. Risks of market-disruptive policies from a populist government in Mexico are tempered by checks and balances in the institutional framework.

Against this backdrop, our holdings' solid fundamentals will allow them to sustain their earnings momentum, tapping on the region's expanding consumerism and rising infrastructural demand. We are also heartened at the growing acceptance of best practices in corporate governance. Notably, our engagement efforts for board changes at Vale and BRF have been well rewarded. Staying true to our bottom-up approach, we will continue to seek high-quality businesses with progressive management to ensure the portfolio is well-placed to weather future challenges.

Global Emerging Markets Equity Team **August 2018**

Aberdeen Latin American Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Emerging markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries and this may mean your money is at greater risk.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Latin American Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	106.80	89.70	66.04
Return before operating charges*	(2.01)	19.08	24.97
Operating charges	(2.15)	(1.98)	(1.31)
Return after operating charges*	(4.16)	17.10	23.66
Distributions on accumulation shares	(0.80)	(0.87)	(0.55)
Retained distributions on accumulation shares	0.80	0.87	0.55
Closing net asset value per share	102.64	106.80	89.70
* after direct transaction costs of:	0.01	0.02	0.02
Performance			
Return after charges	(3.90%)	19.06%	35.83%
Other information			
Closing net asset value (£'000s)	102,211	142,237	123,160
Closing number of shares	99,581,435	133,186,933	137,300,880
Operating charges	1.99%	2.02%	2.02%
Direct transaction costs	0.01%	0.03%	0.04%
Prices			
Highest share price (pence)	117.85	107.82	90.63
Lowest share price (pence)	90.98	84.95	51.61

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

Aberdeen Latin American Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	112.88	94.11	68.77
Return before operating charges*	(2.16)	20.08	26.21
Operating charges	(1.41)	(1.31)	(0.87)
Return after operating charges*	(3.57)	18.77	25.34
Distributions on accumulation shares	(1.71)	(1.69)	(1.09)
Retained distributions on accumulation shares	1.71	1.69	1.09
Closing net asset value per share	109.31	112.88	94.11
* after direct transaction costs of:	0.01	0.03	0.03
Performance			
Return after charges	(3.16%)	19.94%	36.85%
Other information			
Closing net asset value (£'000s)	86,087	84,439	55,911
Closing number of shares	78,754,626	74,802,023	59,413,095
Operating charges	1.24%	1.27%	1.27%
Direct transaction costs	0.01%	0.03%	0.04%
Prices			
Highest share price (pence)	124.74	113.80	95.07
Lowest share price (pence)	96.82	89.36	53.94

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

Aberdeen Latin American Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 98.62% (2017: 98.33%)					
Equities 98.62% (2017: 98.33%)					
Argentina 2.29% (2017: 2.08%)					
BBVA Francés (ADR)			211,700	2,198	1.17
Tenaris (ADR)			75,600	2,117	1.12
				4,315	**2.29**
Brazil 57.22% (2017: 59.69%)					
AmBev			1,958,444	7,710	4.09
Arezzo Industria e Comercio			432,106	3,633	1.93
Banco Bradesco			440,910	2,480	1.32
Banco Bradesco (ADR)			706,201	4,345	2.31
Banco Bradesco (PREF)			1,179,095	7,281	3.87
Bradespar (PREF)			1,345,100	8,864	4.71
BRF			409,286	1,879	1.00
BRF (ADR)∞			443,850	2,054	1.09
B3 Brasil Bolsa Balcao			981,450	4,726	2.51
Cia Hering			294,650	873	0.46
Iguatemi Empresa de Shopping Centers			277,050	1,891	1.00
Itau Unibanco			1,175,535	9,495	5.03
Itau Unibanco (ADR)			487,951	4,464	2.37
Itausa Investimentos Itau (PREF)			1,326,848	2,803	1.49
LINX			629,000	2,361	1.25
Localiza Rent a Car			769,086	3,705	1.97
Lojas Renner			1,371,170	8,542	4.54
Multiplan Empreendimentos Imobiliarios			1,596,570	6,503	3.45
OdontoPrev			861,335	2,328	1.24
Raia Drogasil			139,200	2,095	1.11
TOTVS			375,721	2,245	1.19
Ultrapar Participacoes			144,300	1,190	0.63
Ultrapar Participacoes (ADR)			345,600	2,893	1.54
Vale (ADR)			524,720	5,860	3.11
Valid Solucoes			468,607	1,726	0.92
WEG			831,030	3,105	1.65
Wilson Sons (BDR)			302,907	2,715	1.44
				107,766	**57.22**

Aberdeen Latin American Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Chile 8.05% (2017: 10.71%)					
Banco Santander Chile (ADR)			136,292	3,410	1.81
Embotelladora Andina 'A' (PREF)			1,397,944	3,798	2.02
Parque Arauco			1,672,670	3,554	1.89
SACI Falabella			624,300	4,400	2.33
				15,162	**8.05**
Colombia 1.40% (2017: 1.47%)					
Bancolombia			298,100	**2,627**	**1.40**
Mexico 26.42% (2017: 22.64%)					
Arca Continental			943,100	4,755	2.53
Banco Santander (Mexico)			2,109,500	2,707	1.44
FEMSA (ADR)			111,700	8,355	4.44
Grupo Aeroportuario del Centro Norte (ADR)			121,948	4,508	2.39
Grupo Aeroportuario del Sureste			376,680	5,115	2.72
Grupo Financiero Banorte			1,749,667	9,293	4.93
Grupo Lala			1,653,610	1,340	0.71
Hoteles City Express			2,286,900	2,259	1.20
Infraestructura Energetica			600,100	2,227	1.18
Kimberly-Clark de Mexico			1,468,000	2,053	1.09
Wal-Mart de Mexico			3,207,450	7,130	3.79
				49,742	**26.42**
Peru 2.04% (2017: 1.74%)					
Cementos Pacasmayo			1,417,327	2,491	1.33
Fossal			413,937	17	0.01
Grana y Montero (ADR)[∞]			460,205	1,326	0.70
				3,834	**2.04**
United States 1.20% (2017: nil)					
Globant			53,400	**2,257**	**1.20**
Total Equities				**185,703**	**98.62**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**185,703**	**98.62**
Total investments				**185,703**	**98.62**
Other net assets				**2,595**	**1.38**
Total net assets				**188,298**	**100.00**

[∞] A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen Latin American Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	1,150	0.62	0.61

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Canada (Government of)	40	Government Bond	Investment grade	BNP Paribas
Experian	40	Equity	Main market listing	BNP Paribas
Shire	39	Equity	Main market listing	BNP Paribas
Associated British Foods	39	Equity	Main market listing	BNP Paribas
Suncor Energy	39	Equity	Main market listing	BNP Paribas
Persimmon	39	Equity	Main market listing	BNP Paribas
Canadian Imperial Bank	38	Equity	Main market listing	BNP Paribas
Power Corporation of Canada	38	Equity	Main market listing	BNP Paribas
Aurizon Holdings	38	Equity	Main market listing	BNP Paribas
CRH	38	Equity	Main market listing	BNP Paribas
Other Equity	862	Equity	Main market listing	BNP Paribas
Other Government Bond	24	Government Bond	Investment grade	BNP Paribas
Total collateral received	**1,274**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	1,274	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	91
CAD	208
CHF	34
DKK	13
EUR	305
GBP	382
JPY	7
SEK	13
USD	221
Total collateral received	**1,274**

Aberdeen Latin American Equity Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Bank of Nova Scotia	693	Canada	Tri-party
Citigroup	457	United States	Tri-party
Total market value of securities lending	**1,150**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	14	50	1,210	**1,274**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	1,150	**1,150**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	9	125.00
Direct operational costs (securities lending agent costs)	(2)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(2)	(25.00)
Net return	**7**	**100.00**

Aberdeen Latin American Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(7,345)		32,918
Revenue	2	6,299		6,509	
Expenses	3	(3,533)		(3,590)	
Net revenue before taxation		2,766		2,919	
Taxation	4	(556)		(556)	
Net revenue after taxation			2,210		2,363
Total return before distributions			**(5,135)**		**35,281**
Distributions	5		(2,211)		(2,367)
Change in net assets attributable to shareholders from investment activities			**(7,346)**		**32,914**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**226,676**		**179,071**
Amounts receivable on issue of shares	24,436		42,682	
Amounts payable on cancellation of shares	(57,659)		(30,407)	
		(33,223)		12,275
Dilution adjustment		53		-
Change in net assets attributable to shareholders from investment activities		(7,346)		32,914
Retained distributions on accumulation shares		2,138		2,416
Closing net assets attributable to shareholders		**188,298**		**226,676**

Aberdeen Latin American Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		185,703	222,880
Current assets:			
Debtors	6	943	3,641
Cash and bank balances		2,582	3,250
Total assets		**189,228**	**229,771**
Liabilities:			
Creditors:			
Other creditors	7	930	3,095
Total liabilities		**930**	**3,095**
Net assets attributable to shareholders		**188,298**	**226,676**

Aberdeen Latin American Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital (losses)/gains**

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(7,399)	32,518
Other currency gains	54	49
Class actions	-	351
Net capital (losses)/gains	**(7,345)**	**32,918**

2. **Revenue**

	2018 £'000	2017 £'000
Overseas dividends	6,287	6,504
Stock lending commission	7	4
Bank interest	5	1
Total revenue	**6,299**	**6,509**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	3,026	3,037
Operating, administrative and servicing fees	507	553
Total expenses	**3,533**	**3,590**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. **Taxation**

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	556	556
Current tax charge	**556**	**556**
Total taxation	**556**	**556**

Factors affecting current tax charge for year

The tax charge for the year is higher (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	2,766	2,919
Corporation tax at 20% (2017 - 20%)	553	584
Effects of:		
Non-taxable overseas dividends*	(775)	(742)
Excess management expenses	294	246
Tax effect of expensed double taxation relief	(72)	(88)
Irrecoverable overseas withholding tax	556	556
Total taxation	**556**	**556**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £1,297,000 (2017 - £1,003,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**

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

	2018 £'000	2017 £'000
Final	2,138	2,416
Add: Revenue deducted on cancellation of shares	191	168
Deduct: Revenue received on issue of shares	(118)	(217)
Distributions for the year	**2,211**	**2,367**
Total distributions	**2,211**	**2,367**

Details of the distribution per share are set out in the distribution tables on page 487.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	2,210	2,363
Add:		
Movement between share classes due to conversions	1	4
Distributions	**2,211**	**2,367**

Aberdeen Latin American Equity Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	187	209
Amounts receivable for issue of shares	753	2,432
Overseas withholding tax reclaimable	-	25
Sales awaiting settlement	-	926
Currency transactions awaiting settlement	-	38
Other debtor	3	11
Total debtors	**943**	**3,641**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	242	327
Amounts payable for cancellation of shares	163	782
Purchases awaiting settlement	525	1,947
Currency transactions awaiting settlement	-	39
Total other creditors	**930**	**3,095**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 477. £376,000 was due from the ACD (2017 - £1,374,000) at the year end.

The Investment Adviser

As at the year end the Fund held no investments that were managed by subsidiaries of Standard Life Aberdeen plc (2017 - nil).

9. Material shareholders

South Yorkshire Pension Authority held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 39% of the Fund's shares in issue.

Hargreaves Lansdown Nominees Ltd held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 38% of the Fund's shares in issue.

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.75%
Class 'I': 1.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 471 to 472. The distribution per share class is given in the distribution tables on page 487. All share classes have the same rights on winding up.

Aberdeen Latin American Equity Fund

Share reconciliation
As at 31 July 2018

	A Accumulation shares	I Accumulation shares
Opening number of shares	133,186,933	74,802,023
Creations during the year	10,148,900	11,955,000
Cancellations during the year	(43,286,200)	(8,443,800)
Shares converted during the year	(468,198)	441,403
Closing shares in issue	**99,581,435**	**78,754,626**

11. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Bank of Nova Scotia	693	771	Equity
Citigroup	396	439	Equity
Citigroup	61	64	Government Bond
Total	**1,150**	**1,274**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	9	2	7

There was no stock on loan at 31 July 2017.

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
2017				
BNP Paribas	Securities Lending Agent	5	1	4

12. Risk management policies and disclosures

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

Foreign currency risk

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Brazilian Real	(250)	88,150	87,900
Chilean Peso	-	11,752	11,752
Columbian Peso	-	2,627	2,627
Mexican Nuevo Peso	-	36,879	36,879
Peruvian Nuevo Sol	-	2,508	2,508
Pound Sterling	2,949	-	2,949
US Dollar	(104)	43,787	43,683
Net assets	**2,595**	**185,703**	**188,298**

Aberdeen Latin American Equity Fund

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Brazilian Real	1,974	98,205	100,179
Chilean Peso	(330)	17,879	17,549
Columbian Peso	-	3,323	3,323
Mexican Nuevo Peso	(462)	30,993	30,531
Peruvian Nuevo Sol	(255)	3,153	2,898
Pound Sterling	3,698	-	3,698
US Dollar	(829)	69,327	68,498
Net assets	**3,796**	**222,880**	**226,676**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £18,535,000 (2017 - £22,298,000).

Interest rate risk profile of financial assets and financial liabilities
The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £9,285,000 (2017 - £11,144,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives
The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	930	-	-	930
Total financial liabilities	**-**	**930**	**-**	**-**	**930**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	3,095	-	-	3,095
Total financial liabilities	**-**	**3,095**	**-**	**-**	**3,095**

Aberdeen Latin American Equity Fund

13. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Equities	35,778	35,435	65,622	19,986
Trades in the year before transactions costs	**35,778**	**35,435**	**65,622**	**19,986**
Commissions				
Equities	22	27	(29)	(18)
Total commissions	**22**	**27**	**(29)**	**(18)**
Taxes				
Equities	-	-	-	(1)
Total taxes	**-**	**-**	**-**	**(1)**
Other expenses				
Equities	6	4	(7)	(2)
Total other expenses	**6**	**4**	**(7)**	**(2)**
Total transaction costs	**28**	**31**	**(36)**	**(21)**
Total net trades in the year after transaction costs	**35,806**	**35,466**	**65,586**	**19,965**

	Purchases		Sales	
	2018 %	2017 %	2018 %	2017 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.06	0.08	0.04	0.09
Taxes				
Equities	-	-	-	0.01
Other expenses				
Equities	0.02	0.01	0.01	0.01

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.02	0.02
Taxes	-	-
Other expenses	0.01	-
Total costs	**0.03**	**0.02**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were no corporate actions in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.42% (2017 - 0.27%).

Aberdeen Latin American Equity Fund

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1

Quoted prices in active markets for identical securities.

Level 2

Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3

Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	185,703	-	222,880	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total	**185,703**	**-**	**222,880**	**-**

Aberdeen Latin American Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Final dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.79595	-	0.79595	0.86612
Group 2	0.42283	0.37312	0.79595	0.86612
I Accumulation shares				
Group 1	1.70816	-	1.70816	1.68770
Group 2	1.02227	0.68589	1.70816	1.68770

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

Aberdeen Multi-Asset Fund

For the year ended 31 July 2018

Investment objective and policy

The investment objective of Aberdeen Multi-Asset Fund is to provide long term total return from a diversified portfolio. The Fund may invest in transferable securities and may also hold units in collective investment schemes (in particular, schemes managed by the Investment Adviser), money market instruments, warrants, derivatives and forward transactions, cash and near cash and deposits.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Performance review

For the year ended 31 July 2018, the value of Aberdeen Multi-Asset Fund - A Accumulation Shares increased by 6.96% compared to an increase of 8.00% in the composite benchmark (40% FTSE ALL Share, 25% MSCI World ex UK, 15% FTSE A Brit All Stocks, 5% HFRI Offshore Conservative, 5% FTSE Small Cap, 7.5% 7 Day Libid, 2.5% Macquarie Global Infrastructure 100 Index).

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

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

Market review

The year under review was positive for most stock markets, although there was a setback in the second half as investors became increasingly nervous about rising interest rates and the prospect of worsening trade disputes between the US and the rest of the world.

Shares in UK companies performed well. Oil-and-gas and basic material stocks were ahead of other sectors, whereas utilities and telecoms underperformed. Sterling weakened and this benefited the share prices of companies with significant export and foreign-trading interests and that derive the bulk of their earnings overseas. Additionally, a rise in the oil price was good news for the commodity companies that make up a sizeable chunk of the UK's main equity index.

Major US equity indices hit all-time highs in late 2017 on optimism that the Trump administration would succeed in pushing through tax reforms, including a substantial reduction in corporate taxes. New market highs were reached once the cuts were signed into law in December. In February, a sell-off was triggered by fears that strong economic data would encourage the Federal Reserve to raise interest rates from their current very low levels more quickly than previously anticipated.

In Europe, Belgian stocks had a difficult period, but shares in Norway did well. Overall, European stocks were up over the period, but underperformed most of their developed-market peers. Political uncertainty, a strengthening euro and heightened trade tensions with the US combined to curb investor sentiment.

Japanese equities made gains over the 12 months. Energy and resources as well as commercial and wholesale-trade companies performed particularly well. Conversely, banks along with steel and non-ferrous metals were down.

Within emerging equity markets, parts of Latin America were boosted by the rise in commodity prices. Political developments that were perceived to be favourable also helped investor sentiment. At the country level, Russia and Peru were among the top performers, whereas Greece and Turkey lagged.

Investors in UK government bonds experienced a roller-coaster ride during the year. The yield on the benchmark 10-year gilt started the review period at 1.28%, touching a low of 1.02% and a high of 1.52%, before ending at 1.33%. Market sentiment was initially influenced by the Bank of England's shift to a more hawkish stance in September, followed by an increase in the official bank rate in November. At the start of 2018, strong global equity markets prompted a sell-off in government bonds, while optimistic Brexit headlines and better economic data also helped push yields higher. A bout of market volatility in February saw investors rotate into government bonds, but the movement in yields was partially reversed in March. China-US trade tensions and political concerns in Europe dominated newsflow between April and June, during which UK bonds outperformed their global peers. This was again short-lived as gilts sold off towards the end of the reporting period as investors fretted over potential changes to Bank of Japan monetary policy.

Portfolio review

From a tactical perspective, the Fund benefited significantly from its underweight to alternatives, in particular the lack of exposure to commodities and currency. Our equity allocation to North America contributed positively, but was in part offset by our allocation to European equities. The underweight to UK gilts was another significant contributor as they underperformed equities.

There was a distinct reversal of fortunes for UK equities over the past 12 months. The first half saw UK equities struggle, underperforming the benchmark significantly. However since the turn of the year, stock selection in UK equities has come to the fore and proved the key contributor to the Fund's performance. Of note was the Fund's exposure to several mid-sized specialist holdings, including Abcam, Dechra Pharmaceuticals and Aveva. Each enjoyed the benefit of improving growth expectations and positive re-ratings of their valuation multiples during the second quarter of 2018. Underweight allocations to Vodafone and HSBC also contributed positively.

The return from private equity over the past year was in line with the benchmark. However as with UK equites private equity has seen a significant pick-up since the start of 2018. The Fund benefited from its exposure to Pantheon International, which has built on performance from the first quarter of 2018 to rise by more than 7% during the second quarter.

Aberdeen Multi-Asset Fund

Changes to our tactical positioning were limited in the second half of 2017, with the only notable one being a move from Japanese equities to US equities. Our research indicated the risk of a correction in Japanese equities as share prices were starting to look expensive. Having greater visibility, the US market was our preferred destination for the proceeds. The turn of the year saw the start of a number of tactical changes. In particular, we increased our equity exposure after the sell-off in February led to an oversold market. In April, we reduced exposure to European equities and reallocated to the UK market as the macroeconomic environment in Europe moderated. The impending China-US trade dispute also led us to close out our emerging-market debt exposure. Towards the end of the reporting period, we made changes within the alternatives portfolio by adding to our holding in Pantheon International and closing out smaller positons within the renewable infrastructure sector. Proceeds from the renewable infrastructure sales, and from DP Aircraft Leasing, were reinvested into our Aberdeen Alternative Strategy Fund.

Outlook

We remain constructive on the global macro outlook and thus moderately long risk assets. Global growth on the whole continues at a reasonable pace, supported by accommodative monetary and, in some cases, fiscal policy. Economic capacity is becoming increasingly constrained in some regions with low rates of unemployment and wage growth picking up. This will inevitably lead to inflationary pressures and raise the probability of monetary policy tightening in time, increasing the risk of policy surprises or errors, but this does not feel imminent.

Despite some fears regarding the impact of US-imposed tariffs, which have undoubtedly increased the downside risk of a global surge in protectionist measures, our baseline forecast does not anticipate a significant macro impact. Furthermore, we expect the US to grow above trend this year at around 3%, supported by tax cuts and increased spending. The UK is expected to benefit from improved household spending as sterling strengthens but the impact of Brexit has yet to be fully determined. Europe is expected to continue growing at a reasonable pace this year, in excess of 2%. While asset purchases are expected to cease by year-end, rate hikes are unlikely until 2019. Growth in Japan is moderating as construction activity slows and the planned consumption tax hike is expected to weigh on household spending. Although emerging markets came under pressure during the first half of the year, on the whole growth should remain robust as economies benefit from healthy global trade, while stronger currencies should also help.

Strategic Client Solutions Team **August 2018**

Aberdeen Multi-Asset Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 4 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Multi-Asset Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	261.34	235.60	221.10
Return before operating charges*	22.92	29.94	18.08
Operating charges	(4.42)	(4.20)	(3.58)
Return after operating charges*	18.50	25.74	14.50
Distributions on accumulation shares	(2.86)	(3.22)	(2.50)
Retained distributions on accumulation shares	2.86	3.22	2.50
Closing net asset value per share	279.84	261.34	235.60
* after direct transaction costs of:	-	0.06	0.12
Performance			
Return after charges	7.08%	10.93%	6.56%
Other information			
Closing net asset value (£'000s)	82,398	329,375	333,184
Closing number of shares	29,444,655	126,035,030	141,416,848
Operating charges	1.67%	1.68%	1.68%
Direct transaction costs	-	0.02%	0.06%
Prices			
Highest share price (pence)	280.94	266.26	236.59
Lowest share price (pence)	255.82	232.62	195.71

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

Aberdeen Multi-Asset Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	221.06	201.84	191.55
Return before operating charges*	19.38	25.56	15.53
Operating charges	(3.75)	(3.59)	(3.08)
Return after operating charges*	15.63	21.97	12.45
Distributions on income shares	(2.61)	(2.75)	(2.16)
Closing net asset value per share	234.08	221.06	201.84
* after direct transaction costs of:	-	0.05	0.10
Performance			
Return after charges	7.07%	10.88%	6.50%
Other information			
Closing net asset value (£'000s)	3,705	3,750	3,786
Closing number of shares	1,582,575	1,696,103	1,875,550
Operating charges	1.67%	1.68%	1.68%
Direct transaction costs	-	0.02%	0.06%
Prices			
Highest share price (pence)	237.06	226.97	204.01
Lowest share price (pence)	216.07	199.26	168.78

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

Aberdeen Multi-Asset Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	281.75	252.11	234.82
Return before operating charges*	24.90	32.10	19.40
Operating charges	(2.64)	(2.46)	(2.11)
Return after operating charges*	22.26	29.64	17.29
Distributions on accumulation shares	(5.29)	(5.49)	(4.36)
Retained distributions on accumulation shares	5.29	5.49	4.36
Closing net asset value per share	304.01	281.75	252.11
* after direct transaction costs of:	-	0.06	0.13
Performance			
Return after charges	7.90%	11.76%	7.36%
Other information			
Closing net asset value (£'000s)	46,678	45,327	210,446
Closing number of shares	15,353,987	16,087,733	83,473,139
Operating charges	0.92%	0.93%	0.93%
Direct transaction costs	-	0.02%	0.06%
Prices			
Highest share price (pence)	305.13	286.82	253.15
Lowest share price (pence)	277.19	248.92	208.69

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

Aberdeen Multi-Asset Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	130.56	119.20	113.09
Return before operating charges*	11.48	15.12	9.22
Operating charges	(1.22)	(1.18)	(1.02)
Return after operating charges*	10.26	13.94	8.20
Distributions on income shares	(2.56)	(2.58)	(2.09)
Closing net asset value per share	138.27	130.56	119.20
* after direct transaction costs of:	-	0.03	0.06
Performance			
Return after charges	7.87%	11.69%	7.25%
Other information			
Closing net asset value (£'000s)	11,288	11,743	10,991
Closing number of shares	8,163,759	8,994,243	9,220,192
Operating charges	0.92%	0.93%	0.93%
Direct transaction costs	-	0.02%	0.06%
Prices			
Highest share price (pence)	140.50	134.44	120.89
Lowest share price (pence)	127.76	117.68	99.67

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

Aberdeen Multi-Asset Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 60.16% (2017: 66.27%)					
Equities 60.16% (2017: 66.27%)					
Alternative Investments 9.93% (2017: 11.21%)					
Funding Circle SME Income Fund			739,597	769	0.53
Greencoat UK Wind			1,165,360	1,457	1.01
HICL Infrastructure			1,819,589	2,911	2.02
John Laing Infrastructure Fund			603,374	848	0.59
Pantheon International			271,898	5,547	3.85
Renewables Infrastructure			2,126,413	2,331	1.62
Sequoia Economic Infrastructure Income Fund∞			396,490	448	0.31
				14,311	**9.93**
Asia Pacific 1.73% (2017: 3.89%)					
AIA			35,800	238	0.17
BHP Billiton			6,000	118	0.08
Housing Development Finance			10,700	237	0.16
ITC			55,950	185	0.13
Jardine Matheson			4,800	247	0.17
Kasikornbank (Alien)			46,600	239	0.17
Oversea-Chinese Banking			23,400	152	0.11
Samsung Electronics (GDR) (PREF)			501	325	0.22
Singapore Telecommunications			119,400	214	0.15
Swire Pacific 'B'			87,100	119	0.08
Tencent			3,000	103	0.07
TSMC (ADR)			10,100	317	0.22
				2,494	**1.73**
Europe, Middle East & Africa (ex United Kingdom) 3.03% (2017: 3.70%)					
Atlas Copco			7,600	166	0.12
Check Point Software Technologies			2,900	249	0.17
Epiroc			14,200	129	0.09
Experian			93,700	1,757	1.21
Fresenius Medical Care			3,000	224	0.16
Henkel (non voting) (PREF)∞			2,884	276	0.19
Infineon Technologies∞			5,900	120	0.08
Linde			600	113	0.08
L'Oreal			900	166	0.12
MTN			15,700	104	0.07
Nestle			4,800	298	0.21
Novartis			5,600	360	0.25
Roche			1,300	243	0.17
Royal Dutch Shell 'A'			6,229	163	0.11
				4,368	**3.03**

Aberdeen Multi-Asset Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Japan 0.87% (2017: 1.30%)					
Daito Trust Construction Co			1,200	152	0.11
FANUC Corp			1,100	164	0.11
Japan Tobacco Inc			11,300	245	0.17
Keyence Corp			600	240	0.17
Shin-Etsu Chemical Co			3,000	230	0.16
Sysmex Corp			3,000	216	0.15
				1,247	**0.87**
Latin America 0.34% (2017: 0.57%)					
Banco Bradesco (ADR)			42,039	259	0.18
FEMSA (ADR)			3,100	232	0.16
				491	**0.34**
North America 3.10% (2017: 4.45%)					
Alphabet			200	187	0.13
Amdocs			4,500	232	0.16
CME			900	109	0.08
Cognizant Technology Solutions 'A'			2,800	174	0.12
Comcast 'A'∞			6,400	175	0.12
EOG Resources			2,900	285	0.20
Intercontinental Exchange			4,075	230	0.16
Johnson & Johnson			1,700	172	0.12
M&T Bank			2,421	320	0.22
Nutrien			4,040	167	0.12
Oracle			9,300	338	0.23
PepsiCo			3,800	333	0.23
Philip Morris International			2,200	145	0.10
Praxair			2,000	255	0.18
Samsonite International			80,900	232	0.16
Schlumberger			4,600	237	0.16
TJX			3,500	259	0.18
Visa 'A'∞			3,900	406	0.28
Yum China			7,900	217	0.15
				4,473	**3.10**
United Kingdom 41.16% (2017: 41.15%)					
Abcam			120,900	1,787	1.24
Aberdeen Diversified Income and Growth Trust†			636,178	792	0.55
Aberdeen Private Equity Fund†			139,338	3	-
Amedeo Air Four Plus			668,906	702	0.49
Associated British Foods			46,600	1,144	0.79
AstraZeneca			17,700	1,038	0.72
Aveva∞			80,800	2,125	1.48
BBA Aviation			307,000	1,075	0.75
Bodycote			102,885	1,029	0.71
boohoo.com			542,000	1,091	0.76
British American Tobacco			64,000	2,688	1.87
BTG			166,400	884	0.61

Aberdeen Multi-Asset Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Close Brothers∞			112,800	1,791	1.24
Compass			134,100	2,199	1.53
Croda International			35,600	1,830	1.27
Dechra Pharmaceuticals			41,800	1,248	0.87
Diageo			100,800	2,823	1.96
Dunedin Smaller Companies Investment Trust†			847,000	2,532	1.76
Euromoney Institutional Investor			77,000	1,046	0.73
Fever-Tree			39,000	1,344	0.93
Genus∞			66,000	1,893	1.31
InterContinental Hotels			33,300	1,567	1.09
Intertek			30,400	1,788	1.24
Just Eat∞			200,000	1,586	1.10
London Stock Exchange			37,600	1,653	1.15
Prudential			118,200	2,134	1.48
RELX			106,500	1,771	1.23
Rentokil Initial			485,000	1,646	1.14
Rightmove			23,300	1,135	0.79
Riverstone Energy∞			111,033	1,341	0.93
Rolls-Royce			119,000	1,179	0.82
Rotork∞			366,000	1,317	0.91
Schroders (non voting)			39,600	941	0.65
Smart Metering Systems∞			121,800	765	0.53
Spirax-Sarco Engineering∞			19,400	1,347	0.94
Standard Chartered			241,000	1,658	1.15
Standard Chartered			23,235	156	0.11
Tritax Big Box (REIT)			367,599	560	0.39
Ultra Electronics			57,100	943	0.65
Unilever∞			53,400	2,325	1.61
Weir∞			76,600	1,493	1.04
3i Infrastructure			377,176	936	0.65
				59,305	**41.17**
Total Equities				**86,689**	**41.17**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**86,689**	**60.17**
Other transferable securities and money market instruments nil (2017: nil)					
Equities nil (2017: nil)					
United Kingdom nil (2017: nil)					
HIE Ventures			769	-	-
Total Equities				-	-
Total Other transferable securities and money market instruments				-	-

Aberdeen Multi-Asset Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Open Ended Investment Funds 39.03% (2017: 32.78%)					
Aberdeen Alternative Strategies Fund Z-Acc†			661,805	6,608	4.59
Aberdeen European Equity Enhanced Index Fund X-Acc†			4,945,577	6,586	4.57
Aberdeen Global - Japanese Equity Fund A Acc GBP†			806,694	2,820	1.96
Aberdeen Global - North American Equity Fund Z Acc USD†			123,508	2,334	1.62
Aberdeen Liquidity Fund (Lux) nil Ultra Short Duration Sterling Fund Z-2†			9,123	1,208	0.84
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1†			97	97	0.07
Aberdeen Northern American Equity Enhanced Index Fund X-Acc†			11,262,197	18,987	13.17
Aberdeen Sterling Government Bond Fund Z-Acc†			14,190,804	15,096	10.48
iShares Core UK Gilts UCITS ETF GBP Dist			190,221	2,496	1.73
				56,232	**39.03**
Total Open Ended Investment Funds				**56,232**	**39.03**
Total investments				**142,921**	**99.20**
Other net assets				**1,148**	**0.80**
Total net assets				**144,069**	**100.00**

† Managed by subsidiaries of Standard Life Aberdeen plc.
∞ A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen Multi-Asset Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	7,534	5.27	2.23

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
France (Government of)	2,056	Government Bond	Investment grade	BNP Paribas
Canada (Government of)	1,515	Government Bond	Investment grade	BNP Paribas
UK Treasury	1,271	Government Bond	Investment grade	BNP Paribas
Austria (Republic of)	1,042	Government Bond	Investment grade	BNP Paribas
CRH	92	Equity	Main market listing	BNP Paribas
Coca-Cola HBC	64	Equity	Main market listing	BNP Paribas
Aurizon Holdings	62	Equity	Main market listing	BNP Paribas
Associated British Foods	62	Equity	Main market listing	BNP Paribas
Shire	62	Equity	Main market listing	BNP Paribas
Suncor Energy	62	Equity	Main market listing	BNP Paribas
Other Equity	1,875	Equity	Main market listing	BNP Paribas
Total collateral received	**8,163**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	8,163	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	152
CAD	1,786
CHF	36
EUR	3,519
GBP	1,943
JPY	345
USD	382
Total collateral received	**8,163**

Aberdeen Multi-Asset Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Credit Suisse	5,480	Switzerland	Tri-party
Bank of Nova Scotia	1,121	Canada	Tri-party
NATIXIS	655	France	Tri-party
BNP Paribas	164	France	Tri-party
JPM Chase	114	United States	Tri-party
Total market value of securities lending	**7,534**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	5,884	2,279	**8,163**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	7,534	**7,534**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	39	125.00
Direct operational costs (securities lending agent costs)	(8)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(8)	(25.00)
Net return	**31**	**100.00**

Aberdeen Multi-Asset Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		10,888		48,189
Revenue	2	5,274		14,825	
Expenses	3	(2,969)		(6,834)	
Net revenue before taxation		2,305		7,991	
Taxation	4	(83)		(301)	
Net revenue after taxation			2,222		7,690
Total return before distributions			**13,110**		**55,879**
Distributions	5		(2,343)		(7,718)
Change in net assets attributable to shareholders from investment activities			**10,767**		**48,161**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**390,195**		**558,407**
Amounts receivable on issue of shares	2,282		4,621	
Amounts payable on cancellation of shares	(261,569)		(227,651)	
		(259,287)		(223,030)
Dilution adjustment		618		181
Change in net assets attributable to shareholders from investment activities		10,767		48,161
Retained distributions on accumulation shares		1,776		6,476
Closing net assets attributable to shareholders		**144,069**		**390,195**

Aberdeen Multi-Asset Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		142,921	386,473
Current assets:			
Debtors	6	1,242	466
Cash and bank balances		1,280	4,738
Total assets		**145,443**	**391,677**
Creditors:			
Other creditors	7	1,202	1,318
Distribution payable		172	164
Total liabilities		**1,374**	**1,482**
Net assets attributable to shareholders		**144,069**	**390,195**

Aberdeen Multi-Asset Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	10,561	48,003
Other currency gains/(losses)	327	(103)
Class actions	-	289
Net capital gains	**10,888**	**48,189**

2. Revenue

	2018 £'000	2017 £'000
UK dividends	2,715	7,283
Distributions from collective investment schemes:		
UK franked investment revenue	359	1,651
UK interest distributions	239	582
Offshore distributions - taxable	278	731
Offshore distributions - non-taxable	-	4
UK REITs PID Income	70	311
UK REITs non PID Income	-	64
Overseas dividends	1,443	3,611
Underwriting commission	-	4
Stock dividends	66	246
Stock lending commission	31	48
Bank interest	4	2
Management fee rebates taken to revenue	69	273
Other revenue	-	15
Total revenue	**5,274**	**14,825**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	2,757	6,329
Operating, administrative and servicing fees	212	505
Total expenses	**2,969**	**6,834**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

Aberdeen Multi-Asset Fund

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	83	301
Current tax charge	**83**	**301**
Total taxation	**83**	**301**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	2,305	7,991
Corporation tax at 20% (2017 - 20%)	461	1,598
Effects of:		
UK dividends*	(615)	(1,848)
Non-taxable overseas dividends*	(299)	(710)
Realised gains on non-reporting offshore funds	117	-
Excess management expenses	336	961
Tax effect of expensed double taxation relief	-	(1)
Irrecoverable overseas withholding tax	83	301
Total taxation	**83**	**301**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £7,681,000 (2017 - £7,345,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised. The prior year was revised to reflect the prior year accounts as submitted to HMRC.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
Interim	570	3,554
Final	1,461	3,205
	2,031	6,759
Add: Revenue deducted on cancellation of shares	324	985
Deduct: Revenue received on issue of shares	(12)	(26)
Distributions for the year	**2,343**	**7,718**
Total distributions	**2,343**	**7,718**

Details of the distribution per share are set out in the distribution tables on page 513.

Aberdeen Multi-Asset Fund

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	2,222	7,690
Add:		
Undistributed revenue brought forward	-	25
Movement between share classes due to conversions	4	3
Tax effect of items in capital account	117	-
Distributions	**2,343**	**7,718**

6. **Debtors**

	2018 £'000	2017 £'000
Accrued revenue	96	325
Amounts receivable for issue of shares	309	13
Overseas withholding tax reclaimable	20	60
Sales awaiting settlement	750	-
Other debtor	-	1
Tax reclaimable	67	67
Total debtors	**1,242**	**466**

7. **Other creditors**

	2018 £'000	2017 £'000
Accrued expenses	157	496
Amounts payable for cancellation of shares	62	756
Purchases awaiting settlement	983	66
Total other creditors	**1,202**	**1,318**

8. **Related parties**

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 501. £102,000 was due from the ACD (2017 - £1,206,000 due to the ACD) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £57,063,000 (2017 - £120,805,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. **Material shareholders**

Standard Life Assurance Company held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 24% of the Fund's shares in issue.

Aberdeen Multi-Asset Fund

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 0.75%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 491 to 494. The distribution per share class is given in the distribution tables on page 513. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	126,035,030	1,696,103	16,087,733	8,994,243
Creations during the year	491,300	15,900	218,700	226,000
Cancellations during the year	(96,285,000)	(116,700)	(1,689,100)	(1,078,000)
Shares converted during the year	(796,675)	(12,728)	736,654	21,516
Closing shares in issue	**29,444,655**	**1,582,575**	**15,353,987**	**8,163,759**

11. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Aberdeen Multi-Asset Fund

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Bank of Nova Scotia	1,121	1240	Equity
BNP Paribas	164	184	Equity
Credit Suisse	5,480	5874	Government Bond
JPM Chase	105	125	Equity
JPM Chase	9	10	Government Bond
NATIXIS	655	730	Equity
Total	**7,534**	**8,163**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	39	8	31

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
Abbey National	2,285	2,847	Equity
Abbey National	760	897	Government Bond
ABN AMRO	314	351	Equity
ABN AMRO	491	519	Government Bond
Bank of Nova Scotia	2,599	2,888	Equity
BNP Paribas	24	27	Equity
BNP Paribas	3	4	Government Bond
JPM Chase	1,946	2,160	Equity
NATIXIS	16,267	18,027	Equity
NATIXIS	8	9	Government Bond
Societe Generale	2,115	2,338	Equity
Societe Generale	107	112	Government Bond
Total	**26,919**	**30,179**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	60	12	48

Aberdeen Multi-Asset Fund

12. **Risk management policies and disclosures**

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Australian Dollar	-	118	118
Canadian Dollar	-	167	167
Euro	-	1,062	1,062
Hong Kong Dollar	-	849	849
Indian Rupee	7	422	429
Japanese Yen	5	1,247	1,252
Pound Sterling	1,127	129,113	130,240
Singapore Dollar	7	366	373
South African Rand	-	104	104
Swedish Krona	-	296	296
Swiss Franc	-	901	901
Thai Baht	-	239	239
US Dollar	2	8,037	8,039
Net assets	**1,148**	**142,921**	**144,069**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Australian Dollar	-	445	445
Canadian Dollar	4	703	707
Euro	4	3,027	3,031
Hong Kong Dollar	-	3,664	3,664
Indian Rupee	11	1,437	1,448
Japanese Yen	18	5,060	5,078
Pound Sterling	3,528	340,632	344,160
Singapore Dollar	-	1,379	1,379
South African Rand	-	403	403
Swedish Krona	-	672	672
Swiss Franc	-	4,056	4,056
Thai Baht	-	692	692
US Dollar	157	24,303	24,460
Net assets	**3,722**	**386,473**	**390,195**

Interest rate risk profile of financial assets and financial liabilities

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Aberdeen Multi-Asset Fund

Sensitivity analysis

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

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

The VaR measures of the Fund are detailed below.

	2018[A]	2017
Minimum VaR	2.41%	2.51%
Maximum VaR	2.61%	2.90%
Average VaR	2.52%	2.74%

[A] One outlier point was smoothed over, on 31/11/2017.

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	0.03%	1.48%	-	0.95%	2.46%
31 July 2017	0.02%	1.65%	-	0.84%	2.51%

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

Other price risk

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

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	1,202	-	-	1,202
Distribution payable	-	172	-	-	172
Total financial liabilities	**-**	**1,374**	**-**	**-**	**1,374**

Aberdeen Multi-Asset Fund

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	1,318	-	-	1,318
Distribution payable	-	164	-	-	164
Total financial liabilities	**-**	**1,482**	**-**	**-**	**1,482**

13. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Bonds	-	-	-	9,124
Collective Investment Schemes	78,588	314,890	155,319	361,637
Equities	46,027	47,420	222,475	213,959
Trades in the year before transactions costs	**124,615**	**362,310**	**377,794**	**584,720**
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	6	(4)	(2)
Equities	23	24	(102)	(80)
Total commissions	**23**	**30**	**(106)**	**(82)**
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	168	178	(4)	(2)
Total taxes	**168**	**178**	**(4)**	**(2)**
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	2	-	(2)	(3)
Total other expenses	**2**	**-**	**(2)**	**(3)**
Total transaction costs	**193**	**208**	**(112)**	**(87)**
Total net trades in the year after transaction costs	**124,808**	**362,518**	**377,682**	**584,633**

Aberdeen Multi-Asset Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	0.05	0.05	0.05	0.04
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	0.37	0.38	-	-
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.05	0.02
Taxes	0.06	0.04
Other expenses	-	-
Total costs	**0.11**	**0.06**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £2,142,000 in the year (2017 - £86,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.12% (2017 - 0.13%).

Aberdeen Multi-Asset Fund

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1

Quoted prices in active markets for identical securities.

Level 2

Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3

Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	88,908	-	273,158	-
Level 2	54,013	-	113,315	-
Level 3	-	-	-	-
Total	**142,921**	**-**	**386,473**	**-**

Aberdeen Multi-Asset Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.65260	-	0.65260	1.21360
Group 2	0.29181	0.36079	0.65260	1.21360
A Income shares				
Group 1	0.55203	-	0.55203	1.03967
Group 2	0.12400	0.42803	0.55203	1.03967
I Accumulation shares				
Group 1	1.81938	-	1.81938	2.29722
Group 2	0.86109	0.95829	1.81938	2.29722
I Income shares				
Group 1	0.84309	-	0.84309	1.08616
Group 2	0.45088	0.39221	0.84309	1.08616

Final dividend distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	2.43564	-	2.43564	2.00517
Group 2	0.70184	1.73380	2.43564	2.00517
A Income shares				
Group 1	2.05522	-	2.05522	1.70930
Group 2	0.89273	1.16249	2.05522	1.70930
I Accumulation shares				
Group 1	3.72222	-	3.72222	3.19455
Group 2	1.42969	2.29253	3.72222	3.19455
I Income shares				
Group 1	1.71389	-	1.71389	1.49733
Group 2	0.68035	1.03354	1.71389	1.49733

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

Aberdeen North American Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to achieve capital growth from a portfolio of North American securities.

Performance review

For the year ended 31 July 2018, the value of Aberdeen North American Equity Fund – A Accumulation Shares increased by 13.04% compared to an increase of 16.17% in the benchmark, the S&P 500 Index (lagged by 1 day).

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

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

Market review

Major North American equity market indices posted notable gains over the 12-month period ended 31 July 2018, buoyed by generally positive economic data and corporate earnings reports. These offset investors' concerns about rising interest rates and US trade policy under the administration of President Donald Trump. US large-cap stocks, as measured by the broader-market S&P 500 Index, rose 16.17% in sterling terms for the period. The more cyclical information technology and consumer discretionary sectors were the top performers within the index. Conversely, the relatively higher dividend-paying consumer staples and telecommunication services sectors posted modest negative returns as US Treasury yields moved higher across the curve over the reporting period.

Regarding monetary policy, the US Federal Reserve (Fed) raised its benchmark interest rate by 75 basis points (bps) in three 25-bps increments to a range of 1.75% to 2.00% following its meetings in December 2017, and March and June 2018. In a statement accompanying its rate hike in June, the Fed commented that "the labor market has continued to strengthen and economic activity has been rising at a solid rate." The consensus expectation is for the Fed to implement two more rate hikes for the remainder of the 2018 calendar year. On the economic front, US GDP growth varied from 2.2% to 4.1% over the four quarters falling within the reporting period. The 4.1% increase in the second quarter of 2018–the highest growth rate in four years–was attributable mainly to upturns in consumer spending and exports, which more than offset the negative impact of declines in private inventory investment and residential fixed investment. US payrolls expanded by a monthly average of roughly 200,000 over the 12-month reporting period, and the unemployment rate declined 0.4 percentage point, ending the period at 3.9% - just above the 50-year low of 3.8% that it reached in May 2018.

Portfolio review

An underweight allocation to the information technology sector and an overweight to consumer staples relative to the benchmark weighed on Fund performance for the reporting period. The Fund's holding in Molson Coors Brewing was the largest detractor from performance among individual holdings. The brewer saw declines in volumes, most notably in the key US market, which management attributed to lower demand across the industry. Nonetheless, it recently reiterated its forecast for the 2018 fiscal year. Tobacco company Philip Morris International posted healthy year-over-year revenue growth in the first quarter of its 2018 fiscal year. However, its shares declined amid investors' concerns about deceleration in sales of its IQOS "heat-not-burn" (vaping) devices. Consumer-credit reporting services provider Equifax was hampered by ongoing weakness in its information services segment. It has continued to face headwinds stemming from its disclosure in September of last year that hackers gained access to personal information for approximately 143 million US consumers between May and July 2017 due to a flaw in the software created by a third-party vendor.

Fund performance was bolstered mainly by an underweight allocation to the utilities sector, as well as overall positioning in healthcare. The primary individual stock contributor was ConocoPhillips. The integrated oil and gas company posted healthy revenue and earnings per share growth, benefiting from higher oil and natural gas prices, as well as lower expenses. Additionally, management modestly raised its production estimate for the 2018 fiscal year. Cosmetics maker Estee Lauder registered double-digit, year-over-year revenue gains for the first two quarters of its 2018 fiscal year. Its results were bolstered by substantial increases in sales of its skincare, makeup and fragrance products. Among geographical markets, there was particular strength in the Europe, Middle East and Africa (EMEA) and Asia-Pacific regions. Finally, the Fund's lack of exposure to conglomerate General Electric (GE) had a positive impact on performance. GE's share price fell sharply as it experienced significant weakness in its energy-related businesses.

Outlook

In our view, empirical evidence to date continues to indicate a robust U.S. economy, which thus far has translated into a healthy start to the third-quarter 2018 earnings season. However, we have noticed a growing variability of results across the economy and evidence of either margin pressure or earnings stress has arisen in several sectors. First, many companies are beginning to struggle with input costs from rising raw materials prices and labor costs. We generally believe those pressures will abate as the year goes on largely through the ability of the companies to push through prices to their end customers; the current issues are related to delays in passing through those prices. Separately, demand in the housing and auto markets has become more erratic as high housing prices have yet to generate a strong supply response, and vehicle sales appear to be plateauing, as we have anticipated for a while.

Consequently, with these first glimmers of demand pressure in the economy, we have begun to ask ourselves more frequently about the sustainability of above-trend revenue growth for many of the companies that we hold in our equity portfolios. Other evidence of at least a temporary slowdown includes the banking sector, where loan growth has decelerated and margin pressure has become somewhat more pronounced as consumers demand higher deposit rates. These are all reasons that we emphasize bottom-up analysis for company selection over top-down decisions. We continue to seek companies that we believe have the best prospects under any conditions.

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

North American Equity Team **August 2018**

Aberdeen North American Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risk of investing in this Fund:
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen North American Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	2,273.82	1,972.97	1,676.10
Return before operating charges*	362.08	335.90	324.24
Operating charges	(38.28)	(35.05)	(27.37)
Return after operating charges*	323.80	300.85	296.87
Distributions on accumulation shares	-	(0.31)	(2.19)
Retained distributions on accumulation shares	-	0.31	2.19
Closing net asset value per share	2,597.62	2,273.82	1,972.97
* after direct transaction costs of:	1.17	0.69	0.91
Performance			
Return after charges	14.24%	15.25%	17.71%
Other information			
Closing net asset value (£'000s)	64,365	103,277	116,768
Closing number of shares	2,477,832	4,541,987	5,918,387
Operating charges	1.62%	1.62%	1.62%
Direct transaction costs	0.05%	0.03%	0.05%
Prices			
Highest share price (pence)	2,622.16	2,317.80	2,012.45
Lowest share price (pence)	2,195.93	1,947.49	1,511.12

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

Aberdeen North American Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	2,482.31	2,137.77	1,802.48
Return before operating charges*	397.55	365.00	351.30
Operating charges	(22.63)	(20.46)	(16.01)
Return after operating charges*	374.92	344.54	335.29
Distributions on accumulation shares	(15.32)	(18.17)	(16.17)
Retained distributions on accumulation shares	15.32	18.17	16.17
Closing net asset value per share	2,857.23	2,482.31	2,137.77
* after direct transaction costs of:	1.28	0.75	1.00
Performance			
Return after charges	15.10%	16.12%	18.60%
Other information			
Closing net asset value (£'000s)	46,094	40,206	42,653
Closing number of shares	1,613,246	1,619,700	1,995,213
Operating charges	0.87%	0.87%	0.87%
Direct transaction costs	0.05%	0.03%	0.05%
Prices			
Highest share price (pence)	2,883.98	2,527.49	2,180.37
Lowest share price (pence)	2,409.10	2,110.21	1,625.94

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

Aberdeen North American Equity Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	139.85	119.54	100.04
Return before operating charges*	22.52	20.47	19.63
Operating charges	(0.18)	(0.16)	(0.13)
Return after operating charges*	22.34	20.31	19.50
Distributions on accumulation shares	(1.97)	(2.01)	(1.67)
Retained distributions on accumulation shares	1.97	2.01	1.67
Closing net asset value per share	162.19	139.85	119.54
* after direct transaction costs of:	0.07	0.04	0.06
Performance			
Return after charges	15.97%	16.99%	19.49%
Other information			
Closing net asset value (£'000s)	6,833	7,460	7,528
Closing number of shares	4,213,000	5,334,400	6,297,400
Operating charges	0.12%	0.12%	0.12%
Direct transaction costs	0.05%	0.03%	0.05%
Prices			
Highest share price (pence)	163.69	142.28	121.92
Lowest share price (pence)	136.39	118.00	90.29

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

Aberdeen North American Equity Fund

Portfolio statement
As at 31 July 2018

Security	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 98.51% (2017: 99.20%)			
Equities 98.51% (2017: 99.20%)			
Consumer Discretionary 14.46% (2017: 8.90%)			
Automobiles & Components 2.07% (2017: 2.55%)			
BorgWarner	69,223	**2,429**	**2.07**
Consumer Durables & Apparel 1.97% (2017: 2.12%)			
PVH	19,770	**2,314**	**1.97**
Consumer Services 1.68% (2017: nil)			
Starbucks	49,269	**1,968**	**1.68**
Media 2.19% (2017: 2.59%)			
Comcast 'A'∞	94,142	**2,568**	**2.19**
Retailing 6.55% (2017: 1.64%)			
Amazon.com	3,419	4,632	3.95
TJX	41,140	3,050	2.60
		7,682	**6.55**
Total Consumer Discretionary		**16,961**	**14.46**
Consumer Staples 10.52% (2017: 15.27%)			
Food & Staples Retailing 2.82% (2017: 5.89%)			
Costco Wholesale	19,813	**3,303**	**2.82**
Food Beverage & Tobacco 5.87% (2017: 6.77%)			
Molson Coors Brewing	38,508	1,968	1.68
PepsiCo	22,476	1,970	1.68
Philip Morris International	44,753	2,945	2.51
		6,883	**5.87**
Household & Personal Products 1.83% (2017: 2.61%)			
Estee Lauder	20,902	**2,150**	**1.83**
Total Consumer Staples		**12,336**	**10.52**

Aberdeen North American Equity Fund

Security	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Energy 6.17% (2017: 8.22%)			
EOG Resources	30,298	2,977	2.54
Schlumberger	39,502	2,033	1.73
TransCanada	65,018	2,225	1.90
		7,235	**6.17**
Total Energy		**7,235**	**6.17**
Financials 15.53% (2017: 17.67%)			
Banks 6.54% (2017: 5.90%)			
First Republic Bank	39,718	2,992	2.55
M&T Bank	18,391	2,430	2.07
Royal Bank of Canada	37,968	2,254	1.92
		7,676	**6.54**
Diversified Financials 7.34% (2017: 9.51%)			
American Express	31,648	2,401	2.05
Charles Schwab	66,369	2,583	2.20
Intercontinental Exchange	64,291	3,622	3.09
		8,606	**7.34**
Insurance 1.65% (2017: 2.26%)			
AIG	46,037	**1,937**	**1.65**
Total Financials		**18,219**	**15.53**
Health Care 14.79% (2017: 10.14%)			
Health Care Equipment & Services 9.02% (2017: 4.57%)			
Aetna	12,248	1,758	1.50
Baxter International	64,020	3,534	3.02
Cerner	50,436	2,387	2.03
Hologic	88,532	2,895	2.47
		10,574	**9.02**
Pharmaceuticals, Biotechnology & Life Sciences 5.77% (2017: 5.57%)			
Johnson & Johnson	19,366	1,956	1.67
Pfizer	81,813	2,491	2.12
PRA Health Sciences	29,001	2,323	1.98
		6,770	**5.77**
Total Health Care		**17,344**	**14.79**

Aberdeen North American Equity Fund

Security	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Industrials 7.62% (2017: 10.41%)			
Capital Goods 2.18% (2017: 4.77%)			
Snap-on	19,774	**2,556**	**2.18**
Commercial & Professional Services 3.68% (2017: 4.09%)			
Equifax	20,048	1,918	1.64
Verisk Analytics∞	28,455	2,398	2.04
		4,316	**3.68**
Transportation 1.76% (2017: 1.55%)			
Canadian National Railway	30,350	**2,063**	**1.76**
Total Industrials		**8,935**	**7.62**
Information Technology 19.62% (2017: 17.38%)			
Semiconductors & Semiconductor Equipment 2.50% (2017: 2.45%)			
Texas Instruments	34,548	**2,932**	**2.50**
Software & Services 14.92% (2017: 13.42%)			
Alphabet	4,341	4,061	3.46
Cognizant Technology Solutions 'A'	37,530	2,332	1.99
Microsoft	58,067	4,696	4.00
Oracle	52,427	1,906	1.62
Visa 'A'∞	43,356	4,519	3.85
		17,514	**14.92**
Technology Hardware & Equipment 2.20% (2017: 1.51%)			
CDW	40,230	**2,579**	**2.20**
Total Information Technology		**23,025**	**19.62**
Materials 6.63% (2017: 9.05%)			
Ecolab	21,493	2,305	1.96
Nutrien	58,787	2,429	2.07
Praxair	23,788	3,037	2.60
		7,771	**6.63**
Total Materials		**7,771**	**6.63**
Telecommunication Services 1.65% (2017: 2.16%)			
TELUS (Toronto Listing)	69,727	**1,936**	**1.65**
Total Telecommunication Services		**1,936**	**1.65**

Aberdeen North American Equity Fund

Security	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Utilities 1.52% (2017: nil)			
Nextera Energy	13,960	1,783	1.52
Total Utilities		1,783	1.52
Total Equities		115,545	98.51
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market		115,545	98.51
Open Ended Investment Funds 2.43% (2017: nil)			
United Kingdom 2.43% (2017: nil)			
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1†	2,845	2,845	2.43
Total Open Ended Investment Funds		2,845	2.43
Total investments		118,390	100.94
Other net liabilities		(1,098)	(0.94)
Total net assets		117,292	100.00

† Managed by subsidiaries of Standard Life Aberdeen plc.
∞ A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen North American Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	8,157	6.89	6.95

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Anheuser-Busch InBev	320	Equity	Main market listing	BNP Paribas
EADS	320	Equity	Main market listing	BNP Paribas
Terumo	320	Equity	Main market listing	BNP Paribas
Tokyo Electron	319	Equity	Main market listing	BNP Paribas
ING	311	Equity	Main market listing	BNP Paribas
Telefonica	310	Equity	Main market listing	BNP Paribas
Atos	296	Equity	Main market listing	BNP Paribas
Accor	293	Equity	Main market listing	BNP Paribas
SAP	277	Equity	Main market listing	BNP Paribas
Concordia Financial	276	Equity	Main market listing	BNP Paribas
Other Equity	6,021	Equity	Main market listing	BNP Paribas
Total collateral received	**9,063**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	9,063	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
CHF	510
EUR	3,538
GBP	1,074
JPY	2,694
USD	1,247
Total collateral received	**9,063**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
NATIXIS	5,743	France	Tri-party
BNP Paribas	2,414	France	Tri-party
Total market value of securities lending	**8,157**		

Aberdeen North American Equity Fund

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	-	9,063	**9,063**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	8,157	**8,157**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	9	125.00
Direct operational costs (securities lending agent costs)	(2)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(2)	(25.00)
Net return	**7**	**100.00**

Aberdeen North American Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		17,495		24,288
Revenue	2	2,131		3,196	
Expenses	3	(1,611)		(2,300)	
Net revenue before taxation		520		896	
Taxation	4	(287)		(438)	
Net revenue after taxation			233		458
Total return before distributions			**17,728**		**24,746**
Distributions	5		(358)		(460)
Change in net assets attributable to shareholders from investment activities			**17,370**		**24,286**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**150,943**		**166,949**
Amounts receivable on issue of shares	38,845		29,504	
Amounts payable on cancellation of shares	(90,213)		(70,220)	
		(51,368)		(40,716)
Dilution adjustment		17		8
Change in net assets attributable to shareholders from investment activities		17,370		24,286
Retained distributions on accumulation shares		330		416
Closing net assets attributable to shareholders		**117,292**		**150,943**

Aberdeen North American Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		118,390	149,736
Current assets:			
Debtors	6	58	1,500
Cash and bank balances		495	1,755
Total assets		**118,943**	**152,991**
Liabilities:			
Creditors:			
Other creditors	7	1,651	2,048
Total liabilities		**1,651**	**2,048**
Net assets attributable to shareholders		**117,292**	**150,943**

Aberdeen North American Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	17,360	24,212
Other currency gains	135	6
Class actions	-	70
Net capital gains	**17,495**	**24,288**

2. Revenue

	2018 £'000	2017 £'000
Distributions from collective investment schemes:		
Offshore distributions - taxable	11	-
Overseas dividends	2,112	3,181
Stock lending commission	7	14
Bank interest	1	1
Total revenue	**2,131**	**3,196**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,459	2,097
Operating, administrative and servicing fees	152	203
Total expenses	**1,611**	**2,300**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017: £6,150).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	287	438
Current tax charge	**287**	**438**
Total taxation	**287**	**438**

Factors affecting current tax charge for year

The tax charge for the year is higher (2017 - higher) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	520	896
Corporation tax at 20% (2017 - 20%)	104	179
Effects of:		
Non-taxable overseas dividends*	(422)	(636)
Excess management expenses	318	457
Irrecoverable overseas withholding tax	287	438
Total taxation	**287**	**438**

* As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £6,767,000 (2017 - £6,449,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
Final	330	416
Add: Revenue deducted on cancellation of shares	36	59
Deduct: Revenue received on issue of shares	(8)	(15)
Distributions for the year	**358**	**460**
Total distributions	**358**	**460**

Details of the distribution per share are set out in the distribution tables on page 535.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	233	458
Add:		
Movement between share classes due to conversions	5	2
Revenue deficit transfer from capital account	120	-
Distributions	**358**	**460**

Aberdeen North American Equity Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	58	135
Amounts receivable for issue of shares	-	19
Sales awaiting settlement	-	849
Currency transactions awaiting settlement	-	497
Total debtors	**58**	**1,500**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	127	177
Amounts payable for cancellation of shares	1,524	669
Purchases awaiting settlement	-	704
Currency transactions awaiting settlement	-	498
Total other creditors	**1,651**	**2,048**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 525. £1,639,000 was due to the ACD (2017 - £812,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £2,845,000 (2017 - nil) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 0.75%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 516 to 518. The distribution per share class is given in the distribution tables on page 535. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	I Accumulation shares	Z Accumulation shares
Opening number of shares	4,541,987	1,619,700	5,334,400
Creations during the year	1,559,100	88,000	-
Cancellations during the year	(3,478,200)	(227,100)	(1,121,400)
Shares converted during the year	(145,055)	132,646	-
Closing shares in issue	**2,477,832**	**1,613,246**	**4,213,000**

Aberdeen North American Equity Fund

10. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
BNP Paribas	2,414	2,655	Equity
NATIXIS	5,743	6,408	Equity
Total	**8,157**	**9,063**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	9	2	7

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
BNP Paribas	6,216	6,878	Equity
BNP Paribas	383	404	Government Bond
NATIXIS	13,227	14,660	Equity
NATIXIS	7	7	Government Bond
Total	**19,833**	**21,949**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	18	4	14

11. Risk management policies and disclosures

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Canadian Dollar	41	6,415	6,456
Pound Sterling	(1,181)	2,845	1,664
US Dollar	42	109,130	109,172
Net assets	**(1,098)**	**118,390**	**117,292**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Canadian Dollar	51	8,593	8,644
Pound Sterling	1,066	-	1,066
US Dollar	90	141,143	141,233
Net assets	**1,207**	**149,736**	**150,943**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £11,563,000 (2017- £14,988,000).

Interest rate risk profile of financial assets and financial liabilities

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Aberdeen North American Equity Fund

Other price risk

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £5,920,000 (2017 - £7,487,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	1,651	-	-	1,651
Total financial liabilities	**-**	**1,651**	**-**	**-**	**1,651**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	2,048	-	-	2,048
Total financial liabilities	**-**	**2,048**	**-**	**-**	**2,048**

Aberdeen North American Equity Fund

12. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Collective Investment Schemes	74,894	-	72,049	-
Equities	51,091	45,845	102,722	85,508
Trades in the year before transactions costs	**125,985**	**45,845**	**174,771**	**85,508**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	30	20	(48)	(39)
Total commissions	**30**	**20**	**(48)**	**(39)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	(2)	(2)
Total other expenses	**-**	**-**	**(2)**	**(2)**
Total transaction costs	**30**	**20**	**(50)**	**(41)**
Total net trades in the year after transaction costs	**126,015**	**45,865**	**174,721**	**85,467**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.06	0.04	0.05	0.05
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-

Aberdeen North American Equity Fund

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.06	0.03
Taxes	-	-
Other expenses	-	-
Total costs	**0.06**	**0.03**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were no corporate actions in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.02% (2017 - 0.02%).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	115,545	-	149,736	-
Level 2	2,845	-	-	-
Level 3	-	-	-	-
Total	**118,390**	**-**	**149,736**	**-**

Aberdeen North American Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Final dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	-	-	-	0.31304
Group 2	-	-	-	0.31304
I Accumulation shares				
Group 1	15.31697	-	15.31697	18.17216
Group 2	6.64192	8.67505	15.31697	18.17216
Z Accumulation shares				
Group 1	1.96954	-	1.96954	2.01379
Group 2	1.96954	-	1.96954	2.01379

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

Aberdeen Property Share Fund

For the year ended 31 July 2018

Investment objective and policy

The objective of the Fund is to provide long term total return, from a diversified portfolio of property company securities or companies which derive a significant proportion of their revenues or profits from property, or have a significant proportion of their assets in property. Holdings will be concentrated in the United Kingdom, though investment overseas is permitted.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Performance review

For the year ended 31 July 2018, the value of the Aberdeen Property Share Fund – A Accumulation Shares increased by 11.16% compared to an increase of 7.65% in the benchmark, the FTSE 350 Real Estate Index.

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

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

Market review

Property shares in the UK rose in the year under review that was characterised by two very distinct halves. In the initial six months, share prices rose in tandem with the broader market in a synchronised global economic upswing. In the latter half, however, property stocks suffered from bouts of volatility amid a raft of worries, ranging from apprehension over rising interest rates in the United States, inflation fears arising from accelerating energy prices after the US reneged on the Iran nuclear deal, but most of all, an escalating trade tussle triggered by the Trump administration's broadside of tariffs aimed at both friend and foe alike.

On the political front, continuing uncertainty surrounding Brexit negotiations curbed risk appetite. Prime Minister Theresa May failed in her attempt to unite a fractious cabinet, even as European negotiators grew increasingly impatient with the UK's disjointed approach to the talks with Brussels. Meanwhile, the lack of clarity over the future shape of trade relations with Europe has prompted UK-based financial institutions to start establishing hubs in the Continent.

In the UK physical property market, industrial properties remained the consistent outperformers, supported by rising demand and rents, in particular due to the ongoing shift towards online shopping. The flip side of this structural shift has been pressure on traditional store-based retailers, trading for whom was further depressed by pressure on the UK consumer, due to inflation running ahead of wage growth. These forces combined to push a number of retailers into administration. Consequently, we are now in a period of falling rents and capital values for retail property in the UK. In the office sector, the crucial London market has seen continued above average take-up levels by tenants but with a softening in rents for secondary properties, while values have also tracked sideways despite continued demand from overseas buyers.

Portfolio review

For the year under review, the Fund outpaced its benchmark. The combination of stock picking within the sector, together with our use of the Fund's flexibility to invest overseas and also in UK stocks not classified as property but offering attractive property exposure all contributed positively to Fund performance. The Fund can invest up to 20% in overseas-listed securities and continues to maximise most of that flexibility.

Stock picks in this area included a number of good performers, including Swedish diversified landlord Castellum and German residential owners, Deutsche Wohnen and LEG Immobilien. The Fund also holds Unibail-Rodamco-Westfield, an owner and developer of prime shopping malls around the world, and this position detracted from Fund performance but this should be viewed in the context of the Fund being very underweight to retail properties, with this conservative positioning overall generating a substantial part of the Fund's outperformance over the year.

UK holdings not classified as property yet offering attractive property exposure contributed to performance. Notably, hotel chain Millennium & Copthorne Hotels and online residential portal Rightmove both saw significant share-price appreciation due in part to M&A speculation. Stock picking within the UK benchmark also aided, in large part due to the Fund's limited exposure to the retail segment, particularly not holding Intu Properties and NewRiver.

The Fund's top-ten holdings also include a number of attractive mid-cap sized specialists, with Workspace, an owner of flexible office space in London, and student-accommodation owner UNITE, both delivering solid returns for the Fund.

On the flip side, the holding in healthcare property specialist Assura detracted from performance, with its two large equity raises in 2017 - to finance expansion of the business - proving hard for the market to digest. The outperformance of industrial owner and developer SEGRO also weighed on relative performance. Despite being one of the single largest holdings in the Fund, SEGRO has an even larger weight in the benchmark causing Fund performance to lag when it outperforms, as it did over the year, helped by healthy growth in net asset value buoyed by strong developer gains, as it capitalised on buoyant demand from tenants.

Key changes to the portfolio over the year included the introduction of two new holdings, A&J Mucklow and Safestore, and the exit of U+I. A&J Mucklow is a long-established REIT specialising in the ownership of industrial properties around Birmingham, with a family-run ethos and a conservative approach to risk-management, in particular as regards the use of financial leverage. Safestore is the UK's largest owner of self-storage properties, a segment of the market that we see as relatively attractive and its introduction complements the Fund's existing holding in Big Yellow, while also diversifying the Fund's storage exposure given Safestore's sizable exposure to the attractive Paris market. Meanwhile, U+I is a small-cap mixed-use developer which we sold following share price strength, leaving the risk-reward prospects looking more finely balanced.

Incremental changes included a number that were prompted by capital activity at each company. Hansteen sold the majority of its portfolio and conducted two large special returns of capital to shareholders and we allowed the position in the Fund to dilute, with the proceeds being recycled - in part - towards the introduction of A&J Mucklow and an increase in the holding in LondonMetric Properties, both helping to

Aberdeen Property Share Fund

maintain the Fund's overall level of industrial exposure. We also saw sizable property sales and capital returns from many of our London office holdings, Derwent London, Great Portland Estates, and Land Securities.

For all that, a number of holdings took advantage of buoyant market conditions to sell property, we also saw a number of holdings raise capital to finance expansion at relatively attractive rates of incremental return. These included equity raises by student-specialist UNITE, flexible-office provider Workspace, healthcare owner Assura, and German business-park landlord Sirius Real Estate, each of which we supported.

Outlook

Equity markets will likely remain volatile in the face of geopolitical news flow, whether that relates to the uncertainty of ongoing Brexit negotiations, the threat of trade wars by the United States, a backdrop of tighter rather than looser monetary policy, or the rise of populism destabilising politics in countries such as Spain and Italy.

Specific to the UK-listed property market, the weak health of the consumer - combined with technological change - looks set to maintain the current pressure on retail landlords, where we remain very conservative in the Fund's positioning. To a lesser degree, the outlook for the large London office market is also uncertain, with rents and capital values trending sideways and possibly starting to soften. Despite this, a number of the companies exposed to that market outperformed last year prompting us to pare back some of those positions. Thankfully, there are still myriads of companies in the listed property market that offer relatively attractive medium-term fundamentals, including those exposed to segments, such as industrial, student, healthcare, and self-storage. The overall resilience of the Fund's holdings is illustrated by the fact that their latest results showed, on average, high single digit growth in net-asset-values and dividends. Our expectation is that, in most cases, further growth in both can be maintained, albeit at a possibly more modest pace.

There are listed property companies that we do not own offering the potential, but by no means has certainty, of higher shareholder returns than those offered by the companies this Fund invests in. But in most instances, our assessment is that that the extra returns on offer are insufficient to compensate for the extra risks, whether those be taking on negative structural change, such as that affecting many retail landlords, illiquidity risk that would make buying and selling the holding difficult, or where they are using what we consider to be imprudent levels of financial or developmental risk to deliver those returns.

Instead we are sticking with our proven process and track-record, to offer clients liquid and sensibly diversified exposure to a range of robust UK property stocks, allied with our continued use of the Fund's flexibility to include a selection of stocks from overseas and those not classified as property stocks but which nonetheless bring attractive property exposure.

UK Equity Team **August 2018**

Aberdeen Property Share Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Specialist sector: The Fund invests in a specialist sector and it will not perform in line with funds that have a broader investment policy.
- Concentrated portfolio: The Fund may hold a limited number of investments. If one of these investments declines in value this can have a greater impact on the Fund's value than if it held a larger number of investments.
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

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Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	114.07	102.34	109.03
Return before operating charges*	13.96	13.42	(5.01)
Operating charges	(1.93)	(1.69)	(1.68)
Return after operating charges*	12.03	11.73	(6.69)
Distributions on accumulation shares	(1.96)	(1.98)	(1.27)
Retained distributions on accumulation shares	1.96	1.98	1.27
Closing net asset value per share	126.10	114.07	102.34
* after direct transaction costs of:	0.01	-	0.12
Performance			
Return after charges	10.55%	11.46%	(6.14%)
Other information			
Closing net asset value (£'000s)	104,437	104,348	115,170
Closing number of shares	82,818,208	91,477,212	112,537,137
Operating charges	1.61%	1.61%	1.61%
Direct transaction costs	0.01%	-	0.12%
Prices			
Highest share price (pence)	127.67	115.16	112.20
Lowest share price (pence)	112.71	95.49	90.36

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

Aberdeen Property Share Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	192.05	171.55	181.37
Return before operating charges*	22.54	22.02	(8.33)
Operating charges	(1.74)	(1.52)	(1.49)
Return after operating charges*	20.80	20.50	(9.82)
Distributions on accumulation shares	(4.04)	(4.05)	(3.46)
Retained distributions on accumulation shares	4.04	4.05	3.46
Closing net asset value per share	212.85	192.05	171.55
* after direct transaction costs of:	0.03	-	0.20
Performance			
Return after charges	10.83%	11.95%	(5.41%)
Other information			
Closing net asset value (£'000s)	305,616	239,214	250,180
Closing number of shares	143,582,729	124,558,407	145,836,360
Operating charges	0.86%	0.86%	0.86%
Direct transaction costs	0.01%	-	0.12%
Prices			
Highest share price (pence)	215.21	193.75	186.72
Lowest share price (pence)	189.58	160.41	151.13

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

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K Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	112.80	100.70	100.00[B]
Return before operating charges*	13.23	12.94	1.47
Operating charges	(0.94)	(0.84)	(0.77)
Return after operating charges*	12.29	12.10	0.70
Distributions on accumulation shares	(2.45)	(2.46)	(0.93)
Retained distributions on accumulation shares	2.45	2.46	0.93
Closing net asset value per share	125.09	112.80	100.70
* after direct transaction costs of:	0.01	-	0.11
Performance			
Return after charges	10.90%	12.02%	0.70%
Other information			
Closing net asset value (£'000s)	11,450	4,698	233
Closing number of shares	9,153,552	4,165,506	231,505
Operating charges	0.79%	0.79%	0.79%
Direct transaction costs	0.01%	-	0.12%
Prices			
Highest share price (pence)	126.46	113.79	105.55
Lowest share price (pence)	111.36	94.19	88.75

[A] K Accumulation share class launched on 23 March 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Property Share Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 97.23% (2017: 99.54%)					
Equities 97.23% (2017: 99.54%)					
France nil (2017: 5.75%)					
Germany 5.73% (2017: 5.24%)					
Deutsche Wohnen			335,352	12,492	2.97
LEG Immobilien∞			135,300	11,629	2.76
				24,121	**5.73**
Ireland 3.41% (2017: 2.93%)					
Cairn Homes			9,471,000	**14,362**	**3.41**
Netherlands 3.70% (2017: nil)					
Unibail-Rodamco-Westfield			92,500	**15,594**	**3.70**
Sweden 4.03% (2017: 4.92%)					
Castellum∞			604,000	8,322	1.97
Hufvudstaden 'A'∞			735,000	8,685	2.06
				17,007	**4.03**
Switzerland 1.42% (2017: 1.73%)					
PSP Swiss Property			83,500	**5,999**	**1.42**
United Kingdom 78.94% (2017: 78.97%)					
A&J Mucklow (REIT)			836,902	4,628	1.10
Assura (REIT)			44,130,034	24,978	5.93
Big Yellow (REIT)			1,727,000	16,432	3.90
British Land (REIT)			1,061,000	7,005	1.66
Daejan∞			119,194	7,271	1.72
Derwent London (REIT)			476,000	14,865	3.53
Fuller Smith & Turner			767,060	7,517	1.78
Grainger∞			2,637,000	8,080	1.92
Great Portland Estates (REIT)∞			1,445,000	10,345	2.45
Hammerson (REIT)			2,157,000	11,255	2.67
Hansteen (REIT)			5,361,772	5,898	1.40
Helical Bar			2,064,500	6,606	1.57
Land Securities			789,000	7,439	1.76
LondonMetric Property (REIT)			13,347,000	25,119	5.96
Millennium & Copthorne Hotels			1,918,000	9,974	2.37
Rightmove∞			304,000	14,808	3.51
Safestore (REIT)			2,296,300	12,859	3.05
Savills			744,000	6,592	1.56

Aberdeen Property Share Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
SEGRO (REIT)			3,836,000	25,509	6.06
Shaftesbury (REIT)∞			2,678,000	24,959	5.92
Sirius Real Estate			21,087,015	12,315	2.92
St Modwen Properties			4,108,100	16,638	3.95
UNITE			2,990,000	26,192	6.22
Workspace (REIT)			2,340,917	25,422	6.03
				332,706	**78.94**
Total Equities				**409,789**	**97.23**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**409,789**	**97.23**
Open Ended Investment Funds 0.36% (2017: 1.41%)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1†			1,536	**1,536**	**0.36**
Total Open Ended Investment Funds				**1,536**	**0.36**
Total investments				**411,325**	**97.59**
Other net assets				**10,178**	**2.41**
Total net assets				**421,503**	**100.00**

† Managed by subsidiaries of Standard Life Aberdeen plc.
∞ A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen Property Share Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	33,100	8.05	7.85

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Anheuser-Busch InBev	1,469	Equity	Main market listing	BNP Paribas
EADS	1,461	Equity	Main market listing	BNP Paribas
Terumo	1,442	Equity	Main market listing	BNP Paribas
Tokyo Electron	1,441	Equity	Main market listing	BNP Paribas
ING	1,404	Equity	Main market listing	BNP Paribas
Telefonica	1,399	Equity	Main market listing	BNP Paribas
CRH	1,368	Equity	Main market listing	BNP Paribas
Atos	1,336	Equity	Main market listing	BNP Paribas
Accor	1,320	Equity	Main market listing	BNP Paribas
SAP	1,248	Equity	Main market listing	BNP Paribas
Other Equity	22,651	Equity	Main market listing	BNP Paribas
Other Government Bond	362	Government Bond	Investment grade	BNP Paribas
Total collateral received	**36,901**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	36,901	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	577
CAD	758
CHF	37
DKK	15
EUR	14,681
GBP	6,177
JPY	13,235
SEK	15
USD	1,406
Total collateral received	**36,901**

Aberdeen Property Share Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
NATIXIS	25,895	France	Tri-party
JPM Chase	3,269	United States	Tri-party
Bank of Nova Scotia	2,952	Canada	Tri-party
Citigroup	512	United States	Tri-party
BNP Paribas	472	France	Tri-party
Total market value of securities lending	**33,100**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
	15	348	36,538	**36,901**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
	-	-	33,100	**33,100**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	23	125.00
Direct operational costs (securities lending agent costs)	(5)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(5)	(25.00)
Net return	**18**	**100.00**

Aberdeen Property Share Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		31,503		30,524
Revenue	2	11,629		11,273	
Expenses	3	(4,060)		(3,789)	
Net revenue before taxation		7,569		7,484	
Taxation	4	(167)		(130)	
Net revenue after taxation			7,402		7,354
Total return before distributions			**38,905**		**37,878**
Distributions	5		(7,407)		(7,354)
Change in net assets attributable to shareholders from investment activities			**31,498**		**30,524**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**348,260**		**365,583**
Amounts receivable on issue of shares	102,833		33,648	
Amounts payable on cancellation of shares	(68,988)		(88,810)	
		33,845		(55,162)
Dilution adjustment		358		246
Change in net assets attributable to shareholders from investment activities		31,498		30,524
Retained distributions on accumulation shares		7,542		7,069
Closing net assets attributable to shareholders		**421,503**		**348,260**

Aberdeen Property Share Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		411,325	351,558
Current assets:			
Debtors	6	8,742	3,523
Cash and bank balances		1,978	1,707
Total assets		**422,045**	**356,788**
Liabilities:			
Creditors:			
Other creditors	7	542	8,528
Total liabilities		**542**	**8,528**
Net assets attributable to shareholders		**421,503**	**348,260**

Aberdeen Property Share Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	31,435	30,645
Other currency gains/(losses)	68	(121)
Net capital gains	**31,503**	**30,524**

2. Revenue

	2018 £'000	2017 £'000
UK dividends	1,478	1,958
Distributions from collective investment schemes:		
Offshore distributions - taxable	30	1
UK REITs PID Income	4,296	4,701
UK REITs non PID Income	1,280	1,911
Overseas dividends	2,337	2,187
Stock dividends	2,187	500
Stock lending commission	18	13
Bank interest	3	2
Total revenue	**11,629**	**11,273**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	3,654	3,407
Operating, administrative and servicing fees	406	382
Total expenses	**4,060**	**3,789**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	167	130
Current tax charge	**167**	**130**
Total taxation	**167**	**130**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	7,569	7,484
Corporation tax at 20% (2017 - 20%)	1,514	1,497
Effects of:		
UK dividends*	(701)	(822)
Non-taxable overseas dividends*	(567)	(438)
Excess management expenses	(246)	(237)
Irrecoverable overseas withholding tax	167	130
Total taxation	**167**	**130**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £3,566,000 (2017 - £3,812,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
Interim	1,850	1,512
Final	5,692	5,557
	7,542	7,069
Add: Revenue deducted on cancellation of shares	341	475
Deduct: Revenue received on issue of shares	(476)	(190)
Distributions for the year	**7,407**	**7,354**
Total distributions	**7,407**	**7,354**

Details of the distribution per share are set out in the distribution tables on page 556.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	7,402	7,354
Add:		
Movement between share classes due to conversions	5	-
Distributions	**7,407**	**7,354**

Aberdeen Property Share Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	834	641
Amounts receivable for issue of shares	7,390	13
Overseas withholding tax reclaimable	39	27
Sales awaiting settlement	378	2,086
Currency transactions awaiting settlement	-	681
Other debtor	39	14
Tax reclaimable	62	61
Total debtors	**8,742**	**3,523**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	366	321
Amounts payable for cancellation of shares	176	6,827
Purchases awaiting settlement	-	700
Currency transactions awaiting settlement	-	680
Total other creditors	**542**	**8,528**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 546. £6,882,000 was due from the ACD (2017 - £7,102,000 due to the ACD) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £1,536,000 (2017 - £4,897,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 0.75%
Class 'K': 0.675%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 539 to 541. The distribution per share class is given in the distribution tables on page 556. All share classes have the same rights on winding up.

Aberdeen Property Share Fund

Share reconciliation
As at 31 July 2018

	A Accumulation shares	I Accumulation shares	K Accumulation shares
Opening number of shares	91,477,212	124,558,407	4,165,506
Creations during the year	6,009,900	42,577,500	8,874,800
Cancellations during the year	(10,877,300)	(25,716,600)	(4,036,500)
Shares converted during the year	(3,791,604)	2,163,422	149,746
Closing shares in issue	**82,818,208**	**143,582,729**	**9,153,552**

10. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

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Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Bank of Nova Scotia	2,952	3,264	Equity
BNP Paribas	472	525	Equity
Citigroup	443	490	Equity
Citigroup	69	73	Government Bond
JPM Chase	2,997	3,363	Equity
JPM Chase	272	290	Government Bond
NATIXIS	25,895	28,896	Equity
Total	**33,100**	**36,901**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	23	5	18

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
NATIXIS	12,115	13,427	Equity
NATIXIS	6	6	Government Bond
Total	**12,121**	**13,433**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	16	3	13

11. Risk management policies and disclosures

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Euro	39	54,077	54,116
Pound Sterling	10,139	334,242	344,381
Swedish Krona	-	17,007	17,007
Swiss Franc	-	5,999	5,999
Net assets	**10,178**	**411,325**	**421,503**

Aberdeen Property Share Fund

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Euro	27	48,497	48,524
Pound Sterling	(3,325)	279,907	276,582
Swedish Krona	-	17,135	17,135
Swiss Franc	-	6,019	6,019
Net assets	**(3,298)**	**351,558**	**348,260**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £7,712,000 (2017 - £7,168,000).

Interest rate risk profile of financial assets and financial liabilities
The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £20,566,000 (2017 - £17,578,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives
The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	542	-	-	542
Total financial liabilities	**-**	**542**	**-**	**-**	**542**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	8,528	-	-	8,528
Total financial liabilities	**-**	**8,528**	**-**	**-**	**8,528**

Aberdeen Property Share Fund

12. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Collective Investment Schemes	98,978	13,980	102,339	9,083
Equities	87,921	29,942	45,349	69,138
Trades in the year before transactions costs	**186,899**	**43,922**	**147,688**	**78,221**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	39	12	(30)	(36)
Total commissions	**39**	**12**	**(30)**	**(36)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	330	59	-	-
Total taxes	**330**	**59**	**-**	**-**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	7	2	-	-
Total other expenses	**7**	**2**	**-**	**-**
Total transaction costs	**376**	**73**	**(30)**	**(36)**
Total net trades in the year after transaction costs	**187,275**	**43,995**	**147,658**	**78,185**

	Purchases		Sales	
	2018 %	2017 %	2018 %	2017 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.05	0.04	0.07	0.05
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	0.38	0.20	-	-
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	0.01	0.01	-	-

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.02	0.01
Taxes	0.09	0.02
Other expenses	-	-
Total costs	**0.11**	**0.03**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Aberdeen Property Share Fund

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £13,475,000 in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.05% (2017 - 0.25%).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	409,789	-	346,661	-
Level 2	1,536	-	4,897	-
Level 3	-	-	-	-
Total	**411,325**	**-**	**351,558**	**-**

Aberdeen Property Share Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.33214	-	0.33214	0.21820
Group 2	-	0.33214	0.33214	0.21820
I Accumulation shares				
Group 1	1.13139	-	1.13139	0.94796
Group 2	0.46510	0.66629	1.13139	0.94796
K Accumulation shares				
Group 1	0.70233	-	0.70233	0.60271
Group 2	0.39339	0.30894	0.70233	0.60271

Final dividend distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	1.63157	-	1.63157	1.75988
Group 2	0.80450	0.82707	1.63157	1.75988
I Accumulation shares				
Group 1	2.91173	-	2.91173	3.10679
Group 2	1.66819	1.24354	2.91173	3.10679
K Accumulation shares				
Group 1	1.75064	-	1.75064	1.85513
Group 2	1.03717	0.71347	1.75064	1.85513

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

Aberdeen Responsible UK Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund seeks long term growth by investing in a diversified portfolio of UK companies. Equity selection will be undertaken on the basis of thorough fundamental company analysis but environment, social and governance criteria will also be taken into account. Where an investee company's practices are considered to be lacking or deficient with regard to these criteria, the manager will encourage the company to adopt more responsible practices.

Performance review

For the year ended 31 July 2018, the value of Aberdeen Responsible UK Equity Fund – A Accumulation Shares increased by 10.85% compared to an increase of 9.15% in the benchmark, the FTSE All Share Index.

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

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

Market review

UK equities rose in the year under review that was characterised by two very distinct halves. In the initial six months, share prices rose in tandem with the broader market in a synchronised global economic upswing. In the latter half, however, property stocks suffered from bouts of volatility amid a raft of worries, ranging from apprehension over rising interest rates in the United States, inflation fears arising from accelerating energy prices after the US reneged on the Iran nuclear deal, but most of all, an escalating trade tussle triggered by the Trump administration's broadside of tariffs aimed at both friend and foe alike.

On the political front, continuing uncertainty surrounding Brexit negotiations curbed risk appetite. Prime Minister Theresa May failed in her attempt to unite a fractious cabinet, even as European negotiators grew increasingly impatient with the UK's disjointed approach to the talks with Brussels.

Portfolio review

A key contributor to the Fund's outperformance was UK engineering software developer Aveva, as the market continued to warm to the corporate combination with Schneider Software and the potential synergy benefits from the transaction. Also benefiting the Fund was Rotork, amid expectations of an improvement in its key end-markets, as well as the appointment of a new CEO. Last, Intertek's shares were lifted by its upbeat results that demonstrated a visible improvement in organic growth with an unexpected acceleration at the product division.

Capping gains were an underweight to Royal Dutch Shell and a lack of exposure to BP, as their share prices did well amid the rising oil price. Another key detractor was Provident Financial, whose shares suffered after it issued a profit warning last August when it faced operational issues associated with implementation of a new working model in the company's home-credit business. We had divested our holding in the company in the first half.

In addition to the portfolio changes already mentioned in the first-half review, we sold Aggreko, Bunzl, Dignity, GlaxoSmithKline, Inchcape, Pearson, RPC, Sage, and Whitbread in favour of better opportunities elsewhere and to improve the overall quality of the portfolio.

Against this, we introduced online retailer boohoo.com, which we found compelling because of its low-cost, own-brand proposition and significant growth potential; along with premium tonic maker Fever-Tree because of its compelling investment case: it has a solid first-mover advantage; high barriers to entry; and significant untapped growth opportunities, particularly as it focuses on its US expansion. Other new holdings included the London Stock Exchange at an attractive valuation, as its business has evolved into one with particularly high barriers of entry, particularly in its dominant clearing and data businesses; and Rentokil Initial for its strong business model and innovative product pipeline that presents an attractive growth and returns profile. We also like it for its predominant exposure to the stable, high-margin pest-control industry, where it dominates in the majority of its markets, coupled with its exposure to emerging markets. We also established a position in UK fashion brand Burberry, given its significant potential, as it migrates the brand further into the luxury goods segment under the leadership of its new CEO.

Outlook

Looking ahead, the UK stock market is likely to continue to face a fair amount of volatility amid a raft of worries, including the fallout of the escalating US-China trade tussle, a faster pace of monetary policy normalisation by the US Federal Reserve, as well as rising energy prices and its impact on inflationary pressures. However, we remain confident in our holdings. In the near term, financing conditions remain largely conducive to continued growth, with real rates still negative across developed markets, while unemployment levels are at record lows.

In the recent results season, earnings at an aggregate level have proven resilient against factors, such as rising input costs and heightened competition, while profit forecasts have been largely upbeat. We think this is a consequence of our holdings' pricing power, robust customer relationships and diversified earnings streams – both by geography and product. Meanwhile, companies should be able to absorb some of the cost pressures they might face in the months ahead. Overall, we believe that we hold some of the best quality names in Britain: they have good track records of being able to weather the more challenging times and ultimately, will prosper over the long term.

UK Equity Team **August 2018**

Aberdeen Responsible UK Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Responsible UK Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	176.06	153.99	145.23
Return before operating charges*	22.35	24.79	10.99
Operating charges	(2.96)	(2.72)	(2.23)
Return after operating charges*	19.39	22.07	8.76
Distributions on accumulation shares	(1.75)	(2.42)	(2.65)
Retained distributions on accumulation shares	1.75	2.42	2.65
Closing net asset value per share	195.45	176.06	153.99
* after direct transaction costs of:	0.28	0.14	0.22
Performance			
Return after charges	11.01%	14.33%	6.03%
Other information			
Closing net asset value (£'000s)	19,632	18,570	16,490
Closing number of shares	10,044,508	10,547,422	10,708,195
Operating charges	1.63%	1.64%	1.64%
Direct transaction costs	0.15%	0.08%	0.16%
Prices			
Highest share price (pence)	196.09	180.01	155.17
Lowest share price (pence)	170.94	151.72	119.27

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

Aberdeen Responsible UK Equity Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	140.11	124.29	119.38
Return before operating charges*	17.75	19.96	8.90
Operating charges	(2.34)	(2.19)	(1.82)
Return after operating charges*	15.41	17.77	7.08
Distributions on income shares	(1.39)	(1.95)	(2.17)
Closing net asset value per share	154.13	140.11	124.29
* after direct transaction costs of:	0.22	0.11	0.18
Performance			
Return after charges	11.00%	14.30%	5.93%
Other information			
Closing net asset value (£'000s)	75	216	202
Closing number of shares	48,494	154,298	162,198
Operating charges	1.63%	1.64%	1.64%
Direct transaction costs	0.15%	0.08%	0.16%
Prices			
Highest share price (pence)	155.72	144.75	126.78
Lowest share price (pence)	135.74	122.43	97.43

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

Aberdeen Responsible UK Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	151.47	131.50	123.08
Return before operating charges*	19.32	21.24	9.45
Operating charges	(1.38)	(1.27)	(1.03)
Return after operating charges*	17.94	19.97	8.42
Distributions on accumulation shares	(2.68)	(3.14)	(3.14)
Retained distributions on accumulation shares	2.68	3.14	3.14
Closing net asset value per share	169.41	151.47	131.50
* after direct transaction costs of:	0.24	0.12	0.19
Performance			
Return after charges	11.84%	15.19%	6.84%
Other information			
Closing net asset value (£'000s)	5,478	4,677	3,314
Closing number of shares	3,233,495	3,087,929	2,520,502
Operating charges	0.88%	0.89%	0.89%
Direct transaction costs	0.15%	0.08%	0.16%
Prices			
Highest share price (pence)	169.95	154.68	132.49
Lowest share price (pence)	147.81	129.56	101.49

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

Aberdeen Responsible UK Equity Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	134.31	119.13	114.40
Return before operating charges*	17.07	19.15	8.57
Operating charges	(1.22)	(1.14)	(0.94)
Return after operating charges*	15.85	18.01	7.63
Distributions on income shares	(2.37)	(2.83)	(2.90)
Closing net asset value per share	147.79	134.31	119.13
* after direct transaction costs of:	0.21	0.11	0.17
Performance			
Return after charges	11.80%	15.12%	6.67%
Other information			
Closing net asset value (£'000s)	908	566	520
Closing number of shares	614,229	421,242	436,642
Operating charges	0.88%	0.89%	0.89%
Direct transaction costs	0.15%	0.08%	0.16%
Prices			
Highest share price (pence)	149.81	139.10	121.92
Lowest share price (pence)	130.31	117.36	93.38

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

Aberdeen Responsible UK Equity Fund

Z Income shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	215.20	190.87	179.79
Return before operating charges*	19.54	30.87	13.54
Operating charges	(0.22)	(0.29)	(0.23)
Return after operating charges*	19.32	30.58	13.31
Distributions on income shares	(2.22)	(6.25)	(2.23)
Final cancellation price	(232.30)	-	-
Closing net asset value per share	-	215.20	190.87
* after direct transaction costs of:	0.34	0.17	0.26
Performance			
Return after charges	8.98%	16.02%	7.40%
Other information			
Closing net asset value (£'000s)	-	1	1
Closing number of shares	-	471	571
Operating charges	0.13%	0.14%	0.14%
Direct transaction costs	0.15%	0.08%	0.16%
Prices			
Highest share price (pence)	232.30	223.49	192.29
Lowest share price (pence)	209.09	188.06	146.78

[A] Z Income share class closed on 11 May 2018.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Responsible UK Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 98.24% (2017: 95.54%)					
Equities 98.24% (2017: 95.54%)					
Basic Materials 9.93% (2017: 9.22%)					
Chemicals 5.51% (2017: 4.24%)					
Croda International			16,800	864	3.31
Victrex			18,200	574	2.20
				1,438	**5.51**
Mining 4.42% (2017: 4.98%)					
BHP Billiton			34,100	598	2.30
Rio Tinto			13,200	554	2.12
				1,152	**4.42**
Total Basic Materials				**2,590**	**9.93**
Consumer Goods 10.05% (2017: 9.35%)					
Beverages 1.25% (2017: nil)					
Fever-Tree			9,500	**327**	**1.25**
Food Producers 1.50% (2017: 2.04%)					
Associated British Foods			15,900	**390**	**1.50**
Personal Goods 7.30% (2017: 7.31%)					
Burberry			11,900	251	0.96
PZ Cussons			121,200	282	1.08
Unilever			31,500	1,373	5.26
				1,906	**7.30**
Total Consumer Goods				**2,623**	**10.05**
Consumer Services 17.42% (2017: 14.79%)					
General Retailers 4.18% (2017: 4.08%)					
boohoo.com			257,100	517	1.98
Just Eat			72,200	573	2.20
				1,090	**4.18**
Media 7.28% (2017: 4.47%)					
Euromoney Institutional Investor			43,200	587	2.25
RELX			47,200	784	3.00
Rightmove			10,900	531	2.03
				1,902	**7.28**

Aberdeen Responsible UK Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Travel & Leisure 5.96% (2017: 6.24%)					
Compass			60,900	999	3.83
InterContinental Hotels			11,800	555	2.13
				1,554	**5.96**
Total Consumer Services				**4,546**	**17.42**
Financials 15.90% (2017: 13.22%)					
Banks 2.92% (2017: 3.59%)					
Standard Chartered			110,700	**762**	**2.92**
Financial Services 6.84% (2017: 5.48%)					
Close Brothers			51,800	822	3.15
London Stock Exchange			11,800	519	1.99
Schroders (non voting)			18,700	444	1.70
				1,785	**6.84**
Life Insurance 3.94% (2017: 4.15%)					
Prudential			57,000	**1,029**	**3.94**
Nonlife Insurance 2.20% (2017: nil)					
Hiscox			35,900	**574**	**2.20**
Total Financials				**4,150**	**15.90**
Health Care 11.63% (2017: 8.13%)					
Pharmaceuticals & Biotechnology 11.63% (2017: 8.13%)					
Abcam			45,900	678	2.60
AstraZeneca			11,860	696	2.67
BTG			73,100	388	1.49
Dechra Pharmaceuticals			23,442	700	2.67
Genus			20,000	574	2.20
				3,036	**11.63**
Total Health Care				**3,036**	**11.63**
Industrials 25.94% (2017: 30.26%)					
Electronic & Electrical Equipment 1.71% (2017: 2.44%)					
Oxford Instruments			46,800	**446**	**1.71**
General Industrials nil (2017: 3.15%)					
Industrial Engineering 11.08% (2017: 9.37%)					
Bodycote			27,000	270	1.03
Melrose Industries			280,700	606	2.32

Aberdeen Responsible UK Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Rotork			197,100	709	2.72
Spirax-Sarco Engineering			11,800	820	3.15
Weir			24,913	485	1.86
				2,890	**11.08**
Industrial Transportation 1.78% (2017: 2.51%)					
BBA Aviation			132,700	**464**	**1.78**
Support Services 11.37% (2017: 12.79%)					
Experian			50,900	954	3.67
Intertek			14,000	823	3.16
Rentokil Initial∞			222,500	755	2.89
Smart Metering Systems∞			68,759	432	1.65
				2,964	**11.37**
Total Industrials				**6,764**	**25.94**
Oil & Gas 3.74% (2017: 4.71%)					
Oil & Gas Producers 2.04% (2017: 2.91%)					
Royal Dutch Shell 'B'			20,000	**534**	**2.04**
Oil Equipment, Services & Distribution 1.70% (2017: 1.80%)					
John Wood Group			68,100	**443**	**1.70**
Total Oil & Gas				**977**	**3.74**
Technology 3.63% (2017: 5.86%)					
Software & Computer Services 3.63% (2017: 5.86%)					
Aveva			36,000	**947**	**3.63**
Total Technology				**947**	**3.63**
Total Equities				**25,633**	**98.24**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**25,633**	**98.24**
Open Ended Investment Funds 1.36% (2017: 4.25%)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1†			356	**356**	**1.36**
Total Open Ended Investment Funds				**356**	**1.36**
Total investments				**25,989**	**99.60**
Other net assets				**104**	**0.40**
Total net assets				**26,093**	**100.00**

† Managed by subsidiaries of Standard Life Aberdeen plc.
∞ A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen Responsible UK Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	428	1.65	1.64

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
France (Government of)	161	Government Bond	Investment grade	BNP Paribas
Canada (Government of)	118	Government Bond	Investment grade	BNP Paribas
UK Treasury	99	Government Bond	Investment grade	BNP Paribas
Austria (Republic of)	81	Government Bond	Investment grade	BNP Paribas
Total collateral received	**459**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	459	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
CAD	118
EUR	242
GBP	99
Total collateral received	**459**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Credit Suisse	428	Switzerland	Tri-party
Total market value of securities lending	**428**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	459	-	**459**

Aberdeen Responsible UK Equity Fund

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	428	**428**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	4	125.00
Direct operational costs (securities lending agent costs)	(1)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(1)	(25.00)
Net return	**3**	**100.00**

Aberdeen Responsible UK Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		2,494		2,670
Revenue	2	678		698	
Expenses	3	(371)		(333)	
Net revenue before taxation		307		365	
	4	(2)		(2)	
Net revenue after taxation			305		363
Total return before distributions			**2,799**		**3,033**
Distributions	5		(305)		(364)
Change in net assets attributable to shareholders from investment activities			**2,494**		**2,669**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**24,030**		**20,527**
Amounts receivable on issue of shares	3,690		1,627	
Amounts payable on cancellation of shares	(4,408)		(1,146)	
		(718)		481
Dilution adjustment		13		-
Change in net assets attributable to shareholders from investment activities		2,494		2,669
Retained distributions on accumulation shares		274		353
Closing net assets attributable to shareholders		**26,093**		**24,030**

Aberdeen Responsible UK Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		25,989	23,981
Current assets:			
Debtors	6	41	32
Cash and bank balances		111	66
Total assets		**26,141**	**24,079**
Liabilities:			
Creditors:			
Other creditors	7	38	39
Distribution payable		10	10
Total liabilities		**48**	**49**
Net assets attributable to shareholders		**26,093**	**24,030**

Aberdeen Responsible UK Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital gains**

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	2,494	2,660
Class actions	-	10
Net capital gains	**2,494**	**2,670**

2. **Revenue**

	2018 £'000	2017 £'000
UK dividends	634	653
Distributions from collective investment schemes:		
Offshore distributions - taxable	3	-
Overseas dividends	27	16
Underwriting commission	-	5
Stock dividends	11	23
Stock lending commission	3	1
Total revenue	**678**	**698**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	337	302
Operating, administrative and servicing fees	34	31
Total expenses	**371**	**333**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. **Taxation**

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	2	2
Current tax charge	**2**	**2**
Total taxation	**2**	**2**

Aberdeen Responsible UK Equity Fund

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	307	365
Corporation tax at 20% (2017 - 20%)	61	73
Effects of:		
UK dividends*	(129)	(135)
Non-taxable overseas dividends*	(5)	(3)
Excess management expenses	73	65
Irrecoverable overseas withholding tax	2	2
Total taxation	**2**	**2**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £578,000 (2017 - £505,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
Interim	85	100
Final	204	267
	289	367
Add: Revenue deducted on cancellation of shares	39	8
Deduct: Revenue received on issue of shares	(23)	(11)
Distributions for the year	**305**	**364**
Total distributions	**305**	**364**

Details of the distribution per share are set out in the distribution tables on page 579.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	305	363
Add:		
Movement between share classes due to conversions	-	1
Distributions	**305**	**364**

Aberdeen Responsible UK Equity Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	15	27
Amounts receivable for issue of shares	26	3
Overseas withholding tax reclaimable	-	2
Total debtors	**41**	**32**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	33	30
Amounts payable for cancellation of shares	1	3
Purchases awaiting settlement	4	6
Total other creditors	**38**	**39**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 569. £5,000 was due to the ACD (2017 - £27,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £356,000 (2017 - £1,021,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. Material shareholders

ReAssure Ltd held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 72% of the Fund's shares in issue.

10. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.50%
Class 'I': 0.75%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 559 to 563. The distribution per share class is given in the distribution tables on page 579. All share classes have the same rights on winding up.

Aberdeen Responsible UK Equity Fund

Share reconciliation
As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	10,547,422	154,298	3,087,929	421,242
Creations during the year	20,800	10,700	2,106,400	253,000
Cancellations during the year	(495,400)	(38,800)	(1,993,700)	(141,000)
Shares converted during the year	(28,314)	(77,704)	32,866	80,987
Closing shares in issue	**10,044,508**	**48,494**	**3,233,495**	**614,229**

	Z Income shares
Opening number of shares	471
Creations during the year	-
Cancellations during the year	(471)
Shares converted during the year	-
Closing shares in issue	**-**

11. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Credit Suisse	428	459	Government Bond
Total	**428**	**459**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	4	1	3

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
JPM Chase	482	535	Equity
NATIXIS	416	463	Equity
Total	**898**	**998**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	1	-	1

12. Risk management policies and disclosures

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £1,299,000 (2017 - £1,199,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Aberdeen Responsible UK Equity Fund

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	38	-	-	38
Distribution payable	-	10	-	-	10
Total financial liabilities	**-**	**48**	**-**	**-**	**48**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	39	-	-	39
Distribution payable	-	10	-	-	10
Total financial liabilities	**-**	**49**	**-**	**-**	**49**

13. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Collective Investment Schemes	5,484	1,665	6,149	644
Equities	11,329	3,745	10,944	3,545
Trades in the year before transactions costs	**16,813**	**5,410**	**17,093**	**4,189**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	5	2	(4)	(1)
Total commissions	**5**	**2**	**(4)**	**(1)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	44	16	-	-
Total taxes	**44**	**16**	**-**	**-**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**49**	**18**	**(4)**	**(1)**
Total net trades in the year after transaction costs	**16,862**	**5,428**	**17,089**	**4,188**

Aberdeen Responsible UK Equity Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.04	0.05	0.04	0.03
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	0.39	0.43	-	-
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.03	0.01
Taxes	0.17	0.07
Other expenses	-	-
Total costs	**0.20**	**0.08**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions of £271,000 (net sales) in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.10% (2017 - 0.09%).

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Aberdeen Responsible UK Equity Fund

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	25,633	-	22,960	-
Level 2	356	-	1,021	-
Level 3	-	-	-	-
Total	**25,989**	**-**	**23,981**	**-**

Aberdeen Responsible UK Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.38890	-	0.38890	0.60318
Group 2	-	0.38890	0.38890	0.60318
A Income shares				
Group 1	0.30949	-	0.30949	0.48683
Group 2	-	0.30949	0.30949	0.48683
I Accumulation shares				
Group 1	0.92073	-	0.92073	1.02561
Group 2	0.08363	0.83710	0.92073	1.02561
I Income shares				
Group 1	0.81647	-	0.81647	0.92917
Group 2	0.05895	0.75752	0.81647	0.92917
Z Income shares				
Group 1	2.21632	-	2.21632	2.32378
Group 2	2.21632	-	2.21632	2.32378

Final dividend distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	1.35778	-	1.35778	1.81982
Group 2	0.92263	0.43515	1.35778	1.81982
A Income shares				
Group 1	1.07821	-	1.07821	1.46335
Group 2	-	1.07821	1.07821	1.46335
I Accumulation shares				
Group 1	1.76420	-	1.76420	2.11237
Group 2	0.48632	1.27788	1.76420	2.11237
I Income shares				
Group 1	1.55519	-	1.55519	1.89962
Group 2	0.40886	1.14633	1.55519	1.89962
Z Income shares				
Group 1	-	-	-	3.92951
Group 2	-	-	-	3.92951

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

Aberdeen Sterling Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Sterling-denominated Debt and debt-related securities issued by the UK government, other governments, public bodies and supra-national issuers, and Investment grade corporate Debt and debt-related securities.

The Fund may also invest in other transferable securities, including Investment grade and sub-Investment grade Debt and debt-related securities denominated in any currency, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Performance review

For the year ended 31 July 2018, the value of Aberdeen Sterling Bond Fund – A Accumulation Shares decreased by 0.10% compared to an increase of 0.96% in the benchmark, the iBoxx Sterling Index.

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

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

Market review

Investors in UK government bonds experienced a roller-coaster ride in the year to 31 July. The yield on the 10-year benchmark gilt started the review period at 1.28% and touched a low of 1.02%, and a high of 1.52% before ending the review period at 1.33%. The Fund return after fees and tax was -0.1%

US tensions with North Korea escalated in the summer of 2017, sparking risk-off moves with 'safe' assets rising in price, while assets perceived as risky sold off. At its September meeting, the Bank of England's (BoE) Monetary Policy Committee (MPC) shifted to a hawkish stance, indicating that it would raise interest rates. The market reacted by pricing imminent rate hikes into the yield curve. November brought an increase in the official bank rate, its first rise since 2017.

Global equity markets were strong at the beginning of 2018, helping to prompt a sell-off in government bonds; the yield on the 10-year US Treasury rose to 2.70% in January, its highest since 2014. In the UK market, accompanied by optimistic Brexit headlines, the 10-year gilt yield also moved higher. The start of February brought a return to market volatility. An escalation of trade concerns, the strengthening US dollar and worries about Italian politics were the dominating stories between April and June, unnerving risk markets. Communications from the BoE caused confusion; having overtly shifted market rate pricing towards a series of likely rises through a hawkish stance based on supply side concerns, the MPC pulled back sharply from this stance in the face of weak first quarter GDP data. Subsequent communications from Governor Carney indicated a far less certain interest rate opinion, driving strong performance from gilts.

Moving to the end of the review period, investors focused on how Brexit discussions could evolve. Encouraging labour market data and robust retail spending provided signals that economic activity was only temporarily stalled by adverse weather in the first quarter, and markets became increasingly confident that the MPC would move interest rates higher in August. Nevertheless, UK yields outperformed their global peers as the aforementioned political uncertainty provided a more supportive tone to UK gilts early in the month, and yields initially fell on the aforementioned political malaise and global trade tariff concerns. However, bonds suffered a reversal towards month end as investors fretted over potential changes to Bank of Japan monetary policy.

Sterling corporate bonds underperformed UK government bonds. Credit started the review period positively, but from February 2018 spreads moved considerably wider, led by subordinated financials - which had been the outperformer to this point. Credit spreads continued to widen from April through to June as European politics caused some concerns – in particular the General Election in Italy. Sector-wise, both banks and insurers were among the weakest while safe haven sectors were stronger performers.

July was a positive month for global credit markets. Yield spreads between corporate bonds and government bonds tightened in Europe and the US, and also in the UK, albeit to a lesser extent. Early in the month, trade concerns pushed spreads wider, but positive US economic data throughout July illustrated how little impact the talk of tariff increases was having. Subordinated insurance bonds were particularly strong, and energy-related bonds performed well.

Portfolio review

Duration positions made a positive contribution to Fund performance. Early on, sharp moves lower in UK gilt yields following risk-off periods were used to build a short duration position. We took profits following the moves higher after September's MPC meeting, and added a tactical long duration position, as we thought the market moves were overdone. In March 2018 and April 2018 in response to international geopolitical risk-off moves, the Fund went short duration. These positions were closed in April and May as yields retraced higher. In mid-May we used the syndication of Gilt 2071s (an extension of the yield curve) to take the Fund long, and exited this position as yields fell on the back of Italian political issues. Then in the mid-June the Fund reset the short duration position, as again we felt the risk-off move was overdone.

The Fund went into the year holding a curve steepener in the ultra-long end of the curve, on the expectation that ultra-long nominal bonds would underperform relative to 30 year maturities, and this was closed in August for a profit. We initiated the same strategy in October, again closing for a profit in April. In May we added another curve flattening position, this time selling five-year gilts and buying 30-year gilts. The Fund then added a curve steepener position (selling 40-year and buying 30-year gilts).

The Fund entered the period holding Australian government bonds (selling gilts), on the basis that two central banks (Reserve Bank of Australia & BoE) were on divergent monetary policy paths. The Fund increased this position in December 2017, reducing it in April and July at a profit. We believe Australian government bonds will continue to outperform in the coming months. A currency position into US dollars (selling sterling) detracted from performance, and was closed in late January. Finally, the Fund opened positions in index-linked gilts in March and April. These positions were closed in May and June, adding to performance.

Aberdeen Sterling Bond Fund

The corporate bond portfolio modestly underperformed early on in the review period as spreads moved wider. Subordinated insurance exposure was reduced in August and we added to housing association exposure. An overweight in the lower parts of the financial capital structure also boosted relative performance. High yield spreads moved tighter in September, and the Fund's allocation to the Aberdeen European High Yield Fund and Aberdeen Strategic Bond Fund added to performance. At the end of August Fund duration was reduced, and further reduced to neutral in September after the Bank of England hinted at interest rate hikes.

From October through to December, bonds issued by banks and insurers outperformed materially. Bonds issued by insurance companies have benefited from a stronger regulatory regime and from improving financial markets. Some bonds were sold in the financial sectors following a period of strong performance, including bonds issued by Rabobank and Barclays. Purchases of new issues from SEGRO, Liberty Living and Severn Trent were notable.

Moving into the first quarter of 2018, financials ranked among the weakest performers. Residential mortgage-backed securities added performance, with their floating rate nature offsetting a rise in yields. Against that, Dignity Finance materially underperformed after a profits warning; ratings agency Standard & Poor's put the bonds on review towards the end of January, ultimately downgrading them by several notches in March. Between April and June, the "risk-off" environment exerted a negative impact on returns. While exposure to some of the higher risk (and therefore underperforming) regions such as Italy is light, overweight positions in some of the more volatile sectors such as financials detracted. Exposure in the Fund to AAA rated quasi-government agencies benefited the Fund. One of the issues which had previously damaged returns, Dignity Finance, performed well as trading recovered strongly in the first quarter.

During July, the Fund's overweight in higher-risk assets added value as corporate bonds rallied. For asset allocation, the largest contributors were the Fund's overweight position in subordinated insurance, and an underweight in water utilities. In terms of asset allocation, our US dollar energy positions boosted performance. Hybrid corporate securities also made a useful contribution.

Outlook

Following the recent rally in global yields, we still believe UK gilt yields have the ability to rise over the medium term. However, we are cognisant of both the global backdrop and Brexit negotiations. We believe Brexit negotiations present considerable risk. The elephant in the room is the Irish Border and the future customs relationship, and future political instability in the second half of 2018 cannot be ruled out. Key events are the Conservative Party Conference at the end of the September and the crucial EU Summit in mid-October. Given a fairly benign economic environment, corporate bond market levels appear attractive once again. Further volatility or well-priced new issuance is likely to provide an opportunity to add risk to Funds. Looking ahead, we will use any market rally to reduce some of the Fund's riskier positions such as subordinated insurance ahead of what we expect to be higher volatility in the next year or two.

Euro IG and Aggregate Team **August 2018**

Aberdeen Sterling Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Sterling Bond Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	155.63	158.24	143.63
Return before operating charges*	2.05	(0.83)	16.63
Operating charges	(1.76)	(1.78)	(1.75)
Return after operating charges*	0.29	(2.61)	14.88
Distributions on accumulation shares	(1.09)	(1.90)	(1.37)
Retained distributions on accumulation shares	1.09	1.90	1.10
Closing net asset value per share	155.92	155.63	158.24
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.19%	(1.65%)	10.36%
Other information			
Closing net asset value (£'000s)	6,386	8,307	10,084
Closing number of shares	4,095,511	5,337,812	6,372,311
Operating charges	1.13%	1.14%	1.15%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	159.01	162.93	157.87
Lowest share price (pence)	152.05	150.22	141.08

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

Aberdeen Sterling Bond Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	119.77	123.30	112.74
Return before operating charges*	1.57	(0.67)	12.79
Operating charges	(1.35)	(1.38)	(1.37)
Return after operating charges*	0.22	(2.05)	11.42
Distributions on income shares	(0.84)	(1.48)	(0.86)
Closing net asset value per share	119.15	119.77	123.30
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.18%	(1.66%)	10.13%
Other information			
Closing net asset value (£'000s)	3,000	4,898	5,932
Closing number of shares	2,517,484	4,089,984	4,811,384
Operating charges	1.13%	1.14%	1.15%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	122.36	126.96	123.36
Lowest share price (pence)	116.56	117.05	110.73

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

Aberdeen Sterling Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	121.95	123.38	111.57
Return before operating charges*	1.61	(0.65)	12.90
Operating charges	(0.77)	(0.78)	(0.76)
Return after operating charges*	0.84	(1.43)	12.14
Distributions on accumulation shares	(1.47)	(2.10)	(1.62)
Retained distributions on accumulation shares	1.47	2.10	1.29
Closing net asset value per share	122.79	121.95	123.38
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.69%	(1.16%)	10.88%
Other information			
Closing net asset value (£'000s)	955	964	1,503
Closing number of shares	777,831	790,931	1,217,731
Operating charges	0.63%	0.64%	0.65%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	124.67	127.06	123.09
Lowest share price (pence)	119.48	117.27	109.71

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

Aberdeen Sterling Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	114.74	118.13	108.01
Return before operating charges*	1.51	(0.65)	12.08
Operating charges	(0.73)	(0.74)	(0.71)
Return after operating charges*	0.78	(1.39)	11.37
Distributions on income shares	(1.38)	(2.00)	(1.25)
Closing net asset value per share	114.14	114.74	118.13
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.68%	(1.18%)	10.53%
Other information			
Closing net asset value (£'000s)	57	231	57
Closing number of shares	50,422	201,522	48,222
Operating charges	0.63%	0.64%	0.65%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	117.29	121.66	118.40
Lowest share price (pence)	111.68	112.29	106.21

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

Aberdeen Sterling Bond Fund

K Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	105.99	107.08	100.00[B]
Return before operating charges*	1.40	(0.57)	7.64
Operating charges	(0.51)	(0.52)	(0.50)
Return after operating charges*	0.89	(1.09)	7.14
Distributions on accumulation shares	(1.44)	(1.97)	(0.29)
Retained distributions on accumulation shares	1.44	1.97	0.23
Closing net asset value per share	106.88	105.99	107.08
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.84%	(1.02%)	7.14%
Other information			
Closing net asset value (£'000s)	4,173	4,004	3,304
Closing number of shares	3,904,515	3,777,815	3,085,315
Operating charges	0.48%	0.49%	0.50%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	108.36	110.28	106.82
Lowest share price (pence)	103.92	101.81	99.57

[A] K Accumulation share class launched on 13 May 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Bond Fund

L Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	97.07	100.00[B]
Return before operating charges*	1.29	(2.49)
Operating charges	(0.52)	(0.44)
Return after operating charges*	0.77	(2.93)
Distributions on accumulation shares	(1.26)	(1.56)
Retained distributions on accumulation shares	1.26	1.56
Closing net asset value per share	97.84	97.07
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.79%	(2.93%)
Other information		
Closing net asset value (£'000s)	950	28
Closing number of shares	970,800	28,400
Operating charges	0.53%	0.54%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	99.24	99.67
Lowest share price (pence)	95.16	93.32

[A] L Accumulation share class launched on 30 September 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Bond Fund

L Income shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	95.51	100.00[B]
Return before operating charges*	1.26	(2.51)
Operating charges	(0.51)	(0.43)
Return after operating charges*	0.75	(2.94)
Distributions on income shares	(1.24)	(1.55)
Closing net asset value per share	95.02	95.51
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.79%	(2.94%)
Other information		
Closing net asset value (£'000s)	18	197
Closing number of shares	19,600	205,900
Operating charges	0.53%	0.54%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	97.64	99.67
Lowest share price (pence)	92.97	93.32

[A] L Income share class launched on 30 September 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Bond Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	173.49	174.60	157.22
Return before operating charges*	2.30	(0.87)	18.24
Operating charges	(0.23)	(0.24)	(0.24)
Return after operating charges*	2.07	(1.11)	18.00
Distributions on accumulation shares	(2.97)	(3.87)	(3.11)
Retained distributions on accumulation shares	2.97	3.87	2.49
Closing net asset value per share	175.56	173.49	174.60
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.19%	(0.64%)	11.45%
Other information			
Closing net asset value (£'000s)	134,620	117,820	143,261
Closing number of shares	76,682,248	67,910,949	82,052,848
Operating charges	0.13%	0.14%	0.15%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	177.45	179.86	174.18
Lowest share price (pence)	170.43	166.16	154.76

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

Aberdeen Sterling Bond Fund

Z Income shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	101.09	106.86	100.00[B]
Return before operating charges*	0.50	(0.12)	7.30
Operating charges	(0.10)	(0.15)	(0.15)
Return after operating charges*	0.40	(0.27)	7.15
Distributions on income shares	(0.94)	(5.50)	(0.29)
Final cancellation price per share	(100.55)	-	-
Closing net asset value per share	-	101.09	106.86
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.40%	(0.25%)	7.15%
Other information			
Closing net asset value (£'000s)	-	1	34,691
Closing number of shares	-	946	32,464,646
Operating charges	0.13%	0.14%	0.15%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	103.40	110.10	106.89
Lowest share price (pence)	98.41	101.69	99.58

[A] Z Income share class launched on 13 May 2016 and closed 11 May 2018.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 94.72% (2017: 94.18%)					
Bonds 94.72% (2017: 94.18%)					
Asset Backed Bonds / Mortgage Backed Bonds 0.29% (2017: 0.17%)					
United Kingdom 0.29% (2017: 0.17%)					
PCL Funding III	FRN	15/06/23	186,000	186	0.12
Precise Mortgage Funding 2018-2B	FRN	12/03/55	245,058	244	0.17
				430	**0.29**
Total Asset Backed Bonds / Mortgage Backed Bonds				**430**	**0.29**
Corporate Bonds 26.61% (2017: 25.38%)					
Australia 0.87% (2017: 0.84%)					
APT Pipelines (EMTN)	3.5000	22/03/30	350,000	360	0.24
Commonwealth Bank of Australia (EMTN)	1.1250	22/12/21	205,000	203	0.14
QBE Insurance	VAR	24/05/42	112,000	121	0.08
Scentre Group Trust 1 Trust 2 (EMTN)	2.3750	08/04/22	300,000	306	0.20
Vicinity Centres (EMTN)	3.3750	07/04/26	120,000	125	0.08
Westpac Banking (EMTN)	1.0000	30/06/22	200,000	197	0.13
				1,312	**0.87**
Belgium 0.13% (2017: nil)					
Anheuser-Busch InBev (EMTN)	2.8500	25/05/37	205,000	**197**	**0.13**
Canada 0.07% (2017: nil)					
Bank of Nova Scotia (EMTN)	1.2500	08/06/22	100,000	**98**	**0.07**
Denmark 0.09% (2017: nil)					
Orsted (EMTN)	5.7500	09/04/40	100,000	**140**	**0.09**
France 1.25% (2017: 1.66%)					
AXA (EMTN)	VAR	PERP	200,000	231	0.15
AXA (EMTN)	VAR	PERP	130,000	140	0.09
Cie de Saint-Gobain (EMTN)	4.6250	09/10/29	200,000	231	0.15
CNP Assurances	VAR	30/09/41	100,000	113	0.07
Electricite de France (EMTN)∞	6.1250	02/06/34	200,000	264	0.19
Electricite de France (EMTN)	6.0000	23/01/14	100,000	130	0.09
Electricite de France (EMTN)	5.5000	17/10/41	100,000	126	0.08
Electricite de France (EMTN)	5.1250	22/09/50	100,000	123	0.08
Engie (EMTN)	5.0000	01/10/60	100,000	147	0.10
Orange (EMTN)	5.3750	22/11/50	150,000	204	0.14
Total Capital International (EMTN)	1.2500	16/12/24	170,000	164	0.11
				1,873	**1.25**

Aberdeen Sterling Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Germany 0.81% (2017: 0.59%)					
Aroundtown	3.2500	18/07/27	175,000	171	0.11
Deutsche Bank (EMTN)	1.8750	28/02/20	200,000	199	0.13
E.ON International Finance (EMTN)	6.7500	27/01/39	250,000	371	0.26
innogy Finance (EMTN)	6.1250	06/07/39	250,000	348	0.23
Volkswagen Financial Services (EMTN)	2.2500	12/04/25	123,000	120	0.08
				1,209	**0.81**
Ireland nil (2017: 0.29%)					
Italy 0.52% (2017: 0.40%)					
Enel (EMTN)	5.7500	22/06/37	300,000	374	0.25
Enel Finance International (EMTN)	5.6250	14/08/24	350,000	405	0.27
				779	**0.52**
Mexico 0.21% (2017: nil)					
America Movil	4.3750	07/08/41	200,000	236	0.16
America Movil	5.7500	28/06/30	60,000	76	0.05
				312	**0.21**
Netherlands 0.24% (2017: 0.30%)					
ABN AMRO Bank (EMTN)	1.3750	07/06/22	100,000	99	0.07
Rabobank Nederland (EMTN)	4.6250	23/05/29	240,000	265	0.17
				364	**0.24**
New Zealand nil (2017: 0.42%)					
Norway 0.15% (2017: 0.17%)					
Statoil (EMTN)	6.8750	11/03/31	150,000	**220**	**0.15**
Spain 0.11% (2017: 0.15%)					
Telefonica Europe	VAR	PERP	200,000	**170**	**0.11**
Supranational 1.48% (2017: nil)					
Council of Europe Development Bank (EMTN)	0.6250	15/06/22	300,000	293	0.20
European Investment Bank	5.3750	07/06/21	350,000	392	0.26
European Investment Bank (EMTN)	2.2500	07/03/20	1,500,000	1,531	1.02
				2,216	**1.48**
Sweden nil (2017: 0.15%)					
Switzerland 0.23% (2017: nil)					
Credit Suisse	VAR	12/09/25	200,000	192	0.13
UBS London	2.4500	01/12/20	200,000	149	0.10
				341	**0.23**

Aberdeen Sterling Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
United Arab Emirates 0.20% (2017: nil)					
IPIC GMTN (EMTN)	6.8750	14/03/26	230,000	**301**	**0.20**
United Kingdom 17.59% (2017: 17.59%)					
Abbey National Treasury Services (EMTN)	3.8750	15/10/29	350,000	385	0.26
Anglian Water Services Financing (EMTN)	6.2930	30/07/30	60,000	81	0.05
Annington Funding (EMTN)∞	3.9350	12/07/47	240,000	246	0.16
Aspire Defence Finance	4.6740	31/03/40	185,570	223	0.15
Aspire Defence Finance	4.6740	31/03/40	185,570	223	0.15
Assura	3.0000	19/07/28	100,000	100	0.07
Aviva	VAR	PERP	860,000	944	0.62
Aviva (EMTN)	VAR	04/06/50	200,000	207	0.14
Barclays Bank (EMTN)	VAR	PERP	130,000	133	0.09
Barclays (EMTN)	VAR	06/10/23	350,000	345	0.23
Barclays (EMTN)	3.2500	17/01/33	285,000	265	0.18
BAT International Finance (EMTN)	4.0000	04/09/26	390,000	422	0.28
BAT International Finance (EMTN)	2.2500	09/09/52	200,000	150	0.10
BAT International Finance (EMTN)	5.7500	05/07/40	50,000	67	0.04
BG Energy Capital (EMTN)	5.0000	04/11/36	100,000	133	0.09
BP Capital Markets (EMTN)	2.0300	14/02/25	500,000	498	0.33
BP Capital Markets (EMTN)	2.2740	03/07/26	100,000	100	0.07
British Land (EMTN)	2.3750	14/09/29	123,000	116	0.08
Broadgate Financing	5.0980	05/04/33	188,667	218	0.14
Bromford Housing	3.1250	03/05/48	100,000	100	0.07
BUPA Finance	5.0000	08/12/26	100,000	109	0.07
BUPA Finance	2.0000	05/04/24	100,000	99	0.07
Cadent Finance (EMTN)	2.6250	22/09/38	250,000	228	0.15
Canary Wharf Finance II	6.4550	22/04/30	204,973	258	0.17
Channel Link Enterprises Finance	VAR	30/06/50	100,000	99	0.07
Circle Anglia Social Housing∞	7.2500	12/11/38	150,000	244	0.16
Clarion Housing (EMTN)	3.1250	19/04/48	100,000	99	0.07
Connect Plus Issuer	2.6070	31/03/39	135,000	135	0.09
CRH Finance UK (EMTN)	4.1250	02/12/29	100,000	112	0.07
CYBG	VAR	09/02/26	120,000	123	0.08
Daily Mail & General Trust	6.3750	21/06/27	200,000	229	0.15
Dignity Finance	4.6956	31/12/49	251,000	240	0.16
DS Smith (EMTN)	2.8750	26/07/29	100,000	96	0.06
Dwr Cymru Finance	6.9070	31/03/21	900,000	1,027	0.67
Eastern Power Networks (EMTN)	6.2500	12/11/36	240,000	343	0.23
Eversholt Funding (EMTN)	3.5290	07/08/42	100,000	96	0.06
Experian Finance (EMTN)	2.1250	27/09/24	100,000	99	0.07
Firstgroup	8.7500	08/04/21	100,000	116	0.08
Gatwick Funding (EMTN)	2.6250	07/10/46	200,000	173	0.12
Gatwick Funding (EMTN)	6.5000	02/03/41	100,000	149	0.10
GlaxoSmithKline Capital (EMTN)	5.2500	10/04/42	150,000	208	0.14
Great Rolling Stock (EMTN)	6.5000	05/04/31	268,500	335	0.22
Greene King Finance (EMTN)	FRN	15/12/33	41,826	42	0.03

Aberdeen Sterling Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Greene King Finance (SINK)	4.0643	15/03/35	91,417	97	0.06
HBOS Capital Funding	VAR	PERP	133,000	135	0.09
HBOS Sterling Finance Jersey	VAR	PERP	100,000	145	0.10
Heathrow Funding (EMTN)	4.6250	31/10/46	350,000	428	0.29
Heathrow Funding (EMTN)	7.1250	14/02/24	100,000	122	0.08
HSBC Bank Capital Funding Sterling 2	VAR	PERP	129,000	135	0.09
HSBC (EMTN)	VAR	13/11/26	535,000	515	0.34
HSBC (EMTN)	7.0000	07/04/38	250,000	353	0.24
HSBC (EMTN)	6.0000	29/03/40	150,000	191	0.13
InterContinental Hotels (EMTN)	3.7500	14/08/25	400,000	424	0.28
Intu Metrocentre Finance	4.1250	06/12/23	100,000	107	0.07
Land Securities Capital Markets (EMTN)	2.7500	22/09/57	110,000	107	0.07
LCR Finance	5.1000	07/03/51	70,000	122	0.08
Lloyds Bank (EMTN)	7.6250	22/04/25	341,000	438	0.29
Lloyds Bank (EMTN)	VAR	09/07/25	214,000	228	0.15
Lloyds Banking	VAR	PERP	312,000	322	0.21
London & Quadrant Housing Trust	2.6250	28/02/28	285,000	283	0.19
Manchester Airport Group Funding (EMTN)	4.7500	31/03/34	200,000	243	0.16
Marks & Spencer (EMTN)	4.7500	12/06/25	110,000	120	0.08
Motability Operations (EMTN)	4.3750	08/02/27	300,000	346	0.23
National Grid Electricity Transmission (EMTN)	4.0000	08/06/27	500,000	567	0.38
National Grid Gas Finance (EMTN)	2.7500	22/09/46	250,000	225	0.15
National Westminster Bank	6.5000	07/09/21	200,000	225	0.15
NewRiver (REIT)	3.5000	07/03/28	214,000	209	0.14
NIE Finance	6.3750	02/06/26	200,000	255	0.17
Northumbrian Water Finance	5.1250	23/01/42	100,000	131	0.09
Notting Hill Housing Trust	4.3750	20/02/54	200,000	243	0.16
Notting Hill Housing Trust	3.2500	12/10/48	100,000	98	0.07
Orbit Capital	3.5000	24/03/45	200,000	206	0.14
Paragon	VAR	09/09/26	241,000	257	0.17
Paragon Treasury	3.6250	21/01/47	100,000	106	0.07
PGH Capital	6.6250	18/12/25	100,000	110	0.07
Premiertel	6.1750	08/05/32	146,414	164	0.11
Principality Building Society (EMTN)	2.3750	23/11/23	170,000	167	0.11
Provident Financial (EMTN)	7.0000	04/06/23	117,000	119	0.08
Prudential (EMTN)	VAR	20/07/55	200,000	210	0.14
Rl Finance Bonds No 3	6.1250	13/11/28	150,000	166	0.11
Royal Bank of Scotland (EMTN)	VAR	19/09/26	180,000	177	0.12
RSA Insurance	VAR	10/10/45	205,000	222	0.15
Santander UK (EMTN)	3.6250	14/01/26	164,000	171	0.11
Santander UK (EMTN)	VAR	30/10/23	100,000	102	0.07
Scotland Gas Networks (EMTN)	4.8750	21/12/34	120,000	148	0.10
Scottish Widows	5.5000	16/06/23	100,000	111	0.07
SEGRO	5.7500	20/06/35	150,000	202	0.13
SEGRO	2.8750	11/10/37	156,000	149	0.10
Severn Trent Utilities Finance (EMTN)	1.6250	04/12/22	243,000	241	0.16
Severn Trent Utilities Finance (EMTN)	4.8750	24/01/42	100,000	127	0.08

Aberdeen Sterling Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
South East Water Finance (EMTN)	5.6577	30/09/19	69,000	72	0.05
Southern Electric Power Distribution∞	4.6250	20/02/37	200,000	242	0.16
Southern Gas Networks (EMTN)	5.1250	02/11/18	620,000	626	0.42
Southern Gas Networks (EMTN)	2.5000	03/02/25	200,000	202	0.13
Southern Gas Networks (EMTN)	3.1000	15/09/36	100,000	100	0.07
Southern Water Services Finance (EMTN)	5.0000	31/03/21	400,000	435	0.29
SSE∞	VAR	16/09/77	400,000	407	0.27
Stagecoach	4.0000	29/09/25	260,000	271	0.18
Standard Chartered (EMTN)	5.1250	06/06/34	220,000	236	0.16
Standard Life Aberdeen†	VAR	PERP	52,000	68	0.05
Standard Life Aberdeen (EMTN)†	VAR	04/12/42	230,000	254	0.17
Tesco Property Finance 1	7.6227	13/07/39	97,819	130	0.09
Thames Water Utilities Cayman Finance (EMTN)	2.8750	03/05/27	120,000	115	0.08
Thames Water Utilities Cayman Finance (EMTN)	2.6250	24/01/32	100,000	95	0.06
Thames Water Utilities Financial (EMTN)∞	5.1250	28/09/37	200,000	250	0.17
THFC Funding No 3 (EMTN)	5.2000	11/10/43	300,000	395	0.26
Trafford Centre Finance	7.0300	28/01/29	79,928	99	0.07
Transport for London (EMTN)	3.8750	23/07/42	220,000	273	0.18
Tritax Big Box (EMTN) (REIT)	3.1250	14/12/31	300,000	296	0.20
UPP (EMTN)	4.9023	28/02/40	188,824	228	0.15
Virgin Media Secured Finance	5.0000	15/04/27	200,000	196	0.13
Vodafone (EMTN)	3.3750	08/08/49	150,000	141	0.09
Vodafone (EMTN)	3.0000	12/08/56	100,000	87	0.06
Wellcome	2.5170	07/02/18	100,000	94	0.06
Western Power Distribution South Wales	5.7500	23/03/40	100,000	138	0.09
Western Power Distribution South West	5.7500	23/03/40	100,000	138	0.09
Western Power Distribution South West	5.8750	25/03/27	100,000	124	0.08
Western Power Distribution West Midlands (EMTN)	3.8750	17/10/24	330,000	359	0.24
White City Property Finance	5.1202	17/04/35	315,454	386	0.26
WM Treasury 2	3.2500	20/10/48	100,000	99	0.07
Yorkshire Building Society (EMTN)	3.5000	21/04/26	180,000	188	0.13
Yorkshire Water Services Bradford Finance (EMTN)	6.0000	21/08/19	90,000	94	0.06
				26,422	**17.59**
United States 2.66% (2017: 2.82%)					
American International	VAR	15/03/67	100,000	94	0.06
American International (EMTN)	5.0000	26/04/23	100,000	112	0.07
Amgen	4.0000	13/09/29	130,000	144	0.10
Apple	3.0500	31/07/29	130,000	139	0.09
AT&T	4.8750	01/06/44	270,000	306	0.20
AT&T (EMTN)	7.0000	30/04/40	150,000	216	0.14
Bank of America (EMTN)	2.3000	25/07/25	300,000	296	0.20
Citigroup (EMTN)	5.1500	21/05/26	287,000	337	0.21
Citigroup (EMTN)	6.2500	02/09/19	139,000	146	0.10
Citigroup (EMTN)	7.3750	01/09/39	70,000	113	0.08
Energy Transfer Partners	4.9500	15/06/28	130,000	101	0.07
GE Capital UK Funding (EMTN)	4.3750	31/07/19	74,000	76	0.05
General Motors Financial (EMTN)	2.2500	06/09/24	341,000	331	0.21

Aberdeen Sterling Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Metropolitan Life Global Funding I (EMTN)	1.1250	15/12/21	200,000	198	0.13
Morgan Stanley	2.6250	09/03/27	200,000	197	0.13
Northern Powergrid Yorks	4.3750	05/07/32	250,000	295	0.20
Time Warner Cable	5.7500	02/06/31	50,000	57	0.04
United Parcel Service	5.1250	12/02/50	100,000	147	0.10
Verizon Communications	3.3750	27/10/36	100,000	98	0.07
Wal-Mart	5.6250	27/03/34	220,000	310	0.21
Wells Fargo (EMTN)	4.8750	29/11/35	100,000	116	0.08
Welltower	4.8000	20/11/28	162,000	183	0.12
				4,012	**2.66**
Total Corporate Bonds				**39,966**	**26.61**
Government Bonds 67.82% (2017: 68.63%)					
Australia 4.18% (2017: 6.96%)					
Australia (Commonwealth of)	2.7500	21/11/27	10,996,000	**6,283**	**4.18**
France 0.32% (2017: nil)					
SNCF Reseau (EMTN)	4.8300	25/03/60	290,000	**483**	**0.32**
Germany nil (2017: 5.21%)					
Italy nil (2017: 0.18%)					
Mexico 0.07% (2017: 0.08%)					
Mexico (Government of) (EMTN)	5.6250	19/03/14	100,000	**103**	**0.07**
United Kingdom 63.25% (2017: 53.78%)					
UK Treasury∞	4.5000	07/03/19	19,663,000	20,121	13.41
UK Treasury	1.5000	22/07/47	5,994,000	5,628	3.76
UK Treasury	3.5000	22/01/45	3,253,000	4,418	2.95
UK Treasury∞	2.0000	22/07/20	4,191,000	4,292	2.87
UK Treasury	4.2500	07/12/46	2,603,000	4,031	2.68
UK Treasury	4.2500	07/06/32	2,625,000	3,489	2.32
UK Treasury	4.5000	07/09/34	2,451,000	3,429	2.28
UK Treasury∞	4.0000	07/03/22	3,078,755	3,421	2.28
UK Treasury	4.7500	07/12/30	2,442,000	3,325	2.21
UK Treasury	1.7500	22/07/57	3,108,000	3,188	2.12
UK Treasury	4.2500	07/03/36	2,246,000	3,115	2.07
UK Treasury	4.0000	22/01/60	1,750,000	2,994	1.99
UK Treasury	1.7500	22/07/19	2,884,000	2,913	1.94
UK Treasury	3.2500	22/01/44	2,057,000	2,665	1.78
UK Treasury	4.7500	07/12/38	1,697,000	2,575	1.71
UK Treasury	3.7500	22/07/52	1,673,000	2,551	1.70
UK Treasury	3.5000	22/07/68	1,445,000	2,378	1.58
UK Treasury∞	3.7500	07/09/21	2,142,000	2,333	1.55
UK Treasury∞	3.7500	07/09/19	2,187,000	2,261	1.51
UK Treasury	4.2500	07/12/55	1,266,000	2,170	1.44

Aberdeen Sterling Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
UK Treasury	2.5000	22/07/65	1,447,000	1,870	1.25
UK Treasury	4.5000	07/12/42	1,125,000	1,729	1.15
UK Treasury∞	8.0000	07/06/21	1,434,000	1,726	1.15
UK Treasury	1.5000	22/01/21	1,391,000	1,415	0.94
UK Treasury	0.7500	22/07/23	1,086,000	1,070	0.71
UK Treasury	2.2500	07/09/23	913,000	968	0.64
UK Treasury	4.2500	07/12/40	634,000	924	0.62
UK Treasury	4.7500	07/03/20	850,000	905	0.60
UK Treasury	1.2500	22/07/27	896,000	887	0.59
UK Treasury∞	3.7500	07/09/20	680,000	723	0.48
UK Treasury	6.0000	07/12/28	350,000	504	0.34
UK Treasury	4.2500	07/09/39	348,000	501	0.33
UK Treasury	1.6250	22/10/71	452,000	457	0.30
				94,976	**63.25**
United States nil (2017: 2.42%)					
Total Government Bonds				**101,845**	**67.82**
Total Bonds				**142,241**	**94.72**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**142,241**	**94.72**
Other transferable securities and money market instruments 0.40% (2017: 0.85%)					
Bonds 0.40% (2017: 0.85%)					
Asset Backed Bonds / Mortgage Backed Bonds 0.07% (2017: 0.61%)					
United Kingdom 0.07% (2017: 0.61%)					
Gemgarto 2015-1	FRN	16/02/47	4,145	4	-
Paragon Mortgages No 25	FRN	15/05/50	100,000	99	0.07
				103	**0.07**
Total Asset Backed Bonds / Mortgage Backed Bonds				**103**	**0.07**
Corporate Bonds 0.33% (2017: 0.24%)					
Australia 0.09% (2017: nil)					
Westfield America Management	2.6250	30/03/29	140,000	**137**	**0.09**
United Kingdom nil (2017: 0.16%)					
United States 0.24% (2017: 0.08%)					
Fidelity National Information Services	1.7000	30/06/22	360,000	**356**	**0.24**
Total Corporate Bonds				**493**	**0.33**
Total Bonds				**596**	**0.40**
Total Other transferable securities and money market instruments				**596**	**0.40**

Aberdeen Sterling Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Open Ended Investment Funds 3.07% (2017: 3.18%)					
Aberdeen Global - European Convertibles Bond Fund Z Acc EUR†			507,523	4,591	3.06
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1†			12	12	0.01
				4,603	**3.07**
Total Open Ended Investment Funds				**4,603**	**3.07**

Derivatives (0.06%) (2017: (0.17%))

Forward currency exchange contracts (0.06%) (2017: (0.17%))

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Citigroup	GBP	EUR	07/09/18	176,132	200,000	(2)	-
Goldman Sachs	GBP	AUD	07/09/18	5,974,295	10,582,000	(14)	(0.01)
Merrill Lynch	GBP	EUR	07/09/18	4,400,081	4,993,000	(59)	(0.05)
Morgan Stanley	GBP	USD	07/09/18	149,617	200,000	(3)	-
Royal Bank of Canada	GBP	USD	07/09/18	94,069	127,000	(3)	-
Unrealised losses on forward currency exchange contracts						**(81)**	**(0.06)**

Future contracts nil (2017: nil)

Future	Maturity	Notional	Unrealised Gains/(Losses) £'000	Total Net Assets %
ICE Long Gilt	26/09/18	(15)	(2)	-
Unrealised losses on future contracts			**(2)**	**-**
Unrealised losses on derivatives			**(83)**	**(0.06)**
Total investments≠			**147,357**	**98.13**
Other net assets			**2,802**	**1.87**
Total net assets			**150,159**	**100.00**

† Managed by subsidiaries of Standard Life Aberdeen plc.
∞ A portion of this security is on loan at the year end.
≠ Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen Sterling Bond Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	34,443	23.37	22.94

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Germany (Federal Republic of)	12,893	Government Bond	Investment grade	BNP Paribas
France (Government of)	8,283	Government Bond	Investment grade	BNP Paribas
Sweden (Kingdom of)	6,638	Government Bond	Investment grade	BNP Paribas
Luxembourg (Grand Duchy of)	5,439	Government Bond	Investment grade	BNP Paribas
UK Treasury	1,930	Government Bond	Investment grade	BNP Paribas
Netherlands (Kingdom of)	1,200	Government Bond	Investment grade	BNP Paribas
Australia (Commonwealth of)	30	Government Bond	Investment grade	BNP Paribas
Norway (Kingdom of)	13	Government Bond	Investment grade	BNP Paribas
Total collateral received	**36,426**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	36,426	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	30
EUR	34,453
GBP	1,930
NOK	13
Total collateral received	**36,426**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Morgan Stanley	19,784	United States	Tri-party
Barclays	13,824	United Kingdom	Tri-party
JPM Chase	835	United States	Tri-party
Total market value of securities lending	**34,443**		

Aberdeen Sterling Bond Fund

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
	-	-	-	47

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
	12,360	24,019	-	**36,426**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
	19,785	14,658	-	**34,443**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
	9	125.00
Direct operational costs (securities lending agent costs)	(2)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(2)	(25.00)
Net return	**7**	**100.00**

Aberdeen Sterling Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital losses	1		(657)		(6,192)
Revenue	2	2,728		3,607	
Expenses	3	(318)		(368)	
Net revenue before taxation		2,410		3,239	
Taxation	4	-		-	
Net revenue after taxation			2,410		3,239
Total return before distributions			**1,753**		**(2,953)**
Distributions	5		(2,410)		(3,239)
Change in net assets attributable to shareholders from investment activities			**(657)**		**(6,192)**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**136,450**		**198,832**
Amounts receivable on issue of shares	30,175		14,127	
Amounts payable on cancellation of shares	(18,281)		(73,378)	
		11,894		(59,251)
Dilution adjustment		26		175
Change in net assets attributable to shareholders from investment activities		(657)		(6,192)
Retained distributions on accumulation shares		2,446		2,886
Closing net assets attributable to shareholders		**150,159**		**136,450**

Aberdeen Sterling Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		147,440	134,136
Current assets:			
Debtors	6	2,620	1,976
Cash and bank balances	7	816	953
Total assets		**150,876**	**137,065**
Liabilities:			
Investment liabilities		83	358
Creditors:			
Other creditors	8	624	234
Distribution payable		10	23
Total liabilities		**717**	**615**
Net assets attributable to shareholders		**150,159**	**136,450**

Aberdeen Sterling Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital losses

	2018 £'000	2017 £'000
The net capital losses on investments during the year comprise:		
Non-derivative securities losses	(1,659)	(4,542)
Derivative contracts	(7)	(3)
Forward currency contracts gains/(losses)	936	(1,691)
Other currency gains	73	28
Class actions	-	16
Net capital losses	**(657)**	**(6,192)**

2. Revenue

	2018 £'000	2017 £'000
Interest on debt securities	2,719	2,777
Distributions from collective investment schemes:		
Offshore distributions - taxable	-	795
Stock lending commission	7	3
Bank interest	2	1
Management fee rebates taken to revenue	-	31
Total revenue	**2,728**	**3,607**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	135	165
Operating, administrative and servicing fees	183	203
Total expenses	**318**	**368**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	-	-
Current tax charge	**-**	**-**
Total taxation	**-**	**-**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	2,410	3,239
Corporation tax at 20% (2017 - 20%)	482	648
Effects of:		
Relief for indexation movements on index-linked gilts	(5)	-
Tax deductible on interest distributions	(477)	(648)
Total taxation	**-**	**-**

Factors that may affect future tax charges

There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions

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

	2018 £'000	2017 £'000
Interim	1,322	1,857
Final	1,149	1,161
	2,471	3,018
Add: Revenue deducted on cancellation of shares	58	270
Deduct: Revenue received on issue of shares	(119)	(49)
Distributions for the year	**2,410**	**3,239**
Total distributions	**2,410**	**3,239**

Details of the distribution per share are set out in the distribution tables on pages 615 to 616.

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	1,419	1,191
Amounts receivable for issue of shares	50	-
Sales awaiting settlement	1,151	785
Total debtors	**2,620**	**1,976**

Aberdeen Sterling Bond Fund

7. Cash and bank balances

	2018 £'000	2017 £'000
Amounts held at futures clearing houses and brokers	61	-
Cash and bank balances	755	953
Total cash and bank balances	**816**	**953**

8. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	24	28
Amounts payable for cancellation of shares	600	-
Purchases awaiting settlement	-	206
Total other creditors	**624**	**234**

9. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 602. £560,000 was due to the ACD (2017 - £13,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £4,925,000 (2017 - £4,336,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

10. Material shareholders

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 92% of the Fund's shares in issue.

11. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.00%
Class 'I': 0.50%
Class 'K': 0.35%
Class 'L': 0.40%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 583 to 591. The distribution per share class is given in the distribution tables on pages 615 to 616. All share classes have the same rights on winding up.

Aberdeen Sterling Bond Fund

Share reconciliation
As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	5,337,812	4,089,984	790,931	201,522
Creations during the year	51,399	30,200	123,300	10,400
Cancellations during the year	(1,293,700)	(1,602,700)	(136,400)	(161,500)
Closing shares in issue	**4,095,511**	**2,517,484**	**777,831**	**50,422**

	K Accumulation shares	L Accumulation shares	L Income shares	Z Accumulation shares
Opening number of shares	3,777,815	28,400	205,900	67,910,949
Creations during the year	287,700	1,069,400	-	16,567,999
Cancellations during the year	(161,000)	(127,000)	(186,300)	(7,796,700)
Closing shares in issue	**3,904,515**	**970,800**	**19,600**	**76,682,248**

	Z Income shares
Opening number of shares	946
Creations during the year	-
Cancellations during the year	(946)
Closing shares in issue	**-**

12. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Aberdeen Sterling Bond Fund

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Barclays	13,824	14,718	Government Bond
JPM Chase	835	882	Government Bond
Morgan Stanley	19,784	20,826	Government Bond
Total	**34,443**	**36,426**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	9	2	7

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
JPM Chase	484	511	Government Bond
Total	**484**	**511**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	4	1	3

Aberdeen Sterling Bond Fund

13. **Risk management policies and disclosures**

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

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

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Australian Dollar	-	6,283	34	6,317
Euro	-	170	4,593	4,763
Pound Sterling	4,212	132,594	2,739	139,545
US Dollar	-	250	1	251
Total financial assets	**4,212**	**139,297**	**7,367**	**150,876**

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Australian Dollar	-	9,492	51	9,543
Euro	7,107	-	4,439	11,546
Pound Sterling	5,713	105,012	1,936	112,661
US Dollar	-	3,308	7	3,315
Total financial assets	**12,820**	**117,812**	**6,433**	**137,065**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Pound Sterling	-	-	(717)	(717)
Total financial liabilities	**-**	**-**	**(717)**	**(717)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Pound Sterling	-	-	(615)	(615)
Total financial liabilities	**-**	**-**	**(615)**	**(615)**

Aberdeen Sterling Bond Fund

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Sensitivity analysis

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

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	1.12%	1.20%
Maximum VaR	2.23%	2.32%
Average VaR	1.53%	1.42%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	(0.06%)	1.13%	-	0.81%	1.88%
31 July 2017	(0.01%)	0.85%	-	0.56%	1.40%

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

Counterparty risk

Credit quality of debt security investment assets

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

Currency	Market value £'000	Percentage of total net assets %
2018		
Investment grade securities (AAA - BBB)	131,534	87.60
Below investment grade (BB and below)	2,212	1.47
Unrated securities	9,091	6.05
Collective Investment Schemes	4,603	3.07
Derivatives*	(83)	(0.06)
Other net assets	2,802	1.87
Net assets	**150,159**	**100.00**

Aberdeen Sterling Bond Fund

Currency	Market value £'000	Percentage of total net assets %
2017		
Investment grade securities (AAA - BBB)	124,553	91.28
Below investment grade (BB and below)	2,190	1.60
Unrated securities	2,936	2.15
Collective Investment Schemes	4,336	3.18
Derivatives*	(237)	(0.17)
Other net assets	2,672	1.96
Net assets	**136,450**	**100.00**

* Please refer to the counterparty risk note on page 15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018.

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
BNP Paribas	109	109
HSBC	12	12
Total exposure	**121**	**121**

The Fund had no collateral pledged or collateral held in respect of derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	83	-	-	83
Non-derivatives					
Other creditors	-	624	-	-	624
Distribution payable	-	10	-	-	10
Total financial liabilities	**-**	**717**	**-**	**-**	**717**

Aberdeen Sterling Bond Fund

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	358	-	-	358
Non-derivatives					
Other creditors	-	234	-	-	234
Distribution payable	-	23	-	-	23
Total financial liabilities	**-**	**615**	**-**	**-**	**615**

14. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Bonds	219,081	261,666	202,096	310,651
Collective Investment Schemes	745	4,407	414	14,573
Trades in the year before transactions costs	**219,826**	**266,073**	**202,510**	**325,224**
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Open Ended Investment Funds	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**219,826**	**266,073**	**202,510**	**325,224**

Aberdeen Sterling Bond Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) in the year of £646,000 (2017 - £1,240,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.23% (2017 - 0.24%).

15. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Aberdeen Sterling Bond Fund

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1[A]	95,752	2	84,051	-
Level 2	51,688	81	50,085	358
Level 3	-	-	-	-
Total	**147,440**	**83**	**134,136**	**358**

[A] Debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price, amount to £95,752,000 as at 31 July 2018 (2017: £84,051,000).

Aberdeen Sterling Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.60604	-	0.60604	1.26144
Group 2	0.46156	0.14448	0.60604	1.26144
A Income shares				
Group 1	0.46640	-	0.46640	0.98289
Group 2	0.29640	0.17000	0.46640	0.98289
I Accumulation shares				
Group 1	0.78562	-	0.78562	1.29875
Group 2	0.47688	0.30874	0.78562	1.29875
I Income shares				
Group 1	0.73913	-	0.73913	1.24354
Group 2	0.20130	0.53783	0.73913	1.24354
K Accumulation shares				
Group 1	0.76356	-	0.76356	1.18911
Group 2	0.28517	0.47839	0.76356	1.18911
L Accumulation shares				
Group 1	0.67234	-	0.67234	0.86650
Group 2	0.43352	0.23882	0.67234	0.86650
L Income shares				
Group 1	0.66150	-	0.66150	0.86650
Group 2	0.66150	-	0.66150	0.86650
Z Accumulation shares				
Group 1	1.55953	-	1.55953	2.29568
Group 2	0.86111	0.69842	1.55953	2.29568
Z Income shares				
Group 1	0.94497	-	0.94497	1.76647
Group 2	0.94497	-	0.94497	1.76647

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Final interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.48317	-	0.48317	0.63968
Group 2	0.37402	0.10915	0.48317	0.63968
A Income shares				
Group 1	0.37039	-	0.37039	0.49431
Group 2	0.21899	0.15140	0.37039	0.49431
I Accumulation shares				
Group 1	0.68483	-	0.68483	0.80326
Group 2	0.14268	0.54215	0.68483	0.80326
I Income shares				
Group 1	0.64015	-	0.64015	0.76074
Group 2	0.26976	0.37039	0.64015	0.76074
K Accumulation shares				
Group 1	0.67397	-	0.67397	0.77764
Group 2	0.08002	0.59395	0.67397	0.77764
L Accumulation shares				
Group 1	0.59258	-	0.59258	0.69009
Group 2	0.48246	0.11012	0.59258	0.69009
L Income shares				
Group 1	0.57898	-	0.57898	0.68380
Group 2	0.57898	-	0.57898	0.68380
Z Accumulation shares				
Group 1	1.41161	-	1.41161	1.57323
Group 2	0.76250	0.64911	1.41161	1.57323
Z Income shares				
Group 1	-	-	-	3.73549
Group 2	-	-	-	3.73549

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

Aberdeen Sterling Government Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Sterling-denominated UK government Debt and debt-related securities.

The Fund may also invest in other transferable securities, including Debt and debt-related securities denominated in any currency issued by governments, public bodies and supra-national issuers worldwide, Investment grade corporate Debt and debt-related securities, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Performance review

For the year ended 31 July 2018, the Aberdeen Sterling Government Bond Fund – A Accumulation Shares increased by 0.08% compared to an increase of 1.27% in the benchmark, FTSE-A British Govt All Stocks.

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

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

Market review

Investors in UK government bonds experienced something of a roller-coaster ride in the year to 31 July. The yield on the 10-year benchmark gilt started the review period at 1.28% and touched a low of 1.02%, and a high of 1.52% before ending the review period at 1.33%.

US tensions with North Korea escalated in the summer of 2017, with President Trump saying any threats to the US or its allies would be met with "fire and fury". This sparked risk-off moves with 'safe' assets rising in price, while assets perceived as risky sold off. At its September meeting, the Bank of England's (BoE) Monetary Policy Committee (MPC) shifted to a hawkish stance, effectively giving the market an unconditional pledge to hike interest rates. The market reacted to the hawkish rhetoric by pricing imminent rate hikes into the yield curve. November brought an increase in the official bank rate, its first rise since 2017. However, the accompanying MPC statement was seen by the market to be dovish, with Governor Mark Carney stating that the outlook for inflation was conditioned on a market path that implied two additional 25bp increases over the three-year forecast period.

Global equity markets were strong at the beginning of 2018, helping to prompt a sell-off in government bonds; the yield on the 10-year US Treasury rose to 2.70% in January, a level not seen since 2014. In the UK market, accompanied by optimistic Brexit headlines and slightly better economic data, the 10-year gilt yield also moved higher. The start of February brought a return to market volatility, and relatively large falls in equities caused flight-to-quality moves throughout fixed income markets. However, this was relatively short-lived; as investors' nerves settled, both equity prices and bond yields moved higher once more, albeit the move in bond yields was partially retraced in March.

An escalation of trade concerns, the strengthening US dollar and worries about Eurozone viability stemming from Italian politics were the dominating stories between April and June. The overall mix served to unnerve risk markets. While the UK gilt market was buffeted by global developments, communications from the Bank of England caused the greatest confusion. Having overtly shifted market rate pricing towards a series of likely rises through a hawkish stance based on supply side concerns, the MPC pulled back sharply from this stance in the face of weak first quarter GDP data. Subsequent communications from Governor Carney indicated a far less certain interest rate opinion, driving strong performance from gilts.

Encouraging labour market data and robust retail spending provided signals that economic activity was only temporarily stalled by adverse weather in the first quarter, and markets became increasingly confident that the MPC would move interest rates higher in August. Nevertheless, UK yields outperformed their global peers as the aforementioned political uncertainty provided a more supportive tone to UK gilts early in the month, and yields initially fell on the aforementioned political malaise and global trade tariff concerns. However, bonds suffered a reversal towards month end as investors fretted over potential changes to Bank of Japan monetary policy.

Portfolio review

Duration positions made a positive contribution to Fund performance. Early on, sharp moves lower in UK gilt yields following risk-off periods were used to build a short duration position. We took profits following the moves higher after September's MPC meeting, and added a tactical long duration position. We thought the market moves were overdone and entered the position anticipating a short-term retracement lower in yields. In March 2018 and April 2018 in response to international geopolitical risk-off moves the Fund went short duration. These positions were closed in April and May as yields retraced higher. In mid-May we used the syndication of Gilt 2071s (an extension of the yield curve) to take the Fund long, and exited this position as yields fell on the back of the Italian political issues. Then in the mid-June the Fund reset the short duration position, as again we felt the risk-off move was overdone.

The Fund held a number of curve positions which added to Fund performance. The Fund went into the year holding a curve steepener in the ultra-long end of the curve. This was held on the expectation that ultra-long nominal bonds would underperform relative to 30-year maturities, and was closed in August for a profit. We initiated the same strategy in October, again closing for a profit in April. In May we added another curve flattening position, this time selling five-year gilts and buying 30-year gilts. The Fund then added a curve steepener position (selling 40-year and buying 30-year gilts). Both these positions should continue to work going into the end of the summer.

The Fund entered the period holding Australian government bonds (selling gilts). The rationale was the belief that two central banks (Reserve Bank of Australia & BoE) were on divergent monetary policy paths. The Fund increased this position in December 2017. This position was reduced in both April and July at a profit. We believe that Australian

Aberdeen Sterling Government Bond Fund

government bonds will continue to outperform in the coming months. The Fund also held a position in German Bunds in August, this was closed in September 2017, again benefiting performance.

A currency position into US dollars (selling sterling) detracted from performance, and was closed near the end of the January. The Fund also held a currency trade into New Zealand dollars from sterling). This was closed at a slight profit.

Finally the Fund opened positions in index-linked gilts in March and April. The rationale for these trades were the supply dynamics of the nominal and index-linked gilts over the second quarter. These positions were closed in May and June, adding to performance.

Outlook

Following the recent rally in global yields, we still believe UK gilt yields have the ability to rise over the medium term. However, we are cognisant of both the global backdrop and Brexit negotiations. As we head towards September, the political risk in the UK heightens significantly.

The growth outlook in Europe and the US remains relatively strong and both central banks are either tightening monetary policy or starting to ease less which will provide upward pressure on global developed market bond yields. In contrast to this positive news in Europe we still wait to see what the implications are of the new populist administration in Italy. In the US we will keep a close eye on developments regarding trade tariffs.

We believe Brexit negotiations present considerable risk. The elephant in the room is the Irish Border and the future customs relationship, and future political instability in the second half of 2018 cannot be ruled out. Key events are the Conservative Party Conference at the end of the September and the crucial EU Summit in mid-October.

Pan Euro Macro Team **August 2018**

Aberdeen Sterling Government Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Sterling Government Bond Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	175.49	181.77	162.56
Return before operating charges*	2.64	(4.26)	21.30
Operating charges	(1.99)	(2.02)	(1.90)
Return after operating charges*	0.65	(6.28)	19.40
Distributions on accumulation shares	(0.44)	(0.35)	(0.95)
Retained distributions on accumulation shares	0.44	0.35	0.76
Closing net asset value per share	176.14	175.49	181.77
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.37%	(3.45%)	11.93%
Other information			
Closing net asset value (£'000s)	2,928	7,951	8,576
Closing number of shares	1,662,076	4,530,676	4,717,754
Operating charges	1.13%	1.14%	1.14%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	179.56	187.28	181.66
Lowest share price (pence)	170.61	170.43	160.32

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

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A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	133.19	138.24	124.18
Return before operating charges*	2.01	(3.26)	16.07
Operating charges	(1.51)	(1.53)	(1.43)
Return after operating charges*	0.50	(4.79)	14.64
Distributions on income shares	(0.33)	(0.26)	(0.58)
Closing net asset value per share	133.36	133.19	138.24
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.38%	(3.46%)	11.79%
Other information			
Closing net asset value (£'000s)	530	15,867	1,165
Closing number of shares	397,647	11,912,547	842,647
Operating charges	1.13%	1.14%	1.14%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	136.28	142.44	138.41
Lowest share price (pence)	129.37	129.62	122.47

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

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I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	180.11	185.63	165.35
Return before operating charges*	2.70	(4.36)	21.73
Operating charges	(1.14)	(1.16)	(1.09)
Return after operating charges*	1.56	(5.52)	20.64
Distributions on accumulation shares	(1.36)	(1.26)	(1.84)
Retained distributions on accumulation shares	1.36	1.26	1.48
Closing net asset value per share	181.67	180.11	185.63
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.87%	(2.97%)	12.48%
Other information			
Closing net asset value (£'000s)	83,282	68,037	71,307
Closing number of shares	45,843,150	37,775,350	38,412,991
Operating charges	0.63%	0.64%	0.64%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	184.39	191.32	185.47
Lowest share price (pence)	175.56	174.38	163.26

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

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I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	109.58	113.74	102.17
Return before operating charges*	1.64	(2.68)	13.16
Operating charges	(0.69)	(0.71)	(0.68)
Return after operating charges*	0.95	(3.39)	12.48
Distributions on income shares	(0.83)	(0.77)	(0.91)
Closing net asset value per share	109.70	109.58	113.74
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.87%	(2.98%)	12.21%
Other information			
Closing net asset value (£'000s)	480	549	1,191
Closing number of shares	437,392	500,792	1,047,022
Operating charges	0.63%	0.64%	0.64%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	112.18	117.24	114.07
Lowest share price (pence)	106.43	106.85	100.88

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

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P Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	140.86	146.22	131.33
Return before operating charges*	2.08	(3.43)	16.85
Operating charges	(0.51)	(0.53)	(0.50)
Return after operating charges*	1.57	(3.96)	16.35
Distributions on income shares	(1.43)	(1.40)	(1.46)
Closing net asset value per share	141.00	140.86	146.22
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.11%	(2.71%)	12.45%
Other information			
Closing net asset value (£'000s)	19	19	27
Closing number of shares	13,578	13,578	18,778
Operating charges	0.36%	0.37%	0.37%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	144.25	150.74	146.75
Lowest share price (pence)	136.82	137.52	129.75

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

Aberdeen Sterling Government Bond Fund

Q Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	140.85	146.21	131.33
Return before operating charges*	2.07	(3.41)	16.80
Operating charges	(0.38)	(0.39)	(0.36)
Return after operating charges*	1.69	(3.80)	16.44
Distributions on income shares	(1.55)	(1.56)	(1.56)
Closing net asset value per share	140.99	140.85	146.21
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.20%	(2.60%)	12.52%
Other information			
Closing net asset value (£'000s)	283	587	1,352
Closing number of shares	200,924	417,024	924,591
Operating charges	0.27%	0.27%	0.27%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	144.25	150.74	146.79
Lowest share price (pence)	136.81	137.59	129.77

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

Aberdeen Sterling Government Bond Fund

Q Gross Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	140.59	145.93	131.04
Return before operating charges*	2.03	(3.45)	17.22
Operating charges	(0.38)	(0.38)	(0.37)
Return after operating charges*	1.65	(3.83)	16.85
Distributions on income shares	(1.55)	(1.51)	(1.96)
Closing net asset value per share	140.69	140.59	145.93
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.17%	(2.62%)	12.86%
Other information			
Closing net asset value (£'000s)	1,685	4,503	11,972
Closing number of shares	1,197,757	3,203,157	8,203,998
Operating charges	0.27%	0.27%	0.27%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	143.99	150.49	146.71
Lowest share price (pence)	136.56	137.27	129.61

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

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Z Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	105.07	107.81	100.00[B]
Return before operating charges*	1.57	(2.59)	8.02
Operating charges	(0.14)	(0.15)	(0.15)
Return after operating charges*	1.43	(2.74)	7.87
Distributions on accumulation shares	(1.31)	(1.23)	(0.31)
Retained distributions on accumulation shares	1.31	1.23	0.25
Closing net asset value per share	106.50	105.07	107.81
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.36%	(2.54%)	7.87%
Other information			
Closing net asset value (£'000s)	36,165	65,021	18,275
Closing number of shares	33,959,173	61,880,873	16,951,474
Operating charges	0.13%	0.14%	0.14%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	107.72	111.15	107.68
Lowest share price (pence)	102.70	101.41	99.59

[A] Z Accumulation share class launched on 13 May 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Government Bond Fund

Z Income shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	103.60	107.56	100.00[B]
Return before operating charges*	0.24	(2.59)	7.96
Operating charges	(0.10)	(0.15)	(0.15)
Return after operating charges*	0.14	(2.74)	7.81
Distributions on income shares	(0.63)	(1.22)	(0.25)
Final cancellation price per share	(103.11)	-	-
Closing net asset value per share	-	103.60	107.56
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.14%	(2.55%)	7.81%
Other information			
Closing net asset value (£'000s)	-	1	13,574
Closing number of shares	-	944	12,620,444
Operating charges	0.13%	0.14%	0.14%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	106.11	110.90	107.68
Lowest share price (pence)	100.63	101.18	99.59

[A] Z Income share class launched on 13 May 2016 and closed 11 May 2018.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Government Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 98.89% (2017: 99.02%)					
Bonds 98.89% (2017: 99.02%)					
Government Bonds 98.89% (2017: 99.02%)					
Australia 4.58% (2017: 5.59%)					
Australia (Commonwealth of)	2.7500	21/11/27	10,059,000	**5,748**	**4.58**
United Kingdom 94.31% (2017: 91.48%)					
UK Treasury	4.5000	07/03/19	17,335,792	17,740	14.14
UK Treasury	1.5000	22/07/47	11,301,000	10,613	8.46
UK Treasury	4.2500	07/12/27	5,033,000	6,321	5.04
UK Treasury∞	3.7500	07/09/19	5,396,000	5,578	4.45
UK Treasury	1.7500	22/07/19	5,323,000	5,376	4.29
UK Treasury	3.2500	22/01/44	3,496,338	4,531	3.61
UK Treasury∞	2.0000	22/07/20	4,244,000	4,346	3.47
UK Treasury	4.2500	07/06/32	3,233,312	4,297	3.43
UK Treasury	4.5000	07/09/34	2,818,908	3,944	3.15
UK Treasury	4.0000	22/01/60	2,154,710	3,687	2.94
UK Treasury	4.2500	07/03/36	2,643,420	3,666	2.92
UK Treasury	3.5000	22/01/45	2,681,000	3,642	2.91
UK Treasury∞	4.7500	07/03/20	3,332,002	3,546	2.83
UK Treasury∞	4.7500	07/12/30	2,513,000	3,421	2.73
UK Treasury	4.2500	07/12/46	2,036,000	3,153	2.51
UK Treasury	4.2500	07/12/40	2,142,222	3,122	2.49
UK Treasury	4.7500	07/12/38	2,048,000	3,107	2.48
UK Treasury	1.5000	22/07/26	2,972,000	3,024	2.41
UK Treasury	3.5000	22/07/68	1,759,031	2,895	2.31
UK Treasury∞	4.0000	07/03/22	2,522,006	2,802	2.24
UK Treasury	4.5000	07/12/42	1,802,019	2,769	2.21
UK Treasury	1.7500	22/07/57	2,676,000	2,745	2.19
UK Treasury∞	3.7500	07/09/21	2,346,959	2,556	2.04
UK Treasury∞	8.0000	07/06/21	1,884,000	2,268	1.81
UK Treasury	2.5000	22/07/65	1,721,000	2,224	1.77
UK Treasury	4.2500	07/12/55	1,199,000	2,055	1.64
UK Treasury	1.7500	07/09/37	1,089,000	1,088	0.87
UK Treasury	0.7500	22/07/23	820,000	808	0.64
UK Treasury∞	3.7500	07/09/20	612,024	650	0.52
UK Treasury	4.2500	07/09/39	443,000	637	0.51
UK Treasury	5.0000	07/03/25	480,000	597	0.48
UK Treasury	1.6250	22/10/71	518,000	524	0.42
UK Treasury	3.7500	22/07/52	329,000	502	0.40
				118,234	**94.31**

Aberdeen Sterling Government Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
United States nil (2017: 1.95%)					
Total Government Bonds				123,982	98.89
Total Bonds				123,982	98.89
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				123,982	98.89

Derivatives 0.03% (2017: 0.01%)

Forward currency exchange contracts 0.03% (2017: 0.01%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Goldman Sachs	GBP	AUD	07/09/18	9,946,620	17,618,000	(24)	(0.02)
HSBC	AUD	GBP	07/09/18	8,086,000	4,514,279	62	0.05
Unrealised gains on forward currency exchange contracts						38	0.03
Unrealised gains on derivatives						38	0.03
Total investments[≠]						124,020	98.92
Other net assets						1,352	1.08
Total net assets						125,372	100.00

[≠] Including derivative liabilities.
[∞] A portion of this security is on loan at the year end.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen Sterling Government Bond Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	22,821	18.40	18.20

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Sweden (Kingdom of)	10,958	Government Bond	Investment grade	BNP Paribas
Luxembourg (Grand Duchy of)	8,980	Government Bond	Investment grade	BNP Paribas
UK Treasury	2,857	Government Bond	Investment grade	BNP Paribas
Netherlands (Kingdom of)	1,502	Government Bond	Investment grade	BNP Paribas
Total collateral received	**24,297**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	24,297	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
EUR	21,440
GBP	2,857
Total collateral received	**24,297**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Barclays	22,821	United Kingdom	Tri-party
Total market value of securities lending	**22,821**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	24,297	-	**24,297**

Aberdeen Sterling Government Bond Fund

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	22,821	-	**22,821**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	9	125.00
Direct operational costs (securities lending agent costs)	(2)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(2)	(25.00)
Net return	**7**	**100.00**

Aberdeen Sterling Government Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains/(losses)	1		65		(4,663)
Revenue	2	1,872		2,063	
Expenses	3	(671)		(775)	
Net revenue before taxation		1,201		1,288	
Taxation	4	-		-	
Net revenue after taxation			1,201		1,288
Total return before distributions			**1,266**		**(3,375)**
Distributions	5		(1,201)		(1,292)
Change in net assets attributable to shareholders from investment activities			**65**		**(4,667)**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**162,535**		**127,439**
Amounts receivable on issue of shares	28,683		94,076	
Amounts payable on cancellation of shares	(67,001)		(55,652)	
		(38,318)		38,424
Dilution adjustment		23		128
Change in net assets attributable to shareholders from investment activities		65		(4,667)
Retained distributions on accumulation shares		1,067		1,210
Unclaimed distributions > 6 years		-		1
Closing net assets attributable to shareholders		**125,372**		**162,535**

Aberdeen Sterling Government Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		124,044	161,082
Current assets:			
Debtors	6	903	1,006
Cash and bank balances		514	826
Total assets		**125,461**	**162,914**
Liabilities:			
Investment liabilities		24	116
Creditors:			
Other creditors	7	51	226
Distribution payable		14	37
Total liabilities		**89**	**379**
Net assets attributable to shareholders		**125,372**	**162,535**

Aberdeen Sterling Government Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains/(losses)

	2018 £'000	2017 £'000
The net capital gains/(losses) on investments during the year comprise:		
Non-derivative securities losses	(580)	(4,346)
Forward currency contracts gains/(losses)	649	(402)
Other currency (losses)/gains	(4)	29
Class actions	-	56
Net capital gains/(losses)	**65**	**(4,663)**

2. Revenue

	2018 £'000	2017 £'000
Interest on debt securities	1,864	2,058
Stock lending commission	7	3
Bank interest	1	2
Total revenue	**1,872**	**2,063**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	501	567
Operating, administrative and servicing fees	170	207
	671	774
Other expenses:		
Interest payable and similar charges	-	1
	-	1
Total expenses	**671**	**775**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	-	-
Current tax charge	**-**	**-**
Total taxation	**-**	**-**

Aberdeen Sterling Government Bond Fund

Factors affecting current tax charge for year
The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	1,201	1,288
Corporation tax at 20% (2017 - 20%)	240	258
Effects of:		
Relief for indexation movements on index-linked gilts	(3)	(6)
Income being paid as interest distributions	(237)	(252)
Total taxation	**-**	**-**

Factors that may affect future tax charges
There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax
There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**
The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	2018 £'000	2017 £'000
Interim	529	732
Final	580	617
	1,109	1,349
Add: Revenue deducted on cancellation of shares	156	125
Deduct: Revenue received on issue of shares	(64)	(182)
Distributions for the year	**1,201**	**1,292**
Total distributions	**1,201**	**1,292**

Details of the distribution per share are set out in the distribution tables on pages 645 to 646.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	1,201	1,288
Add:		
Undistributed revenue brought forward	-	5
Deduct:		
Movement between share classes due to conversions	-	(1)
Distributions	**1,201**	**1,292**

Aberdeen Sterling Government Bond Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	872	999
Amounts receivable for issue of shares	31	7
Total debtors	**903**	**1,006**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	42	69
Amounts payable for cancellation of shares	9	157
Total other creditors	**51**	**226**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 633. £9,000 was due to the ACD (2017 - £200,000) at the year end.

The Investment Adviser

As at the year end the Fund held no investments that were managed by subsidiaries of Standard Life Aberdeen plc (2017 - nil).

9. Material shareholders

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 79% of the Fund's shares in issue.

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 0.90%
Class 'I': 0.40%
Class 'P': 0.23%
Class 'Q': 0.23%
Class 'Q' Gross: 0.23%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 620 to 628. The distribution per share class is given in the distribution tables on pages 645 to 646. All share classes have the same rights on winding up.

Aberdeen Sterling Government Bond Fund

Share reconciliation
As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	4,530,676	11,912,547	37,775,350	500,792
Creations during the year	89,813	2,000	12,921,800	51,200
Cancellations during the year	(2,959,200)	(11,515,863)	(4,854,000)	(114,600)
Shares converted during the year	787	(1,037)	-	-
Closing shares in issue	**1,662,076**	**397,647**	**45,843,150**	**437,392**

	P Income shares	Q Income shares	Q Gross Income shares	Z Accumulation shares
Opening number of shares	13,578	417,024	3,203,157	61,880,873
Creations during the year	-	-	6,200	4,915,700
Cancellations during the year	-	(216,100)	(2,011,600)	(32,837,400)
Shares converted during the year	-	-	-	-
Closing shares in issue	**13,578**	**200,924**	**1,197,757**	**33,959,173**

	Z Income shares
Opening number of shares	944
Creations during the year	-
Cancellations during the year	(944)
Shares converted during the year	-
Closing shares in issue	**-**

11. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Aberdeen Sterling Government Bond Fund

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Barclays	22,821	24,297	Government Bond
Total	**22,821**	**24,297**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	9	2	7

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
JPM Chase	972	1,024	Government Bond
Total	**972**	**1,024**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	4	1	3

Aberdeen Sterling Government Bond Fund

12. **Risk management policies and disclosures**

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

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

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Australian Dollar	-	5,748	93	5,841
Pound Sterling	514	118,234	872	119,620
Total financial assets	**514**	**123,982**	**965**	**125,461**

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Australian Dollar	-	9,089	49	9,138
Euro	-	-	122	122
Pound Sterling	826	148,691	962	150,479
US Dollar	-	3,168	7	3,175
Total financial assets	**826**	**160,948**	**1,140**	**162,914**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Pound Sterling	-	-	(89)	(89)
Total financial liabilities	**-**	**-**	**(89)**	**(89)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Pound Sterling	-	-	(379)	(379)
Total financial liabilities	**-**	**-**	**(379)**	**(379)**

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Aberdeen Sterling Government Bond Fund

Sensitivity analysis

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

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	2.43%	2.30%
Maximum VaR	2.87%	2.85%
Average VaR	2.64%	2.66%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	-	2.37%	-	0.25%	2.62%
31 July 2017	0.02%	2.36%	-	0.23%	2.61%

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

Counterparty risk

Credit quality of debt security investment assets

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

	Market value £'000	Percentage of total net assets %
2018		
Investment grade securities (AAA - BBB)	116,085	92.59
Unrated securities	7,897	6.30
Derivatives*	38	0.03
Other net assets	1,352	1.08
Net assets	**125,372**	**100.00**

	Market value £'000	Percentage of total net assets %
2017		
Investment grade securities (AAA - BBB)	156,671	96.39
Unrated securities	4,277	2.63
Derivatives*	18	0.01
Other net assets	1,569	0.97
Net assets	**162,535**	**100.00**

* Please refer to the counterparty risk note on page 15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

Aberdeen Sterling Government Bond Fund

Financial derivatives

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
HSBC	62	62
Total exposure	**62**	**62**

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
BNP Paribas	123	123
HSBC	11	11
Total exposure	**134**	**134**

The Fund had no collateral pledged or collateral held in respect of derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	24	-	-	24
Non-derivatives					
Other creditors	-	51	-	-	51
Distribution payable	-	14	-	-	14
Total financial liabilities	**-**	**89**	**-**	**-**	**89**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	116	-	-	116
Non-derivatives					
Other creditors	-	226	-	-	226
Distribution payable	-	37	-	-	37
Total financial liabilities	**-**	**379**	**-**	**-**	**379**

Aberdeen Sterling Government Bond Fund

13. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Bonds	201,872	318,617	236,454	278,537
Trades in the year before transactions costs	**201,872**	**318,617**	**236,454**	**278,537**
Commissions				
Bonds	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**201,872**	**318,617**	**236,454**	**278,537**

	Purchases		Sales	
	2018 %	2017 %	2018 %	2017 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Taxes				
Bonds	-	-	-	-
Other expenses				
Bonds	-	-	-	-

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were no corporate actions in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.01% (2017 - 0.01%).

Aberdeen Sterling Government Bond Fund

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1

Quoted prices in active markets for identical securities.

Level 2

Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3

Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1[A]	118,234	-	151,859	-
Level 2	5,810	24	9,223	116
Level 3	-	-	-	-
Total	**124,044**	**24**	**161,082**	**116**

[A] Debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price, amount to £118,234,000 as at 31 July 2018 (2017: £151,859,000).

Aberdeen Sterling Government Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.16757	-	0.16757	0.23607
Group 2	0.10006	0.06751	0.16757	0.23607
A Income shares				
Group 1	0.12719	-	0.12719	0.17954
Group 2	0.01154	0.11565	0.12719	0.17954
I Accumulation shares				
Group 1	0.63528	-	0.63528	0.69710
Group 2	0.36687	0.26841	0.63528	0.69710
I Income shares				
Group 1	0.38652	-	0.38652	0.42715
Group 2	0.11470	0.27182	0.38652	0.42715
P Income shares				
Group 1	0.69309	-	0.69309	0.77042
Group 2	0.69309	-	0.69309	0.77042
Q Income shares				
Group 1	0.76087	-	0.76087	0.86280
Group 2	0.76087	-	0.76087	0.86280
Q Gross Income shares				
Group 1	0.75943	-	0.75943	0.81346
Group 2	0.41396	0.34547	0.75943	0.81346
Z Accumulation shares				
Group 1	0.63598	-	0.63598	0.63811
Group 2	0.15598	0.48000	0.63598	0.63811
Z Income shares				
Group 1	0.62702	-	0.62702	0.63665
Group 2	0.62702	-	0.62702	0.63665

Aberdeen Sterling Government Bond Fund

Final interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.26804	-	0.26804	0.11205
Group 2	0.16302	0.10502	0.26804	0.11205
A Income shares				
Group 1	0.20325	-	0.20325	0.08510
Group 2	0.14721	0.05604	0.20325	0.08510
I Accumulation shares				
Group 1	0.72348	-	0.72348	0.55969
Group 2	0.22990	0.49358	0.72348	0.55969
I Income shares				
Group 1	0.43861	-	0.43861	0.34159
Group 2	0.30018	0.13843	0.43861	0.34159
P Income shares				
Group 1	0.73993	-	0.73993	0.63336
Group 2	0.73993	-	0.73993	0.63336
Q Income shares				
Group 1	0.79002	-	0.79002	0.69964
Group 2	0.79002	-	0.79002	0.69964
Q Gross Income shares				
Group 1	0.78873	-	0.78873	0.69211
Group 2	0.73873	0.05000	0.78873	0.69211
Z Accumulation shares				
Group 1	0.67701	-	0.67701	0.58754
Group 2	0.28988	0.38713	0.67701	0.58754
Z Income shares				
Group 1	-	-	-	0.58254
Group 2	-	-	-	0.58254

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

Aberdeen Sterling Index-Linked Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Sterling denominated index-linked Debt and debt-related securities that are issued by governments, public bodies, supra-national and corporate issuers.

The Fund may also invest in other transferable securities, including index-linked Debt and debt-related securities denominated in any currency issued by government issuers, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Performance review

For the year ended 31 July 2018, the value of the Aberdeen Sterling Index-Linked Bond Fund – A Accumulation Shares increased by 2.52% compared to an increase of 3.98% in the benchmark, the FTSE-A British Government Index Linked Over 5 Years Index.

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

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

Market review

Investors in UK government bonds experienced something of a roller-coaster ride in the year to 31 July. The yield on the 10-year benchmark gilt started the review period at 1.28% and touched a low of 1.02%, and a high of 1.52% before ending the review period at 1.33%. The Fund return after fees and tax was 2.52%.

US tensions with North Korea escalated in the summer of 2017, with President Trump saying any threats to the US or its allies would be met with "fire and fury". This sparked risk-off moves with 'safe' assets rising in price, while assets perceived as risky sold off. At its September meeting, the Bank of England's (BoE) Monetary Policy Committee (MPC) shifted to a hawkish stance, effectively giving the market an unconditional pledge to hike interest rates. The market reacted to the hawkish rhetoric by pricing imminent rate hikes into the yield curve. November brought an increase in the official bank rate, its first rise since 2017. However, the accompanying monetary policy statement was seen by the market to be dovish, with Governor Mark Carney stating that the outlook for inflation was conditioned on a market path that implied two additional 25bp increases over the three-year forecast period.

Global equity markets were strong at the beginning of 2018, helping to prompt a sell-off in government bonds; the yield on the 10-year US Treasury rose to 2.70% in January, a level not seen since 2014. In the UK market, accompanied by optimistic Brexit headlines and slightly better economic data, the 10-year gilt yield also moved higher. The start of February brought a return to market volatility, and relatively large falls in equities caused flight-to-quality moves throughout fixed income markets. However, this was relatively short-lived; as investors' nerves settled, both equity prices and bond yields moved higher once more, albeit the move in bond yields was partially retraced in March.

An escalation of trade concerns, the strengthening US dollar and worries about Eurozone viability stemming from Italian politics were the dominating stories between April and June. The overall mix served to unnerve risk markets. While the UK gilt market was buffeted by global developments, communications from the Bank of England caused the greatest confusion. Having overtly shifted market rate pricing towards a series of likely rises through a hawkish stance based on supply side concerns, the MPC pulled back sharply from this stance in the face of weak first quarter GDP data. Subsequent communications from Governor Carney indicated a far less certain interest rate opinion, driving strong performance from gilts.

Encouraging labour market data and robust retail spending provided signals that economic activity was only temporarily stalled by adverse weather in the first quarter, and markets became increasingly confident that the MPC would move interest rates higher in August. Nevertheless, UK yields outperformed their global peers as the aforementioned political uncertainty provided a more supportive tone to UK gilts early in the month, and yields initially fell on the aforementioned political malaise and global trade tariff concerns. However, bonds suffered a reversal towards month end as investors fretted over potential changes to Bank of Japan monetary policy.

Portfolio review

Duration positions made a positive contribution to Fund performance. These were added following the risk-off moves in March, and closed in April as yields retraced higher. In mid-June the Fund reset the short duration position, as we felt the risk-off move was overdone. Initially the Fund sold 10-year index-linked gilts, adding to this by selling 30-year index-linked gilts. At the end of June we closed the 30-year position at a profit and the 10-year position was closed in July.

In January we initiated a trade into US Treasury Inflation-Protected Securities at the long end of the curve. This position was closed at a profit at the end of January. The same strategy was initiated in March. Following a material underperformance of UK index-linked assets versus US TIPS in April, this position was again closed at a profit. In March the Fund added a cross market position into US TIPS, this time at the 10-year part of the curve. We continue to hold this trade.

A long-end breakeven trade was initiated at the start of October, selling an inflation-linked gilt and buying the corresponding conventional bond. This trade made a positive contribution to performance and was removed towards the end of the month. Similar strategies were initiated in January and February. We thought the supply, combined with underlying fundamentals in this inflation-proxy spread, should cause breakevens to cheapen. The position worked and we took profits near the end of February.

In April a small short breakeven position was added in the five-year maturity area. We took profits on this position later that month following a sharp drop in breakevens after weaker-than-expected UK inflation figures. In May we reset this position and subsequently closed at a small profit in June.

From a curve perspective the Fund held numerous positions throughout the year. On the whole these positions were positive for performance.

Aberdeen Sterling Index-Linked Bond Fund

Outlook

Following the recent rally in global yields, we still believe UK gilt yields have the ability to rise over the medium term. However, we are cognisant of both the global backdrop and Brexit negotiations. As we head towards September, the political risk in the UK heightens significantly.

The growth outlook in Europe and the US remains relatively strong and both central banks are either tightening monetary policy or starting to ease less which will provide upward pressure on global developed market bond yields. In contrast to this positive news in Europe we still wait to see what the implications are of the new populist administration in Italy. In the US we will keep a close eye on developments regarding trade tariffs.

We believe Brexit negotiations present considerable risk. The elephant in the room is the Irish Border and the future customs relationship, and future political instability in the second half of 2018 cannot be ruled out. Key events are the Conservative Party Conference at the end of the September and the EU Summit in mid-October.

ASI Inflation Team **August 2018**

Aberdeen Sterling Index-Linked Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Sterling Index-Linked Bond Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	234.77	227.06	199.70
Return before operating charges*	10.41	10.49	29.76
Operating charges	(2.69)	(2.78)	(2.40)
Return after operating charges*	7.72	7.71	27.36
Distributions on accumulation shares	(0.78)	(1.23)	-
Retained distributions on accumulation shares	0.78	1.23	-
Closing net asset value per share	242.49	234.77	227.06
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.29%	3.40%	13.70%
Other information			
Closing net asset value (£'000s)	8,563	9,321	13,013
Closing number of shares	3,531,177	3,970,477	5,731,177
Operating charges	1.12%	1.15%	1.19%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	252.13	258.67	231.58
Lowest share price (pence)	229.85	222.25	190.14

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

Aberdeen Sterling Index-Linked Bond Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	191.04	185.72	163.33
Return before operating charges*	8.46	8.60	24.35
Operating charges	(2.19)	(2.27)	(1.96)
Return after operating charges*	6.27	6.33	22.39
Distributions on income shares	(0.63)	(1.01)	-
Closing net asset value per share	196.68	191.04	185.72
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.28%	3.41%	13.71%
Other information			
Closing net asset value (£'000s)	446	568	707
Closing number of shares	226,672	297,272	380,872
Operating charges	1.12%	1.15%	1.19%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	205.17	210.49	189.41
Lowest share price (pence)	186.79	181.79	155.52

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

Aberdeen Sterling Index-Linked Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	203.05	195.41	171.17
Return before operating charges*	9.03	9.00	25.60
Operating charges	(1.29)	(1.36)	(1.18)
Return after operating charges*	7.74	7.64	24.24
Distributions on accumulation shares	(1.74)	(1.94)	(0.89)
Retained distributions on accumulation shares	1.74	1.94	0.71
Closing net asset value per share	210.79	203.05	195.41
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.81%	3.91%	14.16%
Other information			
Closing net asset value (£'000s)	4,794	4,652	5,612
Closing number of shares	2,274,426	2,291,255	2,871,855
Operating charges	0.62%	0.65%	0.69%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	218.19	223.39	199.41
Lowest share price (pence)	199.34	191.28	163.16

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

Aberdeen Sterling Index-Linked Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	137.98	134.04	117.85
Return before operating charges*	6.12	6.20	17.51
Operating charges	(0.88)	(0.93)	(0.83)
Return after operating charges*	5.24	5.27	16.68
Distributions on income shares	(1.18)	(1.33)	(0.49)
Closing net asset value per share	142.04	137.98	134.04
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.80%	3.93%	14.15%
Other information			
Closing net asset value (£'000s)	860	927	803
Closing number of shares	605,437	672,037	599,014
Operating charges	0.62%	0.65%	0.69%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	148.27	152.06	137.17
Lowest share price (pence)	134.93	131.19	112.33

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

Aberdeen Sterling Index-Linked Bond Fund

K Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	118.98	114.33	100.00[B]
Return before operating charges*	5.28	5.26	15.00
Operating charges	(0.57)	(0.61)	(0.58)
Return after operating charges*	4.71	4.65	14.42
Distributions on accumulation shares	(1.18)	(1.30)	(0.48)
Retained distributions on accumulation shares	1.18	1.30	0.39
Closing net asset value per share	123.69	118.98	114.33
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.96%	4.07%	14.42%
Other information			
Closing net asset value (£'000s)	2,501	4,143	4,080
Closing number of shares	2,022,397	3,481,750	3,568,750
Operating charges	0.47%	0.50%	0.54%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	127.88	130.84	116.66
Lowest share price (pence)	116.90	111.91	99.48

[A] K Accumulation share class launched on 13 May 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Index-Linked Bond Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	262.89	251.73	219.69
Return before operating charges*	11.65	11.56	32.74
Operating charges	(0.32)	(0.40)	(0.45)
Return after operating charges*	11.33	11.16	32.29
Distributions on accumulation shares	(3.59)	(3.81)	(1.25)
Retained distributions on accumulation shares	3.59	3.81	1.00
Closing net asset value per share	274.22	262.89	251.73
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	4.31%	4.43%	14.70%
Other information			
Closing net asset value (£'000s)	69,912	97,732	103,660
Closing number of shares	25,494,801	37,176,001	41,179,401
Operating charges	0.12%	0.15%	0.19%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	282.64	288.78	256.82
Lowest share price (pence)	258.79	246.39	209.64

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

Aberdeen Sterling Index-Linked Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 99.89% (2017: 99.25%)					
Bonds 99.89% (2017: 99.25%)					
Government Bonds 99.89% (2017: 99.25%)					
United Kingdom 93.17% (2017: 99.25%)					
UK Treasury (INDX)	0.7500	22/03/34	4,023,033	6,937	7.98
UK Treasury (INDX)	1.2500	22/11/55	1,441,945	5,138	5.90
UK Treasury (INDX)	0.3750	22/03/62	1,763,131	4,694	5.39
UK Treasury (INDX)	0.1250	22/03/68	1,788,991	4,686	5.38
UK Treasury (INDX)	1.2500	22/11/32	2,455,000	4,680	5.38
UK Treasury (INDX)	1.1250	22/11/37	1,982,752	4,471	5.14
UK Treasury (INDX)	0.6250	22/03/40	2,128,757	4,363	5.01
UK Treasury (INDX)	0.5000	22/03/50	1,761,000	4,295	4.93
UK Treasury (INDX)	0.7500	22/11/47	1,685,000	4,244	4.87
UK Treasury (INDX)	0.6250	22/11/42	1,813,940	3,992	4.58
UK Treasury (INDX)	0.1250	22/11/65	1,655,000	3,965	4.55
UK Treasury (INDX)	0.2500	22/03/52	1,780,831	3,751	4.31
UK Treasury (INDX)	0.1250	22/03/24	2,735,000	3,536	4.06
UK Treasury (INDX)	0.1250	22/03/58	1,578,000	3,359	3.86
UK Treasury (INDX)	0.1250	22/03/46	1,943,000	3,355	3.85
UK Treasury (INDX)	0.1250	22/03/44	1,856,000	3,313	3.80
UK Treasury (INDX)	0.1250	22/11/36	2,098,000	3,111	3.57
UK Treasury (INDX)	2.5000	17/07/24	817,000	2,943	3.38
UK Treasury (INDX)	0.1250	22/11/19	2,274,000	2,643	3.03
UK Treasury (INDX)	0.1250	22/11/56	789,000	1,586	1.82
UK Treasury (INDX)	0.1250	22/03/29	873,000	1,245	1.43
UK Treasury (INDX)	1.2500	22/11/27	58,000	109	0.13
United Kingdom (Government of)	0.1250	10/08/41	482,000	715	0.82
				81,131	**93.17**
United States 6.72% (2017: nil)					
US Treasury (INDX)	0.3750	15/07/27	7,760,000	**5,848**	**6.72**
Total Government Bonds				**86,979**	**99.89**
Total Bonds				**86,979**	**99.89**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**86,979**	**99.89**

Aberdeen Sterling Index-Linked Bond Fund

Derivatives (0.11%) (2017: nil)

Forward currency exchange contracts (0.11%) (2017: nil)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Deutsche Bank	GBP	USD	07/09/18	5,733,938	7,661,000	(97)	(0.11)
Unrealised losses on forward currency exchange contracts						**(97)**	**(0.11)**
Unrealised losses on derivatives						**(97)**	**(0.11)**
Total investments*						**86,882**	**99.78**
Other net assets						**194**	**0.22**
Total net assets						**87,076**	**100.00**

* Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen Sterling Index-Linked Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		2,353		4,515
Revenue	2	1,592		1,903	
Expenses	3	(270)		(341)	
Net revenue before taxation		1,322		1,562	
Taxation	4	-		-	
Net revenue after taxation			1,322		1,562
Total return before distributions			**3,675**		**6,077**
Distributions	5		(1,322)		(1,574)
Change in net assets attributable to shareholders from investment activities			**2,353**		**4,503**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**117,343**		**127,875**
Amounts receivable on issue of shares	5,738		4,901	
Amounts payable on cancellation of shares	(39,600)		(21,477)	
		(33,862)		(16,576)
Dilution adjustment		26		-
Change in net assets attributable to shareholders from investment activities		2,353		4,503
Retained distributions on accumulation shares		1,216		1,541
Closing net assets attributable to shareholders		**87,076**		**117,343**

Aberdeen Sterling Index-Linked Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		86,979	116,463
Current assets:			
Debtors	6	78	339
Cash and bank balances		138	571
Total assets		**87,195**	**117,373**
Liabilities:			
Investment liabilities		97	-
Creditors:			
Other creditors	7	17	28
Distribution payable		5	2
Total liabilities		**119**	**30**
Net assets attributable to shareholders		**87,076**	**117,343**

Aberdeen Sterling Index-Linked Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	2,560	4,463
Forward currency contracts losses	(215)	(42)
Other currency gains	8	94
Net capital gains	**2,353**	**4,515**

2. Revenue

	2018 £'000	2017 £'000
Interest on debt securities	1,591	1,903
Bank interest	1	-
Total revenue	**1,592**	**1,903**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	132	156
Operating, administrative and servicing fees	138	185
Total expenses	**270**	**341**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	-	-
Current tax charge	**-**	**-**
Total taxation	**-**	**-**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	1,322	1,562
Corporation tax at 20% (2017 - 20%)	264	312
Effects of:		
Relief for indexation movements on index-linked gilts	(688)	(775)
Income being paid as interest distributions	424	463
Total taxation	**-**	**-**

Factors that may affect future tax charges

There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
Interim	698	1,128
Final	527	425
	1,225	1,553
Add: Revenue deducted on cancellation of shares	104	23
Deduct: Revenue received on issue of shares	(7)	(2)
Distributions for the year	**1,322**	**1,574**
Total distributions	**1,322**	**1,574**

Details of the distribution per share are set out in the distribution tables on pages 667 to 668.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	1,322	1,562
Add:		
Revenue deficit transfer from capital account	-	12
Distributions	**1,322**	**1,574**

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	64	121
Amounts receivable for issue of shares	14	218
Total debtors	**78**	**339**

Aberdeen Sterling Index-Linked Bond Fund

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	17	25
Amounts payable for cancellation of shares	-	3
Total other creditors	**17**	**28**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 658. £4,000 was due from the ACD (2017 - £203,000) at the year end.

The Investment Adviser

As at the year end the Fund held no investments that were managed by subsidiaries of Standard Life Aberdeen plc (2017 - nil).

9. Material shareholders

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 61% of the Fund's shares in issue.

Nortrust Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 30% of the Fund's shares in issue.

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 0.90%
Class 'I': 0.40%
Class 'K': 0.35%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 650 to 655. The distribution per share class is given in the distribution tables on pages 667 to 668. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	3,970,477	297,272	2,291,255	672,037
Creations during the year	336,800	16,500	369,200	34,800
Cancellations during the year	(776,100)	(87,100)	(347,500)	(101,400)
Shares converted during the year	-	-	(38,529)	-
Closing shares in issue	**3,531,177**	**226,672**	**2,274,426**	**605,437**

	K Accumulation shares	Z Accumulation shares
Opening number of shares	3,481,750	37,176,001
Creations during the year	388,400	1,354,000
Cancellations during the year	(1,913,500)	(13,035,200)
Shares converted during the year	65,747	-
Closing shares in issue	**2,022,397**	**25,494,801**

Aberdeen Sterling Index-Linked Bond Fund

11. **Risk management policies and disclosures**

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

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

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Pound Sterling	854	80,415	78	81,347
US Dollar	5,848	-	-	5,848
Total financial assets	**6,702**	**80,415**	**78**	**87,195**

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Pound Sterling	117,034	-	339	117,373
Total financial assets	**117,034**	**-**	**339**	**117,373**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Pound Sterling	-	-	(119)	(119)
Total financial liabilities	**-**	**-**	**(119)**	**(119)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Pound Sterling	-	-	(30)	(30)
Total financial liabilities	**-**	**-**	**(30)**	**(30)**

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Sensitivity analysis

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

Aberdeen Sterling Index-Linked Bond Fund

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	4.51%	4.44%
Maximum VaR	5.38%	5.24%
Average VaR	4.98%	4.78%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	-	3.82%	-	1.16%	4.98%
31 July 2017	-	3.41%	-	1.09%	4.50%

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

Counterparty risk

Credit quality of debt security investment assets

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

	Market value £'000	Percentage of total net assets £'000
2018		
Investment grade securities (AAA - BBB)	86,264	99.07
Unrated securities	715	0.82
Derivatives*	(97)	(0.11)
Other net assets	194	0.22
Net assets	**87,076**	**100.00**

	Market value £'000	Percentage of total net assets £'000
2017		
Investment grade securities (AAA - BBB)	116,463	99.25
Other net assets	880	0.75
Net assets	**117,343**	**100.00**

* Please refer to the counterparty risk note on page 15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

Aberdeen Sterling Index-Linked Bond Fund

Financial derivatives
The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	97	-	-	97
Non-derivatives					
Other creditors	-	17	-	-	17
Distribution payable	-	5	-	-	5
Total financial liabilities	**-**	**119**	**-**	**-**	**119**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	28	-	-	28
Distribution payable	-	2	-	-	2
Total financial liabilities	**-**	**30**	**-**	**-**	**30**

12. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Bonds	206,126	188,037	239,300	204,906
Trades in the year before transactions costs	**206,126**	**188,037**	**239,300**	**204,906**
Commissions				
Bonds	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**206,126**	**188,037**	**239,300**	**204,906**

Aberdeen Sterling Index-Linked Bond Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Taxes				
Bonds	-	-	-	-
Other expenses				
Bonds	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were no corporate actions in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.01% (2017 - nil).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets	Investment liabilities	Investment assets	Investment liabilities
	£'000	£'000	£'000	£'000
Level 1[A]	86,979	-	116,463	-
Level 2	-	97	-	-
Level 3	-	-	-	-
Total	**86,979**	**97**	**116,463**	**-**

[A] Debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price, amount to £86,979,000 as at 31 July 2018 (2017 - £116,463,000).

Aberdeen Sterling Index-Linked Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.30485	-	0.30485	1.23228
Group 2	0.30485	-	0.30485	1.23228
A Income shares				
Group 1	0.24807	-	0.24807	1.00792
Group 2	0.24807	-	0.24807	1.00792
I Accumulation shares				
Group 1	0.81376	-	0.81376	1.59220
Group 2	0.81358	0.00018	0.81376	1.59220
I Income shares				
Group 1	0.55298	-	0.55298	1.09220
Group 2	0.55298	-	0.55298	1.09220
K Accumulation shares				
Group 1	0.56089	-	0.56089	1.01893
Group 2	0.56089	-	0.56089	1.01893
Z Accumulation shares				
Group 1	1.74341	-	1.74341	2.72260
Group 2	1.57341	0.17000	1.74341	2.72260

Aberdeen Sterling Index-Linked Bond Fund

Final interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.47142	-	0.47142	-
Group 2	0.37594	0.09548	0.47142	-
A Income shares				
Group 1	0.38312	-	0.38312	-
Group 2	0.10903	0.27409	0.38312	-
I Accumulation shares				
Group 1	0.93082	-	0.93082	0.34412
Group 2	0.48006	0.45076	0.93082	0.34412
I Income shares				
Group 1	0.63004	-	0.63004	0.23424
Group 2	0.43724	0.19280	0.63004	0.23424
K Accumulation shares				
Group 1	0.62390	-	0.62390	0.28161
Group 2	0.57001	0.05389	0.62390	0.28161
Z Accumulation shares				
Group 1	1.85009	-	1.85009	1.09194
Group 2	1.05964	0.79045	1.85009	1.09194

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

Aberdeen Sterling Long Dated Corporate Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to achieve income and capital growth with the Fund predominantly invested in Sterling denominated longer dated (10+ years) non-government Investment grade Debt and debt-related securities.

The Fund may invest up to 10% of its Net Asset Value in Debt and Debt-Related Securities which are Sub-Investment grade as at the date of investment. Any security which is downgraded after purchase to Sub-Investment grade will not be sold unless, in the opinion of the Investment Adviser, it is in the best interests of Shareholders to do so.

The Fund may also invest in other transferable securities, including index-linked Debt and debt-related securities denominated in any currency issued by government issuers, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Performance review

For the year ended 31 July 2018, the value of Aberdeen Sterling Long Dated Corporate Bond Fund – K Accumulation Shares decreased by 1.15% compared to a decrease of 0.07% in the benchmark the iBoxx Sterling Non-Gilt Over 10year Index.

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

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

Market review

Sterling corporate bonds underperformed UK government bonds over the 12 months to 31 July 2018. Underlying gilt yields ended the 12 months modestly higher, with the 10-year yield rising by circa 0.10% and ending July 2018 at 1.33%. Hawkish rhetoric on interest rates in September 2017 from the Bank of England set the tone all the way through to the end of February 2018 for higher yields. At the end of February, volatility returned to equity markets and growth concerns returned to the global economy pushing yields from their peak this year of 1.65%.

In credit, the positive start to the period also ended in February 2018. From this point, spreads moved considerably wider, led by subordinated financials which had been the outperformer to this point. The positive tone ending 2017 and starting 2018 led credit markets to some of the tightest levels in spread seen since the global financial crisis in 2008/9.

The main drivers of volatility were an escalation in fears of a trade war between the world's two largest economies, China and the US, along with rising inflation and some softer economic data globally. Credit spreads continued to widen from April through to June as European politics once again caused some concerns – in particular the General Election in Italy. So, too, did increased fears of a material trade war between the US and its major trading partners. Sector-wise, both banks and insurers were among the weakest while safe haven sectors were stronger performers.

July was a positive month for global credit markets. Yield spreads between corporate bonds and government bonds tightened in Europe and the US, and also in the UK, albeit to a lesser extent. Early in the month, trade concerns pushed spreads wider, but positive US economic data throughout July illustrated how little impact the talk of tariff increases was having. Subordinated insurance bonds were particularly strong, and energy-related bonds performed well.

Portfolio review

The Aberdeen Sterling Long Dated Corporate Bond Fund delivered a -0.07% return over the review period, equalling its benchmark performance. The Fund return after fees and tax was -1.15%.

In August, bright spots included outperformance from investments in better quality bank bonds, an underweight in Time Warner Cable and underweight Mexican telecoms group America Movil. Underperformance resulted from an overweight credit risk versus the benchmark and an underweight in the water sector. In September, the Fund's overweight in bank and insurance capital bonds was beneficial, but offset by an overweight in senior banks, where our positions underperformed. The Fund participated in a new issue from UK commercial property group Land Securities and added Dong Energy, a Danish energy supplier. With the Bank of England firming up market opinions interest rate rises over the coming year we moved to neutral duration in September. Credit risk was kept at a modest pro-risk stance.

Maintaining a higher risk portfolio than the benchmark was a main contributor to performance in the final three months of 2017, as were sector and stock selection. Bonds issued by banks and insurers were extremely strong contributors these sectors outperformed once again. The Fund's holdings in Rabobank, Aviva plc and Axa were all significant contributors to returns.

Moving into 2018, good asset allocation performance from overweight positions in subordinated insurance, Lower Tier 2 Banks and tobacco bonds contributed to outperformance. Some benefit was also seen in being overweight the very long Mexican bond in sterling, which continued its recent outperformance as Mexico's finances showed an improvement.

Between April and June, yield spreads at the long end of the curve were particularly weak. Accordingly, the performance of the Fund – which was overweight in riskier corporate bonds – was slightly negative. Stock selection made a positive contribution, with outperformance from bonds issued by UK funeral home operator Dignity Finance. Standard Life Aberdeen bonds also performed strongly after the company announced a sale of its Standard Life insurance business. Italian credit underperformed the market, and the Fund's exposure to bonds issued by utility Enel detracted modestly from returns.

In July, yield curve positioning in the shape of a small active underweight in duration was beneficial. Overweight credit risk also helped, led by bank bonds. Strong performers included the senior Citigroup 2039, where we were overweight. Utility bonds also added to performance, with some of the long dated non-UK electric utilities performing well compared with the UK groups. Insurance bonds benefited from better equity markets and a more stable emerging

Aberdeen Sterling Long Dated Corporate Bond Fund

markets backdrop, in supranational and sovereign debt, an underweight stance to Mexico cost some performance as 100-year sovereign bonds tightened, and an underweight in housing associations also detracted.

Outlook

Credit markets look attractively priced based on improving fundamentals. However, risks still remain around the deterioration of the technical background with, extraordinary stimulus measures from central banks coming to an end this year in Europe. We are also keeping a close eye on developments around trade tariffs, which – if escalated – could have knock-on impacts for credit markets.

Sterling IG Aggregate Team **August 2018**

Aberdeen Sterling Long Dated Corporate Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment, particularly given the exposure to one currency in this Fund.
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Sterling Long Dated Corporate Bond Fund

Comparative tables

A Accumulation shares[A]	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share		
Opening net asset value per share	110.54	100.00[B]
Return before operating charges*	2.45	11.88
Operating charges	(1.15)	(1.25)
Return after operating charges*	1.30	10.63
Distributions on accumulation shares	(1.07)	(0.44)
Retained distributions on accumulation shares	1.07	0.35
Final cancellation price per share	(111.84)	-
Closing net asset value per share	-	110.54
* after direct transaction costs of:	-	-
Performance		
Return after charges	1.18%	10.63%
Other information		
Closing net asset value (£'000s)	-	7
Closing number of shares	-	6,000
Operating charges	1.20%	1.20%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	116.99	110.57
Lowest share price (pence)	102.88	98.75

[A] Share class A Accumulation closed on 16 June 2017.
[B] The opening net asset value stated is the share class launch price.
Fund launched on 13 May 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Long Dated Corporate Bond Fund

I Accumulation shares[A]	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share		
Opening net asset value per share	110.63	100.00[B]
Return before operating charges*	2.46	11.47
Operating charges	(0.67)	(0.73)
Return after operating charges*	1.79	10.74
Distributions on accumulation shares	(1.35)	(0.55)
Retained distributions on accumulation shares	1.35	0.44
Final cancellation price per share	(112.42)	-
Closing net asset value per share	-	110.63
* after direct transaction costs of:	-	-
Performance		
Return after charges	1.62%	10.74%
Other information		
Closing net asset value (£'000s)	-	7
Closing number of shares	-	6,000
Operating charges	0.70%	0.70%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	117.10	110.66
Lowest share price (pence)	103.10	98.75

[A] Share class I Accumulation closed on 16 June 2017.
[B] The opening net asset value stated is the share class launch price.
Fund launched on 13 May 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Long Dated Corporate Bond Fund

K Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	308.79	306.76	275.64[A]
Return before operating charges*	(0.87)	3.71	33.06
Operating charges	(1.62)	(1.68)	(1.59)
Return after operating charges*	(2.49)	2.03	31.47
Distributions on accumulation shares	(8.30)	(7.78)	(1.73)
Retained distributions on accumulation shares	8.30	7.78	1.38
Closing net asset value per share	306.30	308.79	306.76
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.81%)	0.66%	11.42%
Other information			
Closing net asset value (£'000s)	66	5,974	5,843
Closing number of shares	21,517	1,934,717	1,904,717
Operating charges	0.52%	0.55%	0.55%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	318.91	324.69	306.82
Lowest share price (pence)	301.56	285.97	273.75

[A] The opening net asset value stated is the share class launch price.
Fund launched on 13 May 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Long Dated Corporate Bond Fund

K Income shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	100.02	100.00[B]
Return before operating charges*	(0.10)	3.03
Operating charges	(0.40)	(0.44)
Return after operating charges*	(0.50)	2.59
Distributions on income shares	(1.46)	(2.57)
Final cancellation price per share	(98.06)	-
Closing net asset value per share	-	100.02
* after direct transaction costs of:	-	-
Performance		
Return after charges	(0.50%)	2.59%
Other information		
Closing net asset value (£'000s)	-	1
Closing number of shares	-	1,000
Operating charges	0.52%	0.55%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	103.32	103.70
Lowest share price (pence)	96.42	95.07

[A] K Income share class launched on 14 October 2016 and closed 11 May 2018.
[B] The opening net asset value stated is the share class launch price.
Fund launched on 13 May 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Long Dated Corporate Bond Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	267.27	264.60	237.62[A]
Return before operating charges*	(0.35)	3.20	27.82
Operating charges	(0.46)	(0.53)	(0.50)
Return after operating charges*	(0.81)	2.67	27.32
Distributions on accumulation shares	(7.70)	(7.64)	(1.68)
Retained distributions on accumulation shares	7.70	7.64	1.34
Closing net asset value per share	266.46	267.27	264.60
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.30%)	1.01%	11.50%
Other information			
Closing net asset value (£'000s)	13,984	19,451	17,847
Closing number of shares	5,248,111	7,277,311	6,745,111
Operating charges	0.17%	0.20%	0.20%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	276.13	280.09	264.65
Lowest share price (pence)	261.93	246.88	236.00

[A] The opening net asset value stated is the share class launch price.
Fund launched on 13 May 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Long Dated Corporate Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 97.35% (2017: 97.09%)					
Bonds 97.35% (2017: 97.09%)					
Corporate Bonds 90.64% (2017: 94.42%)					
Australia 2.34% (2017: 1.31%)					
APT Pipelines (EMTN)	3.5000	22/03/30	200,000	206	1.46
BHP Billiton Finance (EMTN)	4.3000	25/09/42	100,000	123	0.88
				329	**2.34**
Belgium 0.68% (2017: 0.39%)					
Anheuser-Busch InBev (EMTN)	2.8500	25/05/37	100,000	**96**	**0.68**
Denmark 0.50% (2017: nil)					
Orsted (EMTN)	5.7500	09/04/40	50,000	**70**	**0.50**
France 9.08% (2017: 7.68%)					
AXA (EMTN)	VAR	16/01/54	100,000	109	0.77
BPCE	5.2500	16/04/29	100,000	113	0.81
Electricite de France (EMTN)	6.2500	30/05/28	200,000	257	1.84
Electricite de France (EMTN)	6.1250	02/06/34	100,000	133	0.94
Electricite de France (EMTN)	6.0000	23/01/14	100,000	130	0.92
Electricite de France (EMTN)	5.8750	18/07/31	100,000	128	0.91
Electricite de France (EMTN)	5.1250	22/09/50	100,000	123	0.87
Engie (EMTN)	5.0000	01/10/60	100,000	147	1.05
Orange (EMTN)	5.3750	22/11/50	100,000	136	0.97
				1,276	**9.08**
Germany 6.27% (2017: 8.98%)					
Allianz Finance II	4.5000	13/03/43	100,000	131	0.93
E.ON International Finance (EMTN)	6.7500	27/01/39	100,000	148	1.05
E.ON International Finance (EMTN)	5.8750	30/10/37	100,000	134	0.96
innogy Finance (EMTN)	6.2500	03/06/30	160,000	211	1.50
innogy Finance (EMTN)	6.1250	06/07/39	100,000	139	0.99
Siemens Financieringsmaatschappij (EMTN)	3.7500	10/09/42	100,000	118	0.84
				881	**6.27**
Ireland 0.19% (2017: 0.10%)					
Freshwater Finance	5.1820	20/04/35	20,000	**26**	**0.19**
Italy 1.36% (2017: 1.28%)					
Enel Finance International (EMTN)	5.7500	14/09/40	150,000	**190**	**1.36**

Aberdeen Sterling Long Dated Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Mexico 1.26% (2017: 0.68%)					
America Movil	4.3750	07/08/41	150,000	**177**	**1.26**
Netherlands 2.95% (2017: 2.67%)					
Aegon (EMTN)	6.6250	16/12/39	50,000	75	0.54
Bank Nederlandse Gemeenten (EMTN)	5.2000	07/12/28	100,000	131	0.93
Rabobank Nederland (EMTN)	4.6250	23/05/29	189,000	209	1.48
				415	**2.95**
Norway 1.35% (2017: 0.77%)					
Statoil (EMTN)	6.8750	11/03/31	129,000	**189**	**1.35**
Supranational 1.04% (2017: 2.83%)					
European Investment Bank	5.6250	07/06/32	100,000	**145**	**1.04**
United Kingdom 53.06% (2017: 56.13%)					
Abbey National Treasury Services (EMTN)	3.8750	15/10/29	300,000	330	2.35
Annington Funding (EMTN)	3.6850	12/07/34	110,000	112	0.80
Annington Funding (EMTN)	3.9350	12/07/47	100,000	102	0.73
Aspire Defence Finance	4.6740	31/03/40	185,570	223	1.59
Aviva (EMTN)	VAR	04/06/50	100,000	103	0.74
Barclays (EMTN)	3.2500	17/01/33	100,000	93	0.66
BAT International Finance (EMTN)	2.2500	09/09/52	100,000	75	0.53
BAT International Finance (EMTN)	5.7500	05/07/40	50,000	67	0.48
British Land (EMTN)	2.3750	14/09/29	100,000	95	0.67
Bromford Housing	3.1250	03/05/48	100,000	100	0.71
Canary Wharf Finance II	5.9520	22/01/35	50,000	71	0.50
Cardiff University	3.0000	07/12/55	100,000	109	0.78
Channel Link Enterprises Finance	VAR	30/06/50	100,000	99	0.70
Clarion Housing (EMTN)	3.1250	19/04/48	100,000	99	0.71
Connect Plus Issuer	2.6070	31/03/39	100,000	100	0.71
Dignity Finance	4.6956	31/12/49	100,000	96	0.68
Eastern Power Networks (EMTN)	6.2500	12/11/36	100,000	143	1.02
Eversholt Funding (EMTN)	3.5290	07/08/42	100,000	96	0.68
Gatwick Funding (EMTN)	5.7500	23/01/37	100,000	133	0.95
GlaxoSmithKline Capital (EMTN)	4.2500	18/12/45	151,000	186	1.33
Heathrow Funding (EMTN)	6.4500	10/12/31	200,000	275	1.96
High Speed Rail Finance 1 (EMTN)	4.3750	01/11/38	200,000	242	1.72
HSBC Bank (EMTN)	6.2500	30/01/41	50,000	70	0.50
HSBC (EMTN)	7.0000	07/04/38	150,000	212	1.51
HSBC (EMTN)	5.7500	20/12/27	100,000	118	0.84
Land Securities Capital Markets (EMTN)	2.7500	22/09/57	100,000	97	0.69
LCR Finance	4.5000	07/12/28	369,000	465	3.30
Lloyds Bank (EMTN)	6.5000	17/09/40	141,000	211	1.50

Aberdeen Sterling Long Dated Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
London & Quadrant Housing	5.5000	27/01/40	100,000	136	0.97
Motability Operations (EMTN)	3.6250	10/03/36	135,000	150	1.07
National Grid Gas Finance (EMTN)	2.7500	22/09/46	195,000	175	1.25
Network Rail Infrastructure Finance (EMTN)	4.7500	29/11/35	100,000	141	1.00
Northern Electric Finance	5.1250	04/05/35	100,000	130	0.92
Northern Gas Networks Finance (EMTN)	5.6250	23/03/40	50,000	70	0.50
Paragon Treasury	3.6250	21/01/47	100,000	106	0.75
Prudential (EMTN)	VAR	19/12/63	150,000	172	1.22
RMPA Services	5.3370	30/09/38	112,552	140	1.00
SEGRO	2.8750	11/10/37	100,000	95	0.68
SEGRO	5.7500	20/06/35	50,000	67	0.48
Severn Trent Utilities Finance (EMTN)	4.8750	24/01/42	112,000	142	1.01
Southern Gas Networks (EMTN)	4.8750	21/03/29	100,000	120	0.85
Southern Gas Networks (EMTN)	3.1000	15/09/36	100,000	100	0.71
SSE (EMTN)	6.2500	27/08/38	100,000	145	1.03
Standard Chartered (EMTN)	5.1250	06/06/34	140,000	150	1.07
Standard Life Aberdeen†	VAR	PERP	25,000	33	0.23
Thames Water Utilities Cayman Finance (EMTN)	2.6250	24/01/32	100,000	95	0.67
Thames Water Utilities Finance (EMTN)	6.5000	09/02/32	100,000	137	0.97
Thames Water Utilities Financial (EMTN)	5.1250	28/09/37	100,000	125	0.89
THFC Funding No 1	5.1250	21/12/35	51,000	64	0.46
Transport for London (EMTN)	3.8750	23/07/42	112,000	139	0.99
Transport for London (EMTN)	4.5000	31/03/31	116,000	138	0.98
University of Oxford	2.5440	08/12/17	100,000	95	0.68
Vodafone (EMTN)	3.3750	08/08/49	100,000	94	0.67
Wellcome	2.5170	07/02/18	100,000	94	0.67
Western Power Distribution South West	5.7500	23/03/40	100,000	138	0.98
Western Power Distribution South West (EMTN)	2.3750	16/05/29	150,000	144	1.02
				7,457	**53.06**
United States 10.56% (2017: 11.60%)					
Amgen	4.0000	13/09/29	100,000	111	0.79
Apple	3.6000	31/07/42	100,000	116	0.83
AT&T	4.2500	01/06/43	150,000	156	1.11
AT&T (EMTN)	7.0000	30/04/40	100,000	144	1.03
Bank of America (EMTN)	7.0000	31/07/28	200,000	271	1.93
Citigroup (EMTN)	7.3750	01/09/39	110,000	178	1.26
Pfizer	2.7350	15/06/43	100,000	99	0.70
Verizon Communications	3.3750	27/10/36	100,000	98	0.70
Walmart	5.6250	27/03/34	100,000	141	1.00
Wells Fargo (EMTN)	4.8750	29/11/35	50,000	58	0.41
Welltower	4.8000	20/11/28	100,000	113	0.80
				1,485	**10.56**

Aberdeen Sterling Long Dated Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Total Corporate Bonds				12,736	90.64
Government Bonds 6.71% (2017: 2.67%)					
France 1.49% (2017: 1.10%)					
SNCF Reseau (EMTN)	5.2500	31/01/35	150,000	210	1.49
Mexico nil (2017: 0.42%)					
United Kingdom 5.22% (2017: 1.15%)					
UK Treasury	4.2500	07/06/32	265,000	352	2.51
UK Treasury	6.0000	07/12/28	100,000	144	1.03
UK Treasury	4.5000	07/09/34	100,000	140	1.00
UK Treasury	3.7500	22/07/52	63,000	96	0.68
				732	5.22
Total Government Bonds				942	6.71
Total Bonds				13,678	97.35
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				13,678	97.35
Other transferable securities and money market instruments nil (2017: 0.59%)					
Bonds nil (2017: 0.59%)					
Corporate Bonds nil (2017: 0.59%)					
United Kingdom nil (2017: 0.59%)					
Total Other transferable securities and money market instruments				-	-
Total investments				13,678	97.35
Other net assets				372	2.65
Total net assets				14,050	100.00

† Managed by subsidiaries of Standard Life Aberdeen plc.
Comparative figures are as at 31 July 2017.

Aberdeen Sterling Long Dated Corporate Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital losses	1		(701)		(538)
Revenue	2	627		775	
Expenses	3	(42)		(71)	
Net revenue before taxation		585		704	
Taxation	4	(8)		6	
Net revenue after taxation			577		710
Total return before distributions			**(124)**		**172**
Distributions	5		(577)		(710)
Change in net assets attributable to shareholders from investment activities			**(701)**		**(538)**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**25,426**		**23,704**
Amounts receivable on issue of shares	663		5,117	
Amounts payable on cancellation of shares	(11,882)		(3,602)	
		(11,219)		1,515
Dilution adjustment		57		33
Change in net assets attributable to shareholders from investment activities		(701)		(538)
Retained distributions on accumulation shares		487		712
Closing net assets attributable to shareholders		**14,050**		**25,426**

Aberdeen Sterling Long Dated Corporate Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		13,678	24,835
Current assets:			
Debtors	6	200	503
Cash and bank balances		321	293
Total assets		**14,199**	**25,631**
Liabilities:			
Creditors:			
Other creditors	7	149	205
Total liabilities		**149**	**205**
Net assets attributable to shareholders		**14,050**	**25,426**

Aberdeen Sterling Long Dated Corporate Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital losses

	2018 £'000	2017 £'000
The net capital losses on investments during the year comprise:		
Non-derivative securities losses	(701)	(597)
Other currency gains	-	1
Class actions	-	58
Net capital losses	**(701)**	**(538)**

2. Revenue

	2018 £'000	2017 £'000
Interest on debt securities	627	775
Total revenue	**627**	**775**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	7	21
Operating, administrative and servicing fees	35	50
Total expenses	**42**	**71**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,185).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	2	-
Overseas withholding tax	6	(6)
Current tax charge	**8**	**(6)**
Total taxation	**8**	**(6)**

Aberdeen Sterling Long Dated Corporate Bond Fund

Factors affecting current tax charge for year
The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	585	704
Corporation tax at 20% (2017 - 20%)	117	141
Effects of:		
Tax effect of expensed double taxation relief	-	(1)
Income being paid as interest distributions	(115)	(140)
Irrecoverable overseas withholding tax	6	(6)
Total taxation	**8**	**(6)**

Factors that may affect future tax charges
There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax
There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions

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

	2018 £'000	2017 £'000
Interim	289	364
Final	198	348
	487	712
Add: Revenue deducted on cancellation of shares	92	30
Deduct: Revenue received on issue of shares	(2)	(32)
Distributions for the year	**577**	**710**
Total distributions	**577**	**710**

Details of the distribution per share are set out in the distribution tables on page 690.

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	200	373
Overseas withholding tax reclaimable	-	6
Sales awaiting settlement	-	124
Total debtors	**200**	**503**

Aberdeen Sterling Long Dated Corporate Bond Fund

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	1	6
Purchases awaiting settlement	146	199
Corporation tax payable	2	-
Total other creditors	**149**	**205**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 681. No balance was due to the ACD (2017 - £2,000 due to the ACD) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £33,000 (2017 - nil) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. Material shareholders

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 99% of the Fund's shares in issue.

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'K': 0.35%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 672 to 676. The distribution per share class is given in the distribution tables on page 690. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	K Accumulation shares	K Income shares	Z Accumulation shares
Opening number of shares	1,934,717	1,000	7,277,311
Creations during the year	7,800	-	239,100
Cancellations during the year	(1,921,000)	(1,000)	(2,268,300)
Closing shares in issue	**21,517**	**-**	**5,248,111**

11. Risk management policies and disclosures

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

Foreign currency risk

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

Aberdeen Sterling Long Dated Corporate Bond Fund

Interest rate risk profile of financial assets and financial liabilities

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

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Pound Sterling	705	13,294	200	14,199
Total financial assets	**705**	**13,294**	**200**	**14,199**

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Pound Sterling	1,084	24,043	504	25,631
Total financial assets	**1,084**	**24,043**	**504**	**25,631**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Pound Sterling	-	-	(149)	(149)
Total financial liabilities	**-**	**-**	**(149)**	**(149)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Pound Sterling	-	-	(205)	(205)
Total financial liabilities	**-**	**-**	**(205)**	**(205)**

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Aberdeen Sterling Long Dated Corporate Bond Fund

Sensitivity analysis

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

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	3.85%	3.10%
Maximum VaR	4.11%	4.05%
Average VaR	3.98%	3.84%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	-	3.13%	-	0.69%	3.82%
31 July 2017	-	3.33%	-	0.60%	3.93%

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

Counterparty risk

Credit quality of debt security investment assets

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

	Market value £'000	Percentage of total net assets %
2018		
Investment grade securities (AAA - BBB)	12,721	90.54
Below investment grade (BB and below)	96	0.68
Unrated securities	861	6.13
Other net assets	372	2.65
Net assets	**14,050**	**100.00**

	Market value £'000	Percentage of total net assets %
2017		
Investment grade securities (AAA - BBB)	23,688	93.16
Below investment grade (BB and below)	103	0.41
Unrated securities	1,044	4.11
Other net assets	591	2.32
Net assets	**25,426**	**100.00**

* Please refer to the counterparty risk note on page 15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

Aberdeen Sterling Long Dated Corporate Bond Fund

Financial derivatives
The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	149	-	-	149
Total financial liabilities	**-**	**149**	**-**	**-**	**149**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	205	-	-	205
Total financial liabilities	**-**	**205**	**-**	**-**	**205**

12. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Bonds	11,440	15,135	21,413	12,145
Trades in the year before transactions costs	**11,440**	**15,135**	**21,413**	**12,145**
Commissions				
Bonds	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**11,440**	**15,135**	**21,413**	**12,145**

Aberdeen Sterling Long Dated Corporate Bond Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Taxes				
Bonds	-	-	-	-
Other expenses				
Bonds	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £317,000 in the year (2017 - £667,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 1.00% (2017 - 1.01%).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1[A]	942	-	573	-
Level 2	12,736	-	24,262	-
Level 3	-	-	-	-
Total	**13,678**	**-**	**24,835**	**-**

[A] Debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price, amount to £942,000 as at 31 July 2018 (2017 - £573,000).

Aberdeen Sterling Long Dated Corporate Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
K Accumulation shares				
Group 1	4.49982	-	4.49982	3.95876
Group 2	2.24430	2.25552	4.49982	3.95876
K Income shares				
Group 1	1.45974	-	1.45974	1.31615
Group 2	1.45974	-	1.45974	1.31615
Z Accumulation shares				
Group 1	3.93783	-	3.93783	3.87118
Group 2	2.74783	1.19000	3.93783	3.87118

Final interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
K Accumulation shares				
Group 1	3.79573	-	3.79573	3.82512
Group 2	2.51193	1.28380	3.79573	3.82512
K Income shares				
Group 1	-	-	-	1.25447
Group 2	-	-	-	1.25447
Z Accumulation shares				
Group 1	3.76115	-	3.76115	3.76815
Group 2	2.75115	1.01000	3.76115	3.76815

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

Aberdeen Sterling Long Dated Government Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to achieve income and capital growth with the Fund predominantly invested in Sterling denominated longer dated (10+ years) government Investment grade Debt and debt-related securities.

The Fund may invest up to 10% of its Net Asset Value in assets which are Sub-Investment grade as at the date of investment. Any security which is downgraded after purchase to Sub- Investment grade will not be sold unless, in the opinion of the Investment Adviser, this is in the best interest of Shareholders.

The Fund may also invest in other transferable securities, including Investment grade and sub-Investment grade Debt and debt-related securities denominated in any currency, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Performance review

For the year ended 31 July 2018, the value of the Aberdeen Sterling Long Dated Government Bond Fund - A Accumulation Shares increased by 2.06% compared to an increase of 3.40% in the benchmark, the FTSE A British Government Over 15 Years Index.

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

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

Market review

Investors in UK government bonds experienced something of a roller-coaster ride in the year to 31 July. The yield on the 10-year benchmark gilt started the review period at 1.28% and touched a low of 1.02%, and a high of 1.52% before ending the review period at 1.33%.

US tensions with North Korea escalated in the summer of 2017, with President Trump saying any threats to the US or its allies would be met with "fire and fury". This sparked risk-off moves with 'safe' assets rising in price, while assets perceived as risky sold off. At its September meeting, the Bank of England's (BoE) Monetary Policy Committee (MPC) shifted to a hawkish stance, effectively giving the market an unconditional pledge to hike interest rates. The market reacted to the hawkish rhetoric by pricing imminent rate hikes into the yield curve. November brought an increase in the official bank rate, its first rise since 2017. However, the accompanying monetary policy statement was seen by the market to be dovish, with Governor Mark Carney stating that the outlook for inflation was conditioned on a market path that implied two additional 25bp increases over the three-year forecast period.

Global equity markets were strong at the beginning of 2018, helping to prompt a sell-off in government bonds; the yield on the 10-year US Treasury rose to 2.70% in January, a level not seen since 2014. In the UK market, accompanied by optimistic Brexit headlines and slightly better economic data, the 10-year gilt yields also moved higher. The start of February brought a return to market volatility, and relatively large falls in equities caused flight-to-quality moves throughout fixed income markets. However, this was relatively short-lived; as investors' nerves settled, both equity prices and bond yields moved higher once more, albeit the move in bond yields was partially retraced in March.

An escalation of trade concerns, the strengthening US dollar and worries about Eurozone viability stemming from Italian politics were the dominating stories between April and June. The overall mix served to unnerve risk markets. While the UK gilt market was buffeted by global developments, communications from the Bank of England caused the greatest confusion. Having overtly shifted market rate pricing towards a series of likely rises through a hawkish stance based on supply side concerns, the MPC pulled back sharply from this stance in the face of weak first quarter GDP data. Subsequent communications from Governor Carney indicated a far less certain interest rate opinion, driving strong performance from gilts.

Encouraging labour market data and robust retail spending provided signals that economic activity was only temporarily stalled by adverse weather in the first quarter, and markets became increasingly confident that the MPC would move interest rates higher in August. Nevertheless, UK yields outperformed their global peers as the aforementioned political uncertainty provided a more supportive tone to UK gilts early in the month, and yields initially fell on the aforementioned political malaise and global trade tariff concerns. However, bonds suffered a reversal towards month end as investors fretted over potential changes to Bank of Japan monetary policy.

Portfolio review

Duration positions made a positive contribution to fund performance. Early in the review period, sharp moves lower in UK gilt yields following risk-off periods were used to build a short duration position. We took profits following the moves higher after September's MPC meeting, and added a tactical long duration position. We thought the market moves were overdone and entered the position anticipating a short-term retracement lower in yields. In March 2018 and April 2018 in response to the international geopolitical risk-off moves the Fund went short duration. These positions were closed in April and May as yields retraced higher. In mid-May we used the syndication of Gilt 2071s (an extension of the yield curve) to take the Fund long, exiting this position as yields fell on the back of the Italian political issues. Then in mid-June the Fund reset the short duration position, as once more we felt the risk-off move was overdone.

The Fund held a number of curve positions, adding to fund performance. The Fund went into the year holding a curve steepener in the ultra-long end of the curve, held in the expectation that ultra-long nominal bonds would underperform relative to 30-year maturities. This position was closed in August for a profit. We then initiated the same strategy in October, again closing for a profit in April. Finally, near the end of the period the Fund added a steepener position (selling 40-year and buying 30-year gilts). We believe this position should continue to work going into the end of the summer.

Aberdeen Sterling Long Dated Government Bond Fund

The Fund entered the period holding Australian government bonds (selling gilts). The rationale for this trade was the belief that the two central banks (Reserve Bank of Australia & BoE) were on divergent monetary policy paths. The Fund increased this position in December 2017, closing it at a profit in April 2018. The Fund also held a position in German Bunds in August; this was closed in September 2017 again boosting performance.

Finally the Fund opened positions in index-linked gilts in March and April. The rationale for these trades were the supply dynamics of the nominal and index-linked gilts over the second quarter. These positions were closed in May and June at a profit.

Outlook

Following the recent rally in global yields, we still believe UK gilt yields have the ability to rise over the medium term. However, we are cognisant of the global backdrop and Brexit negotiations. As we head towards September, political risk in the UK heightens significantly. The growth outlook in Europe and the US remains relatively strong and both central banks are either tightening monetary policy or starting to ease less which will provide upward pressure on global developed market bond yields. In contrast to this positive news in Europe we still wait to see the implications of the new populist administration in Italy. In the US, we will also keep a close eye on trade tariffs.

We believe Brexit negotiations provide considerable risk. The elephant in the room is the Irish Border and the future customs relationship, and further political instability cannot be ruled out in the second half of 2018. Key events are the Conservative Party Conference at the end of September and the EU Summit in mid-October.

Pan Euro Macro Team **August 2018**

Aberdeen Sterling Long Dated Government Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment, particularly given the exposure to one currency in this Fund.
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Sterling Long Dated Government Bond Fund

Comparative tables

A Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	106.95	113.44	100.00[B]
Return before operating charges*	3.99	(5.26)	14.71
Operating charges	(1.21)	(1.23)	(1.23)
Return after operating charges*	2.78	(6.49)	13.48
Distributions on accumulation shares	(0.88)	(0.75)	(0.20)
Retained distributions on accumulation shares	0.88	0.75	0.16
Closing net asset value per share	109.73	106.95	113.44
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	2.60%	(5.72%)	13.48%
Other information			
Closing net asset value (£'000s)	11	18	7
Closing number of shares	10,100	16,800	5,900
Operating charges	1.12%	1.15%	1.15%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	112.01	120.10	113.72
Lowest share price (pence)	103.31	101.28	98.21

[A] A Accumulation share class launched on 16 May 2016.
[B] The opening net asset value stated is the share class launch price.
Fund launched on 13 May 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Long Dated Government Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	286.36	298.28	259.82[A]
Return before operating charges*	10.81	(9.97)	40.43
Operating charges	(1.81)	(1.95)	(1.80)
Return after operating charges*	9.00	(11.92)	38.63
Distributions on accumulation shares	(3.78)	(6.94)	(0.86)
Retained distributions on accumulation shares	3.78	6.94	0.69
Closing net asset value per share	295.36	286.36	298.28
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.14%	(4.00%)	14.87%
			.
Other information			
Closing net asset value (£'000s)	2,379	490	1,625
Closing number of shares	805,387	171,187	544,887
Operating charges	0.62%	0.65%	0.65%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	301.45	315.89	298.94
Lowest share price (pence)	277.40	267.63	258.04

[A] The opening net asset value stated is the share class launch price.
Fund launched on 13 May 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Long Dated Government Bond Fund

K Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	289.07	304.60	265.24[A]
Return before operating charges*	10.89	(14.07)	40.98
Operating charges	(1.41)	(1.46)	(1.42)
Return after operating charges*	9.48	(15.53)	39.56
Distributions on accumulation shares	(4.23)	(3.94)	(0.98)
Retained distributions on accumulation shares	4.23	3.94	0.78
Closing net asset value per share	298.55	289.07	304.60
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.28%	(5.10%)	14.91%
Other information			
Closing net asset value (£'000s)	2,449	2,454	2,128
Closing number of shares	820,189	848,889	698,489
Operating charges	0.48%	0.50%	0.50%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	304.69	322.62	305.25
Lowest share price (pence)	280.24	272.69	263.43

[A] The opening net asset value stated is the share class launch price.
Fund launched on 13 May 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Long Dated Government Bond Fund

K Income shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	97.05	100.00[B]
Return before operating charges*	3.62	(1.22)
Operating charges	(0.47)	(0.39)
Return after operating charges*	3.15	(1.61)
Distributions on income shares	(1.41)	(1.34)
Closing net asset value per share	98.79	97.05
* after direct transaction costs of:	-	-
Performance		
Return after charges	3.25%	(1.61%)
Other information		
Closing net asset value (£'000s)	269	6
Closing number of shares	271,800	6,000
Operating charges	0.48%	0.50%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	101.56	101.37
Lowest share price (pence)	93.41	92.83

[A] K Income share class launched on 14 October 2016.
[B] The opening net asset value stated is the share class launch price.
Fund launched on 13 May 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Long Dated Government Bond Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	228.68	240.10	208.95[A]
Return before operating charges*	8.62	(11.07)	31.68
Operating charges	(0.30)	(0.35)	(0.34)
Return after operating charges*	8.32	(11.42)	31.34
Distributions on accumulation shares	(4.16)	(3.94)	(0.94)
Retained distributions on accumulation shares	4.16	3.94	0.75
Closing net asset value per share	237.00	228.68	240.10
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	3.64%	(4.76%)	15.00%
Other information			
Closing net asset value (£'000s)	23,997	40,018	45,396
Closing number of shares	10,125,550	17,499,850	18,906,950
Operating charges	0.13%	0.15%	0.15%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	241.85	254.36	240.57
Lowest share price (pence)	222.12	215.24	207.54

[A] The opening net asset value stated is the share class launch price.
Fund launched on 13 May 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Long Dated Government Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 99.06% (2017: 99.50%)					
Bonds 99.06% (2017: 99.50%)					
Government Bonds 99.06% (2017: 99.50%)					
Australia nil (2017: 7.16%)					
United Kingdom 99.06% (2017: 92.34%)					
UK Treasury	4.2500	07/12/55	1,231,000	2,111	7.24
UK Treasury	4.2500	07/03/36	1,410,000	1,955	6.72
UK Treasury	4.5000	07/12/42	1,261,000	1,938	6.66
UK Treasury	4.0000	22/01/60	1,122,000	1,920	6.60
UK Treasury	4.7500	07/12/38	1,193,000	1,810	6.22
UK Treasury	3.5000	22/01/45	1,308,000	1,777	6.11
UK Treasury	4.2500	07/12/40	1,177,000	1,715	5.89
UK Treasury	3.7500	22/07/52	1,117,000	1,703	5.85
UK Treasury	3.2500	22/01/44	1,295,000	1,678	5.77
UK Treasury	4.5000	07/03/19	1,562,000	1,598	5.49
UK Treasury	4.2500	07/09/39	1,078,000	1,551	5.33
UK Treasury	4.2500	07/12/46	1,001,000	1,550	5.33
UK Treasury	3.5000	22/07/68	923,000	1,519	5.22
UK Treasury	1.5000	22/07/47	1,451,000	1,363	4.68
UK Treasury	1.7500	22/07/57	1,288,000	1,321	4.54
UK Treasury	2.5000	22/07/65	920,000	1,189	4.08
UK Treasury	4.5000	07/09/34	504,000	705	2.42
UK Treasury	1.7500	07/09/37	648,000	648	2.23
UK Treasury	4.2500	07/12/49	307,000	492	1.69
UK Treasury	1.6250	22/10/71	284,000	287	0.99
				28,830	99.06
Total Government Bonds				28,830	99.06
Total Bonds				28,830	99.06
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				28,830	99.06
Derivatives nil (2017: 0.02%)					
Forward currency exchange contracts nil (2017: 0.02%)					
Unrealised gains on derivatives				-	-
Total investments				28,830	99.06
Other net assets				275	0.94
Total net assets				29,105	100.00

Comparative figures are as at 31 July 2017.

Aberdeen Sterling Long Dated Government Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains/(losses)	1		520		(2,945)
Revenue	2	786		839	
Expenses	3	(73)		(80)	
Net revenue before taxation		713		759	
Taxation	4	-		-	
Net revenue after taxation			713		759
Total return before distributions			**1,233**		**(2,186)**
Distributions	5		(713)		(759)
Change in net assets attributable to shareholders from investment activities			**520**		**(2,945)**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**42,986**		**49,156**
Amounts receivable on issue of shares	3,705		5,397	
Amounts payable on cancellation of shares	(18,737)		(9,375)	
		(15,032)		(3,978)
Dilution adjustment		7		-
Change in net assets attributable to shareholders from investment activities		520		(2,945)
Retained distributions on accumulation shares		624		753
Closing net assets attributable to shareholders		**29,105**		**42,986**

Aberdeen Sterling Long Dated Government Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		28,830	42,833
Current assets:			
Debtors	6	183	454
Cash and bank balances		108	187
Total assets		**29,121**	**43,474**
Liabilities:			
Investment liabilities		-	54
Creditors:			
Other creditors	7	14	434
Distribution payable		2	-
Total liabilities		**16**	**488**
Net assets attributable to shareholders		**29,105**	**42,986**

Aberdeen Sterling Long Dated Government Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital gains/(losses)**

	2018 £'000	2017 £'000
The net capital gains/(losses) on investments during the year comprise:		
Non-derivative securities gains/(losses)	183	(2,936)
Forward currency contracts gains/(losses)	350	(74)
Other currency (losses)/gains	(13)	65
Net capital gains/(losses)	**520**	**(2,945)**

2. **Revenue**

	2018 £'000	2017 £'000
Interest on debt securities	786	839
Total revenue	**786**	**839**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	17	12
Operating, administrative and servicing fees	56	68
Total expenses	**73**	**80**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,185).

4. **Taxation**

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	-	-
Current tax charge	**-**	**-**
Total taxation	**-**	**-**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	713	759
Corporation tax at 20% (2017 - 20%)	143	152
Effects of:		
Relief for indexation movements on index-linked gilts	(2)	(3)
Income being paid as interest distributions	(141)	(149)
Total taxation	**-**	**-**

Factors that may affect future tax charges

There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions

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

	2018 £'000	2017 £'000
Interim	379	383
Final	251	370
	630	753
Add: Revenue deducted on cancellation of shares	92	34
Deduct: Revenue received on issue of shares	(9)	(28)
Distributions for the year	**713**	**759**
Total distributions	**713**	**759**

Details of the distribution per share are set out in the distribution tables on page 709.

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	133	168
Amounts receivable for issue of shares	50	1
Sales awaiting settlement	-	285
Total debtors	**183**	**454**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	4	7
Amounts payable for cancellation of shares	10	427
Total other creditors	**14**	**434**

Aberdeen Sterling Long Dated Government Bond Fund

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 700. £37,000 was due from the ACD (2017 - £427,000 due to the ACD) at the year end.

The Investment Adviser

As at the year end the Fund held no investments that were managed by subsidiaries of Standard Life Aberdeen plc (2017 - nil).

9. Material shareholders

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 90% of the Fund's shares in issue.

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 0.90%
Class 'I': 0.40%
Class 'K': 0.35%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 694 to 698. The distribution per share class is given in the distribution tables on page 709. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	I Accumulation shares	K Accumulation shares	K Income shares
Opening number of shares	16,800	171,187	848,889	6,000
Creations during the year	42,300	691,100	184,100	573,400
Cancellations during the year	(49,000)	(56,900)	(212,800)	(307,600)
Closing shares in issue	**10,100**	**805,387**	**820,189**	**271,800**

	Z Accumulation shares
Opening number of shares	17,499,850
Creations during the year	244,400
Cancellations during the year	(7,618,700)
Closing shares in issue	**10,125,550**

11. Risk management policies and disclosures

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

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

Aberdeen Sterling Long Dated Government Bond Fund

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Pound Sterling	108	28,830	183	29,121
Total financial assets	**108**	**28,830**	**183**	**29,121**

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Australian Dollar	-	3,080	30	3,110
Euro	-	-	57	57
Pound Sterling	187	39,692	428	40,307
Total financial assets	**187**	**42,772**	**515**	**43,474**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Pound Sterling	-	-	(16)	(16)
Total financial liabilities	**-**	**-**	**(16)**	**(16)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Pound Sterling	-	-	(488)	(488)
Total financial liabilities	**-**	**-**	**(488)**	**(488)**

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Sensitivity analysis

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

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	4.45%	4.27%
Maximum VaR	5.09%	4.94%
Average VaR	4.78%	4.68%

Aberdeen Sterling Long Dated Government Bond Fund

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	-	4.13%	-	0.47%	4.60%
31 July 2017	-	4.32%	-	0.48%	4.80%

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

Counterparty risk

Credit quality of debt security investment assets

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

	Market value £'000	Percentage of total net assets %
2018		
Investment grade securities (AAA - BBB)	28,543	98.07
Unrated securities	287	0.99
Other net assets	275	0.94
Net assets	**29,105**	**100.00**

	Market value £'000	Percentage of total net assets %
2017		
Investment grade securities (AAA - BBB)	42,772	99.50
Derivatives*	7	0.02
Other net assets	207	0.48
Net assets	**42,986**	**100.00**

* Please refer to the counterparty risk note on page 15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018.

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
BNP Paribas	57	57
HSBC	4	4
Total exposure	**61**	**61**

The Fund had no collateral pledged or collateral held in respect of derivatives as at 31 July 2018 (2017 - nil).

Aberdeen Sterling Long Dated Government Bond Fund

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	14	-	-	14
Distribution payable	-	2	-	-	2
Total financial liabilities	**-**	**16**	**-**	**-**	**16**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	54	-	-	54
Non-derivatives					
Other creditors	-	434	-	-	434
Total financial liabilities	**-**	**488**	**-**	**-**	**488**

12. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Bonds	66,335	78,050	80,197	81,110
Trades in the year before transactions costs	**66,335**	**78,050**	**80,197**	**81,110**
Commissions				
Bonds	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**66,335**	**78,050**	**80,197**	**81,110**

Aberdeen Sterling Long Dated Government Bond Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Taxes				
Bonds	-	-	-	-
Other expenses				
Bonds	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	-	-

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were no corporate actions in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.00% (2017 - 0.02%).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1[A]	28,830	-	39,692	-
Level 2	-	-	3,141	54
Level 3	-	-	-	-
Total	**28,830**	**-**	**42,833**	**54**

[A] Debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price, amount to £28,830,000 as at 31 July 2018 (2017 - £39,692,000).

Aberdeen Sterling Long Dated Government Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.43142	-	0.43142	0.31405
Group 2	0.28175	0.14967	0.43142	0.31405
I Accumulation shares				
Group 1	1.82514	-	1.82514	5.15193
Group 2	1.27795	0.54719	1.82514	5.15193
K Accumulation shares				
Group 1	2.05714	-	2.05714	1.91699
Group 2	1.23287	0.82427	2.05714	1.91699
K Income shares				
Group 1	0.69062	-	0.69062	0.65260
Group 2	0.32451	0.36611	0.69062	0.65260
Z Accumulation shares				
Group 1	2.03677	-	2.03677	1.93817
Group 2	1.19431	0.84246	2.03677	1.93817

Final interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.44841	-	0.44841	0.44041
Group 2	0.31841	0.13000	0.44841	0.44041
I Accumulation shares				
Group 1	1.95960	-	1.95960	1.79094
Group 2	1.36575	0.59385	1.95960	1.79094
K Accumulation shares				
Group 1	2.16991	-	2.16991	2.02290
Group 2	1.59445	0.57546	2.16991	2.02290
K Income shares				
Group 1	0.72328	-	0.72328	0.68390
Group 2	0.51291	0.21037	0.72328	0.68390
Z Accumulation shares				
Group 1	2.12583	-	2.12583	1.99940
Group 2	1.62743	0.49840	2.12583	1.99940

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

Aberdeen Sterling Money Market Fund

For the year ended 31 July 2018

Investment objective and policy

The investment objective of Aberdeen Sterling Money Market Fund is to produce a level of income commensurate with security principally by investing in cash deposits and money market instruments. The Fund may also invest in transferable securities and in collective investment schemes, including those managed by the ACD or companies affiliated with the ACD.

The Fund is a money market fund as such term is defined by the COLL Sourcebook, and the Fund's investment objectives and policies will meet the requirements of this definition on an ongoing basis.

Performance review

For the year ended 31 July 2018, the value of Aberdeen Sterling Money Market Fund - A Accumulation Shares increased by 0.27% compared to an increase of 0.30% in the benchmark, the 7 DAY GBP LIBID Index.

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

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

Market review

The Bank of England (BoE) voted to hike interest rates from 0.25% to 0.50% during the period under review. This was the first hike in over ten years. At their latest meeting the Monetary Policy Committee (MPC) voted unanimously to maintain the stock of sterling non-financial investment-grade corporate bond purchases at £10billion and also maintain the stock of UK government bond purchases at £435 billion. Just after the end of the review period, on 2 August the MPC voted for a further interest rate hike, bringing it to 0.75%.

The British economy bounced back at the end of the period under review from a disappointing first quarter, as the summer heatwave warmed the services sector. The purchasing managers' index for services reached 55.1 in June which was up from 54 in May. The Office for National Statistics said that the UK economy expanded a little more quickly than it previously thought in the first quarter of the year. The final estimate for gross domestic product growth over the three-month period was still weak, however, at 0.2%.

Brexit negotiations continued and it now seems likely that on the UK's exit from the EU in March 2019, a transitional period will apply until December 2020. This is to give time to prepare for the long-term post-Brexit arrangements between the UK and the EU, which have yet to be agreed, and to give businesses time to adapt.

Portfolio review

The sterling money market curve has experienced some volatility during the review period with the majority of repricing being driven through adjustments to forecasts and forward guidance from the BoE. Initially flat, the curve steepened into Q3/Q4 2017 as rhetoric from the MPC and in particular BoE Governor Carney highlighting the reduction of growth potential for the UK as a source of inflationary pressures going forward. This risk desire to begin to remove the emergency level of monetary policy accommodation saw UK base rates move to 0.5% in November 2017. Libor levels, that had moved to fully price the increase in October failed to move higher until the New Year. However year-end balance sheet pressures for the Bank limited the demand for short-dated investment.

Moving forward to February 2018, the BoE signalled an increase in policy rate and the yield curve moved upward. But this was reversed in late April when weak data from Q1 2018 removed the probability of an interest rate hike at the May MPC meeting. Stronger business surveys and an upward revision of Q1 data reinforced the BoE's view that Q1 data showed temporary weakness and had been weather affected. Through June and July 2018 we saw a recovery in short-dated yields to price back in the chance of 0.25% hike at the August 2018 MPC meeting.

Throughout the review period the Fund has steadily adjusted to the prevailing outlook. The Funds interest rate exposure (weighted average maturity (WAM)) was actively reduced during Q3 2017 and Q2 2018 in the face of a steepening of the yield curve and rising probability of an increase in UK interest rate base rates. The WAM initially at around 80 days closed the end of the period under review at around 50 days. The Funds exposure to credit through floating rate notes (FRN) has been a key driver of returns over the review period. Senior unsecured FRN exposure allocation has been maintained, with rotation in predominately AA-/A+ bank names with maturities of 1-2 year tenor. New issuance, while limited, has come at attractive levels at several points during the year and the Fund has taken advantage of this. Limited supply and the interest rate environment have led to a supportive secondary market for short-dated floating rate assets. We remain positive on corporate and financial credit and therefore maintained a weighted average life of around 100 days throughout the period.

Outlook

Rhetoric from MPC members remains hawkish and continues to point to data and trends that would suggest monetary policy should move towards a more neutral policy level. The BoE Governor has eluded to the Bank's intention for several gradual and steady increases in UK base rates over their policy horizon (two-three years).

The market is now 75% priced for a 0.25% increase in interest rates at the next MPC meeting and, if market data remains supportive, this probability is likely to move higher. However, we remain convinced that the timing of a rate hike remains data-dependent. A number of risks remain around this scenario, such as the increase of domestic UK political tensions and ongoing UK/EU Brexit negotiations.

Money Markets Team **August 2018**

Aberdeen Sterling Money Market Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 1 because funds of this type have experienced very low rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Sterling Money Market Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	111.61	111.37	111.05
Return before operating charges*	0.60	0.63	0.87
Operating charges	(0.30)	(0.37)	(0.48)
Return after operating charges*	0.30	0.26	0.39
Distributions on accumulation shares	(0.32)	(0.26)	(0.31)
Retained distributions on accumulation shares	0.32	0.24	0.24
Closing net asset value per share	111.91	111.61	111.37
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.27%	0.23%	0.35%
Other information			
Closing net asset value (£'000s)	23,396	23,348	20,469
Closing number of shares	20,905,978	20,918,228	18,378,801
Operating charges	0.27%	0.33%	0.44%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	111.93	111.63	111.38
Lowest share price (pence)	111.63	111.38	111.07

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

Aberdeen Sterling Money Market Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	99.90	99.89	99.82
Return before operating charges*	0.52	0.56	0.73
Operating charges	(0.27)	(0.33)	(0.44)
Return after operating charges*	0.25	0.23	0.29
Distributions on income shares	(0.28)	(0.22)	(0.22)
Closing net asset value per share	99.87	99.90	99.89
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.25%	0.23%	0.29%
Other information			
Closing net asset value (£'000s)	337	542	672
Closing number of shares	337,542	542,442	673,008
Operating charges	0.27%	0.33%	0.44%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	100.00	99.97	99.94
Lowest share price (pence)	99.87	99.88	99.84

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

Aberdeen Sterling Money Market Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	113.42	113.09	112.63
Return before operating charges*	0.62	0.63	1.04
Operating charges	(0.25)	(0.28)	(0.49)
Return after operating charges*	0.37	0.35	0.55
Distributions on accumulation shares	(0.39)	(0.35)	(0.49)
Retained distributions on accumulation shares	0.39	0.33	0.40
Closing net asset value per share	113.79	113.42	113.09
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.32%	0.31%	0.49%
Other information			
Closing net asset value (£'000s)	253,361	203,324	110,908
Closing number of shares	222,660,758	179,260,576	98,070,483
Operating charges	0.22%	0.25%	0.28%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	113.80	113.44	113.10
Lowest share price (pence)	113.44	113.10	112.66

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

Aberdeen Sterling Money Market Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	99.87	99.87	99.80
Return before operating charges*	0.53	0.54	0.70
Operating charges	(0.22)	(0.25)	(0.28)
Return after operating charges*	0.31	0.29	0.42
Distributions on income shares	(0.34)	(0.29)	(0.35)
Closing net asset value per share	99.84	99.87	99.87
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.31%	0.29%	0.42%
Other information			
Closing net asset value (£'000s)	7,921	8,454	17,575
Closing number of shares	7,933,577	8,465,677	17,598,653
Operating charges	0.22%	0.25%	0.28%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	99.98	99.98	99.95
Lowest share price (pence)	99.84	99.86	99.82

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

Aberdeen Sterling Money Market Fund

Z Gross Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	106.64	106.15	105.47
Return before operating charges*	0.57	0.60	0.83
Operating charges	(0.07)	(0.11)	(0.15)
Return after operating charges*	0.50	0.49	0.68
Distributions on accumulation shares	(0.52)	(0.49)	(0.62)
Retained distributions on accumulation shares	0.52	0.49	0.62
Closing net asset value per share	107.14	106.64	106.15
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.47%	0.46%	0.64%
Other information			
Closing net asset value (£'000s)	3,625	2,292	2,088
Closing number of shares	3,382,812	2,149,612	1,967,312
Operating charges	0.07%	0.10%	0.14%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	107.16	106.66	106.16
Lowest share price (pence)	106.66	106.16	105.50

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

Aberdeen Sterling Money Market Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 96.04% (2017: 100.10%)					
Bonds 24.52% (2017: 40.47%)					
Corporate Bonds 24.52% (2017: 38.02%)					
Australia 3.46% (2017: 4.83%)					
Australia & New Zealand Banking (EMTN)	FRN	09/07/19	2,000,000	1,997	0.69
National Australia Bank (EMTN)	FRN	20/03/19	3,000,000	2,997	1.04
Westpac Banking (EMTN)	FRN	03/04/20	3,000,000	2,997	1.04
Westpac Banking (EMTN)	FRN	18/06/19	2,000,000	2,000	0.69
				9,991	**3.46**
Canada 4.33% (2017: 6.73%)					
Bank of Montreal (EMTN)	FRN	20/06/19	2,000,000	2,001	0.69
Bank of Nova Scotia (EMTN)	FRN	14/06/19	2,500,000	2,501	0.87
Canadian Imperial Bank of Commerce (EMTN)	FRN	29/06/20	3,000,000	2,997	1.04
Canadian Imperial Bank of Commerce (EMTN)	FRN	14/12/18	2,000,000	1,999	0.69
Canadian Imperial Bank of Commerce (EMTN)	FRN	12/12/18	1,000,000	1,000	0.35
Royal Bank of Canada (EMTN)	FRN	22/01/19	2,000,000	2,000	0.69
				12,498	**4.33**
Denmark 1.04% (2017: 1.26%)					
Danske Bank (EMTN)	FRN	04/10/18	3,000,000	**3,002**	**1.04**
Finland nil (2017: 0.42%)					
France 3.05% (2017: 1.24%)					
Banque Federative du Credit Mutuel (EMTN)	FRN	31/07/19	3,500,000	3,498	1.21
Banque Federative du Credit Mutuel (GMTN)	FRN	07/02/19	5,300,000	5,306	1.84
				8,804	**3.05**
Germany 3.98% (2017: 6.56%)					
BMW International Investment (EMTN)	FRN	04/12/19	3,000,000	2,997	1.04
BMW International Investment (EMTN)	FRN	17/07/19	2,500,000	2,499	0.87
BMW International Investment (EMTN)	FRN	15/02/19	2,000,000	1,999	0.69
DZ Bank (EMTN)	FRN	02/02/19	4,000,000	4,001	1.38
				11,496	**3.98**
Japan 0.87% (2017: 0.42%)					
Toyota Motor Finance Netherlands (EMTN)	FRN	30/09/19	2,500,000	**2,500**	**0.87**
Netherlands 2.60% (2017: 6.45%)					
ABN AMRO Bank (EMTN)	FRN	30/11/18	3,000,000	3,004	1.04
ABN AMRO Bank (EMTN)	FRN	29/05/20	2,500,000	2,500	0.87
Cooperatieve Rabobank (EMTN)	FRN	16/01/20	2,000,000	2,000	0.69
				7,504	**2.60**

Aberdeen Sterling Money Market Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
New Zealand nil (2017: 0.63%)					
Norway 0.69% (2017: nil)					
Nordea Eiendomskreditt (EMTN)	FRN	14/01/19	2,000,000	**2,003**	**0.69**
Qatar nil (2017: 0.84%)					
Sweden nil (2017: 0.32%)					
Switzerland nil (2017: 1.28%)					
United Kingdom 4.50% (2017: 4.34%)					
HSBC Bank (EMTN)	FRN	09/03/20	8,000,000	7,984	2.77
HSBC Bank (EMTN)	FRN	15/03/19	2,000,000	2,000	0.69
Nationwide Building Society (EMTN)	FRN	06/06/19	1,000,000	1,001	0.35
Santander UK (EMTN)	FRN	27/02/20	2,000,000	2,000	0.69
				12,985	**4.50**
United States nil (2017: 2.70%)					
Total Corporate Bonds				**70,783**	**24.52**
Government Bonds nil (2017: 2.45%)					
South Korea nil (2017: 2.45%)					
Total Bonds				**70,783**	**24.52**
Money market instruments 71.52% (2017: 59.63%)					
Certificates of deposit 53.70% (2017: 45.82%)					
Belgium nil (2017: 2.52%)					
Canada 4.16% (2017: nil)					
Bank of Montreal	0.7000	09/10/18	3,000,000	3,001	1.04
Bank of Nova Scotia	0.8000	08/08/18	3,000,000	3,000	1.04
Toronto Dominion Bank	-	03/09/18	3,000,000	2,998	1.04
Toronto Dominion Bank	-	28/09/18	3,000,000	2,997	1.04
				11,996	**4.16**
China 1.04% (2017: nil)					
Oversea Chinese Banking	-	21/09/18	3,000,000	**2,997**	**1.04**
Denmark nil (2017: 1.26%)					
France 10.39% (2017: 10.73%)					
Banque Federative Du Credit Mutuel	-	21/08/18	3,000,000	2,997	1.04
BNP Paribas	0.7800	23/10/18	4,500,000	4,502	1.56
BNP Paribas	0.6700	10/10/18	3,500,000	3,500	1.21
BNP Paribas Fortis	-	13/08/18	3,000,000	2,999	1.04

Aberdeen Sterling Money Market Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Credit Agricole	0.6200	06/08/18	3,000,000	3,000	1.04
Credit Agricole	0.7000	10/09/18	2,000,000	2,000	0.69
Credit Agricole	0.5900	17/08/18	2,000,000	2,000	0.69
Natixis	0.7100	03/09/18	3,000,000	3,000	1.04
Natixis	-	18/09/18	3,000,000	2,997	1.04
Societe Generale	0.5900	31/08/18	3,000,000	3,000	1.04
				29,995	**10.39**
Japan 13.16% (2017: 12.83%)					
Mizuho Bank	0.6100	04/09/18	3,000,000	3,000	1.04
Mizuho Bank	0.5900	22/08/18	1,000,000	1,000	0.35
MUFG Bank	0.6200	13/08/18	3,000,000	3,000	1.04
MUFG Bank	0.6350	06/09/18	3,000,000	2,996	1.04
Norinchukin Bank	-	21/08/18	5,000,000	4,998	1.72
Norinchukin Bank	-	08/08/18	3,000,000	3,000	1.04
Norinchukin Bank	-	20/08/18	3,000,000	2,999	1.04
Sumitomo Mitsui Banking	0.7000	03/10/18	3,000,000	3,000	1.04
Sumitomo Mitsui Banking	0.6500	25/09/18	3,000,000	3,000	1.04
Sumitomo Mitsui Banking	0.6000	14/08/18	3,000,000	3,000	1.04
Sumitomo Mitsui Banking	0.6000	20/08/18	3,000,000	3,000	1.04
Sumitomo Mitsui Trust Bank	0.7000	08/08/18	3,000,000	3,000	1.04
Sumitomo Mitsui Trust Bank	0.6000	29/08/18	2,000,000	2,000	0.69
				37,993	**13.16**
Netherlands 5.72% (2017: 1.68%)					
ABN Amro Bank	0.5300	06/08/18	1,000,000	1,000	0.35
ABN Amro Bank	-	10/09/18	3,000,000	2,998	1.04
ING Bank	0.6900	06/08/18	3,000,000	3,000	1.04
ING Bank	0.8100	01/08/18	3,000,000	3,000	1.04
ING Bank	0.8100	05/11/18	2,500,000	2,500	0.87
ING Bank	0.5000	03/08/18	2,000,000	2,000	0.69
ING Bank	0.7300	15/11/18	2,000,000	2,000	0.69
				16,498	**5.72**
Norway 1.04% (2017: nil)					
DNB Bank	0.6100	24/09/18	3,000,000	**3,000**	**1.04**
Qatar nil (2017: 1.26%)					
Sweden 2.08% (2017: nil)					
Svenska Handelsbanken (EMTN)	0.7000	09/10/18	3,000,000	3,000	1.04
Svenska Handelsbanken (EMTN)	0.7000	11/10/18	3,000,000	3,000	1.04
				6,000	**2.08**
Switzerland 3.46% (2017: 5.46%)					
Credit Suisse	0.8200	06/08/18	3,000,000	3,000	1.03
Credit Suisse	0.7500	09/11/18	3,000,000	3,000	1.04

Aberdeen Sterling Money Market Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Credit Suisse	0.5200	09/08/18	1,500,000	1,500	0.52
UBS	0.7500	14/11/18	1,500,000	1,500	0.52
UBS	0.5100	28/08/18	1,000,000	1,000	0.35
				10,000	**3.46**
United Arab Emirates 1.56% (2017: 5.46%)					
First Abu Dhabi Bank	0.7500	23/10/18	3,000,000	3,001	1.04
First Abu Dhabi Bank	0.8400	08/11/18	1,500,000	1,500	0.52
				4,501	**1.56**
United Kingdom 4.16% (2017: 3.57%)					
MUFG Bank	-	05/10/18	3,000,000	2,996	1.04
Santander UK	0.6100	01/10/18	3,000,000	3,000	1.04
Standard Chartered Bank	0.7000	12/10/18	3,000,000	3,000	1.04
Standard Chartered Bank	0.7000	15/08/18	3,000,000	2,999	1.04
				11,995	**4.16**
United States 6.93% (2017: 1.05%)					
Citibank	0.6500	08/08/18	3,000,000	3,000	1.04
Citibank	0.6100	03/09/18	3,000,000	3,000	1.04
Citibank	0.6000	10/09/18	3,000,000	3,000	1.04
Goldman Sachs International Bank	1.0100	13/05/19	2,500,000	2,502	0.87
Goldman Sachs International Bank	0.9000	07/12/18	2,500,000	2,501	0.87
Goldman Sachs International Bank	0.8800	24/09/18	2,500,000	2,501	0.87
Goldman Sachs International Bank	0.9300	30/05/19	500,000	500	0.17
Wells Fargo	0.7200	09/10/18	3,000,000	3,000	1.03
				20,004	**6.93**
Total Certificates of deposit				**154,979**	**53.70**
Commercial Paper 17.82% (2017: 13.81%)					
Australia 1.90% (2017: nil)					
AMP Bank	-	08/08/18	2,500,000	2,500	0.87
Toyota Motor Finance	-	15/11/18	3,000,000	2,993	1.03
				5,493	**1.90**
China 1.04% (2017: nil)					
Oversea Chinese Banking	-	26/09/18	3,000,000	**2,997**	**1.04**
Finland 4.84% (2017: 2.89%)					
OP Corporate Bank	-	24/08/18	4,000,000	3,999	1.38
OP Corporate Bank	-	25/01/19	4,000,000	3,984	1.38
OP Corporate Bank	-	23/10/18	3,000,000	2,995	1.04
OP Corporate Bank	-	25/10/18	3,000,000	2,995	1.04
				13,973	**4.84**

Aberdeen Sterling Money Market Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
France 1.73% (2017: 2.73%)					
Dexia Credit Local	-	22/10/18	5,000,000	**4,992**	**1.73**
Germany nil (2017: 1.68%)					
Japan 3.12% (2017: 0.84%)					
Sumitomo Mitsui Banking	-	13/08/18	3,000,000	2,999	1.04
Toyota Motor Finance Netherlands	-	17/09/18	6,000,000	5,995	2.08
				8,994	**3.12**
Netherlands 1.38% (2017: nil)					
ABN Amro Bank	-	24/09/18	4,000,000	**3,996**	**1.38**
Singapore 1.04% (2017: nil)					
DBS Bank	-	24/09/18	3,000,000	**2,997**	**1.04**
United Kingdom 2.77% (2017: 2.73%)					
Barclays Bank	-	16/08/18	3,000,000	2,999	1.04
Barclays Bank	-	22/08/18	3,000,000	2,999	1.04
Unilever	-	10/09/18	2,000,000	1,999	0.69
				7,997	**2.77**
United States nil (2017: 2.94%)					
Total Commercial Paper				**51,439**	**17.82**
Total Money market instruments				**206,418**	**71.52**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**277,201**	**96.04**
Other transferable securities and money market instruments 1.73% (2017: nil)					
Bonds 1.73% (2017: nil)					
Corporate Bonds 1.73% (2017: nil)					
Australia 0.69% (2017: nil)					
Commonwealth Bank of Australia (EMTN)	FRN	12/07/19	2,000,000	**2,000**	**0.69**
Singapore 1.04% (2017: nil)					
DBS Bank (EMTN)	FRN	22/03/19	3,000,000	**2,999**	**1.04**
Total Corporate Bonds				**4,999**	**1.73**
Total Bonds				**4,999**	**1.73**
Total Other transferable securities and money market instruments				**4,999**	**1.73**

Aberdeen Sterling Money Market Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Open Ended Investment Funds 2.09% (2017: 0.19%)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1†			6,024	6,024	2.09
Total Open Ended Investment Funds				6,024	2.09
Total investments				288,224	99.86
Other net assets				416	0.14
Total net assets				288,640	100.00

† Managed by subsidiaries of Standard Life Aberdeen plc.
Comparative figures are as at 31 July 2017.

Aberdeen Sterling Money Market Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(63)		11
Revenue	2	1,511		1,157	
Expenses	3	(588)		(539)	
Net revenue before taxation		923		618	
Taxation	4	-		-	
Net revenue after taxation			923		618
Total return before distributions			**860**		**629**
Distributions	5		(923)		(624)
Change in net assets attributable to shareholders from investment activities			**(63)**		**5**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**237,960**		**151,712**
Amounts receivable on issue of shares	116,907		195,656	
Amounts payable on cancellation of shares	(67,080)		(109,991)	
		49,827		85,665
Dilution adjustment		8		10
Change in net assets attributable to shareholders from investment activities		(63)		5
Retained distributions on accumulation shares		908		568
Closing net assets attributable to shareholders		**288,640**		**237,960**

Aberdeen Sterling Money Market Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		288,224	238,646
Current assets:			
Debtors	6	549	1,093
Cash and bank balances		62	49
Total assets		**288,835**	**239,788**
Liabilities:			
Creditors:			
Other creditors	7	184	1,824
Distribution payable		11	4
Total liabilities		**195**	**1,828**
Net assets attributable to shareholders		**288,640**	**237,960**

Aberdeen Sterling Money Market Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital (losses)/gains

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(63)	11
Net capital (losses)/gains	**(63)**	**11**

2. Revenue

	2018 £'000	2017 £'000
Interest on debt securities	817	755
Distributions from collective investment schemes:		
Offshore distributions - taxable	57	35
Bank interest	1	2
Certificates of deposit	636	365
Total revenue	**1,511**	**1,157**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	405	338
Operating, administrative and servicing fees	182	201
	587	539
Other expenses:		
Interest payable and similar charges	1	-
	1	-
Total expenses	**588**	**539**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	-	-
Current tax charge	**-**	**-**
Total taxation	**-**	**-**

Aberdeen Sterling Money Market Fund

Factors affecting current tax charge for year
The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	923	618
Corporation tax at 20% (2017 - 20%)	185	124
Effects of:		
Income being paid as interest distributions	(185)	(124)
Total taxation	**-**	**-**

Factors that may affect future tax charges
There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax
There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**
The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	2018 £'000	2017 £'000
First interim	146	172
Second interim	159	175
Third interim	266	209
Final	367	115
	938	671
Add: Revenue deducted on cancellation of shares	33	50
Deduct: Revenue received on issue of shares	(48)	(97)
	923	**624**
Total distributions	**923**	**624**

Details of the distribution per share are set out in the distribution tables on pages 733 to 734.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	923	618
Add:		
Undistributed revenue brought forward	-	6
Distributions	**923**	**624**

Aberdeen Sterling Money Market Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	284	752
Amounts receivable for issue of shares	265	341
Total debtors	**549**	**1,093**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	39	50
Amounts payable for cancellation of shares	145	1,774
Total other creditors	**184**	**1,824**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 723. £94,000 was due from the ACD (2017 - £1,466,000 was due to the ACD) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £6,024,000 (2017 - £463,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. Material shareholders

Old Mutual Wealth Life & Pensions Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 46% of the Fund's shares in issue.

Old Mutual Wealth Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 24% of the Fund's shares in issue.

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 0.20%
Class 'I': 0.10%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 712 to 716. The distribution per share class is given in the distribution tables on pages 733 to 734. All share classes have the same rights on winding up.

Aberdeen Sterling Money Market Fund

Share reconciliation
As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	20,918,228	542,442	179,260,576	8,465,677
Creations during the year	7,642,100	574,934	89,629,600	4,128,818
Cancellations during the year	(7,616,377)	(789,700)	(46,225,013)	(4,698,500)
Shares converted during the year	(37,973)	9,866	(4,405)	37,582
Closing shares in issue	**20,905,978**	**337,542**	**222,660,758**	**7,933,577**

	Z Gross Accumulation shares
Opening number of shares	2,149,612
Creations during the year	1,803,900
Cancellations during the year	(570,700)
Shares converted during the year	-
Closing shares in issue	**3,382,812**

11. Risk management policies and disclosures

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

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

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Pound Sterling	75,843	206,419	6,573	288,835
Total financial assets	**75,843**	**206,419**	**6,573**	**288,835**

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Pound Sterling	98,837	139,395	1,556	239,788
Total financial assets	**98,837**	**139,395**	**1,556**	**239,788**

Aberdeen Sterling Money Market Fund

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Pound Sterling	-	-	(195)	(195)
Total financial liabilities	**-**	**-**	**(195)**	**(195)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Pound Sterling	-	-	(1,828)	(1,828)
Total financial liabilities	**-**	**-**	**(1,828)**	**(1,828)**

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Weighted average interest rate

	Weighted average interest rate (%) 2018	Weighted average period to maturity (days) 2018	Weighted average interest rate (%) 2017	Weighted average period to maturity (days) 2017
Bonds	0.60	329	0.62	230
Certificates of deposit	0.67	31	0.40	84
Commercial Papers	0.66	63	0.33	102

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

Sensitivity analysis

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

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	0.05%	0.05%
Maximum VaR	0.13%	0.14%
Average VaR	0.07%	0.06%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	-	0.22%	-	(0.17%)	0.05%
31 July 2017	-	0.03%	-	0.02%	0.05%

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

Aberdeen Sterling Money Market Fund

Counterparty risk

Credit quality of debt security investment assets

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

	Market value £'000	Percentage of total net assets %
2018		
Investment grade securities (AAA - BBB)	73,779	25.56
Unrated securities	2,003	0.69
Collective Investment Schemes	6,024	2.09
Money market instruments*	206,418	71.52
Other net assets	416	0.14
Net assets	**288,640**	**100.00**

	Market value £'000	Percentage of total net assets %
2017		
Investment grade securities (AAA - BBB)	86,295	36.27
Unrated securities	10,000	4.20
Collective Investment Schemes	463	0.19
Money market instruments*	141,888	59.63
Other net liabilities	(686)	(0.29)
Net assets	**237,960**	**100.00**

* Please refer to the counterparty risk note on page 15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	184	-	-	184
Distribution payable	-	11	-	-	11
Total financial liabilities	**-**	**195**	**-**	**-**	**195**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	1,824	-	-	1,824
Distribution payable	-	4	-	-	4
Total financial liabilities	**-**	**1,828**	**-**	**-**	**1,828**

Aberdeen Sterling Money Market Fund

12. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Bonds	84,368	122,628	104,429	57,130
Collective Investment Schemes	270,705	206,591	265,144	219,798
Money Market Instruments	632,414	427,164	568,150	380,500
Trades in the year before transactions costs	**987,487**	**756,383**	**937,723**	**657,428**
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Money Market Instruments	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Money Market Instruments	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Money Market Instruments	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**987,487**	**756,383**	**937,723**	**657,428**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Money Market Instruments	-	-	-	-
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Money Market Instruments	-	-	-	-
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Money Market Instruments	-	-	-	-

Aberdeen Sterling Money Market Fund

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were no corporate actions in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.03% (2017 - 0.05%).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	-	-	-	-
Level 2	288,224	-	238,646	-
Level 3	-	-	-	-
Total	**288,224**	**-**	**238,646**	**-**

Aberdeen Sterling Money Market Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

First interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 October 2017

	Revenue	Equalisation	Distribution paid 31/01/18	Distribution paid 31/01/17
A Accumulation shares				
Group 1	0.04674	-	0.04674	0.05446
Group 2	0.01521	0.03153	0.04674	0.05446
A Income shares				
Group 1	0.04184	-	0.04184	0.04885
Group 2	0.01222	0.02962	0.04184	0.04885
I Accumulation shares				
Group 1	0.06206	-	0.06206	0.08906
Group 2	0.01918	0.04288	0.06206	0.08906
I Income shares				
Group 1	0.05464	-	0.05464	0.07865
Group 2	0.01076	0.04388	0.05464	0.07865
Z Gross Accumulation shares				
Group 1	0.09850	-	0.09850	0.13911
Group 2	0.04667	0.05183	0.09850	0.13911

Second interim interest distribution
Group 1: Shares purchased prior to 1 November 2017
Group 2: Shares purchased 1 November 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.05001	-	0.05001	0.07267
Group 2	0.03046	0.01955	0.05001	0.07267
A Income shares				
Group 1	0.04474	-	0.04474	0.06515
Group 2	0.02306	0.02168	0.04474	0.06515
I Accumulation shares				
Group 1	0.06534	-	0.06534	0.08877
Group 2	0.03452	0.03082	0.06534	0.08877
I Income shares				
Group 1	0.05750	-	0.05750	0.07833
Group 2	0.04247	0.01503	0.05750	0.07833
Z Gross Accumulation shares				
Group 1	0.10234	-	0.10234	0.12342
Group 2	0.05496	0.04738	0.10234	0.12342

Aberdeen Sterling Money Market Fund

Third interim interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 30 April 2018

	Revenue	Equalisation	Distribution paid 31/07/18	Distribution paid 31/07/17
A Accumulation shares				
Group 1	0.09721	-	0.09721	0.07467
Group 2	0.06175	0.03546	0.09721	0.07467
A Income shares				
Group 1	0.08693	-	0.08693	0.06690
Group 2	0.08384	0.00309	0.08693	0.06690
I Accumulation shares				
Group 1	0.11266	-	0.11266	0.09708
Group 2	0.06715	0.04551	0.11266	0.09708
I Income shares				
Group 1	0.09908	-	0.09908	0.08560
Group 2	0.04900	0.05008	0.09908	0.08560
Z Gross Accumulation shares				
Group 1	0.14538	-	0.14538	0.13178
Group 2	0.05249	0.09289	0.14538	0.13178

Final interest distribution
Group 1: Shares purchased prior to 1 May 2018
Group 2: Shares purchased 1 May 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.12439	-	0.12439	0.04068
Group 2	0.06603	0.05836	0.12439	0.04068
A Income shares				
Group 1	0.11114	-	0.11114	0.03643
Group 2	0.02924	0.08190	0.11114	0.03643
I Accumulation shares				
Group 1	0.14572	-	0.14572	0.05618
Group 2	0.08492	0.06080	0.14572	0.05618
I Income shares				
Group 1	0.12803	-	0.12803	0.04949
Group 2	0.07408	0.05395	0.12803	0.04949
Z Gross Accumulation shares				
Group 1	0.17321	-	0.17321	0.09486
Group 2	0.08445	0.08876	0.17321	0.09486

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

Aberdeen Sterling Opportunistic Corporate Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Debt and debt-related securities denominated in (or hedged back to) Sterling, including by pursuing individual opportunities as and when they arise.

The majority of the Fund's assets will be invested in corporate Debt and debt-related securities.

The Fund may also invest in other transferable securities, including Debt and debt-related securities denominated in any currency, as well as money market instruments, deposits, cash and cash equivalents, and units in collective investments schemes (including other funds managed by the Investment Adviser or its affiliates).

The Fund may use financial derivative instruments for investment purposes and/or efficient portfolio management. The Fund may use derivative instruments to create short and/or long positions.

Performance review

For the year ended 31 July 2018, the value of Aberdeen Sterling Opportunistic Corporate Bond Fund – A Accumulation Shares decreased by 0.48% compared to an increase of 0.27% in the benchmark, the iBoxx Sterling Collateralized & Corporates 1-10 year Index.

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

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

Market review

Sterling corporate bonds underperformed UK government bonds over the 12 months to July 2018. Underlying gilt yields ended the 12 months modestly higher, with the 10-year yield rising by circa 0.10% and ending July 2017 at 1.33%. Hawkish rhetoric on interest rates in September 2017 from the Bank of England set the tone all the way through to the end of February 2018 for higher yields. At the end of February, volatility returned to equity markets and growth concerns returned to the global economy pushing yields from their peak this year of 1.65%.

In credit, the positive start to the period also ended in February 2018. From this point, spreads moved considerably wider, led by subordinated financials which had been the outperformer to this point. The positive tone ending 2017 and starting 2018 led credit markets to some of the tightest levels in spread seen since the global financial crisis in 2008/9.

The main drivers of volatility were an escalation in fears of a trade war between the world's two largest economies, China and the US, along with rising inflation and some softer economic data globally. Credit spreads continued to widen from April through to June as European politics once again caused some concerns – in particular the General Election in Italy. So, too, did increased fears of a material trade war between the US and its major trading partners. Sector-wise, both banks and insurers were among the weakest while safe haven sectors were stronger performers.

July was a positive month for global credit markets. Yield spreads between corporate bonds and government bonds tightened in Europe and the US, and also in the UK, albeit to a lesser extent. Early in the month, trade concerns pushed spreads wider, but positive US economic data throughout July illustrated how little impact the talk of tariff increases was having. Subordinated insurance bonds were particularly strong, and energy-related bonds performed well.

Portfolio review

While the Fund modestly underperformed its benchmark in August as spreads moved wider, bright spots included investments in the energy sector. The Fund's underweight in real estate cost a little performance as did investments in some high yield finance companies. Fund performance in September was driven by a strong contribution from stock selection, with the banking sector leading the way. A general overweight in the lower parts of the financial capital structure also boosted relative performance. The hedging position in Xover credit default swaps detracted from performance. So, too, did the holdings in gilts, which underperformed corporate credit.

Stock selection was generally positive in the final three months of 2017. In October, subordinated bonds issued by Lloyds Banking Group were notable outperformers, as were bonds issued by Aviva and BUPA Finance. Overweight positions in the US energy sector boosted returns as oil prices remained firm. High yield underperformed in November at an index level, driven by a few credits moving sharply wider, although recovering situations in high yield were standouts in December – notably Valeant. In terms of asset allocation, a short allocation to non-financial corporate bonds relative to benchmark detracted from returns in October.

A significant positive contribution from stock selection in the first three months of 2018 helped the Fund to deliver a positive return relative to benchmark. The Fund's exposure to floating rate bonds was positive. The Fund also avoided one of the weaker bonds in the universe – issued by AA PLC which suffered following a profit warning.

The Fund underperformed its index benchmark between April and June as the "risk-off" environment exerted a negative impact on returns. Overweight positions in some of the more volatile sectors such as financials delivered a very negative impact. Financials were extremely weak, and the Fund's holdings in subordinated bonds issued by ANZ and Westpac were amongst the weakest performers. Mortgage-backed securities were positive for performance.

Corporate bonds rallied in July, and the Fund's overweight in higher-risk assets added value. There was also a significant contribution from asset allocation, notably the Fund's position in the Aberdeen Strategic Bond Fund. In stock selection, Energy Transfer Partnership made a good contribution and in single-name credit default swap exposure, Vodafone, Virgin Media, ABInBev and Deutsche Bank all added to performance, while Glencore detracted.

Aberdeen Sterling Opportunistic Corporate Bond Fund

Outlook

Given a fairly benign economic environment, market levels appear attractive once again. Further volatility or well-priced new issuance is likely to provide an opportunity to add risk to funds. Looking ahead, we will use any market rally to reduce some of the Fund's riskier positions such as subordinated insurance ahead of what we expect to be higher volatility in the next year or two.

Sterling IG Aggregate Team **August 2018**

Aberdeen Sterling Opportunistic Corporate Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 3 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Derivatives: This Fund can use derivatives in order to meet its investment objective. The use of derivatives may result in greater fluctuations in the value of the Fund, and may increase the magnitude of any losses.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Sterling Opportunistic Corporate Bond Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	135.31	129.84	124.02
Return before operating charges*	0.97	7.14	7.88
Operating charges	(1.53)	(1.50)	(1.40)
Return after operating charges*	(0.56)	5.64	6.48
Distributions on accumulation shares	(3.30)	(3.19)	(3.32)
Retained distributions on accumulation shares	3.30	3.02	2.66
Closing net asset value per share	134.75	135.31	129.84
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.41%)	4.34%	5.22%
Other information			
Closing net asset value (£'000s)	78	152	79
Closing number of shares	57,741	112,041	60,841
Operating charges	1.13%	1.13%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	136.99	135.95	130.12
Lowest share price (pence)	134.36	128.66	121.62

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

Aberdeen Sterling Opportunistic Corporate Bond Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	114.34	112.25	109.52
Return before operating charges*	0.82	5.96	6.29
Operating charges	(1.28)	(1.28)	(1.23)
Return after operating charges*	(0.46)	4.68	5.06
Distributions on income shares	(2.76)	(2.59)	(2.33)
Closing net asset value per share	111.12	114.34	112.25
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.40%)	4.17%	4.62%
Other information			
Closing net asset value (£'000s)	246,976	212,835	187,376
Closing number of shares	222,253,326	186,145,294	166,934,094
Operating charges	1.13%	1.13%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	115.47	115.53	113.02
Lowest share price (pence)	111.46	110.65	106.25

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

Aberdeen Sterling Opportunistic Corporate Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	140.72	134.35	127.81
Return before operating charges*	1.02	7.43	8.16
Operating charges	(0.89)	(0.86)	(0.81)
Return after operating charges*	0.13	6.57	7.35
Distributions on accumulation shares	(4.15)	(3.99)	(4.07)
Retained distributions on accumulation shares	4.15	3.79	3.26
Closing net asset value per share	140.85	140.72	134.35
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.09%	4.89%	5.75%
Other information			
Closing net asset value (£'000s)	133	112	677
Closing number of shares	94,677	79,977	503,684
Operating charges	0.63%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	142.79	141.29	134.64
Lowest share price (pence)	140.32	133.31	125.62

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

Aberdeen Sterling Opportunistic Corporate Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	117.85	115.67	112.85
Return before operating charges*	0.86	6.15	6.38
Operating charges	(0.74)	(0.74)	(0.71)
Return after operating charges*	0.12	5.41	5.67
Distributions on income shares	(3.43)	(3.23)	(2.85)
Closing net asset value per share	114.54	117.85	115.67
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.10%	4.68%	5.02%
Other information			
Closing net asset value (£'000s)	2,447	2,390	2,479
Closing number of shares	2,136,466	2,028,105	2,143,164
Operating charges	0.63%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	119.09	119.15	116.57
Lowest share price (pence)	114.99	114.05	109.51

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

Aberdeen Sterling Opportunistic Corporate Bond Fund

I Gross Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	131.33	125.22	118.37
Return before operating charges*	0.94	6.92	7.60
Operating charges	(0.83)	(0.81)	(0.75)
Return after operating charges*	0.11	6.11	6.85
Distributions on accumulation shares	(3.87)	(3.72)	(3.80)
Retained distributions on accumulation shares	3.87	3.72	3.80
Closing net asset value per share	131.44	131.33	125.22
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.08%	4.88%	5.79%
Other information			
Closing net asset value (£'000s)	23,487	24,416	23,637
Closing number of shares	17,868,370	18,591,770	18,876,170
Operating charges	0.63%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	133.25	131.86	125.51
Lowest share price (pence)	130.95	124.44	116.74

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

Aberdeen Sterling Opportunistic Corporate Bond Fund

I Gross Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	107.41	105.45	102.88
Return before operating charges*	0.77	5.73	6.48
Operating charges	(0.67)	(0.67)	(0.65)
Return after operating charges*	0.10	5.06	5.83
Distributions on income shares	(3.13)	(3.10)	(3.26)
Closing net asset value per share	104.38	107.41	105.45
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.09%	4.80%	5.67%
Other information			
Closing net asset value (£'000s)	25	25	41
Closing number of shares	23,630	23,630	38,730
Operating charges	0.63%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	108.53	108.60	106.45
Lowest share price (pence)	104.79	103.98	99.84

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

Aberdeen Sterling Opportunistic Corporate Bond Fund

P Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	114.33	112.23	109.50
Return before operating charges*	0.83	5.92	6.14
Operating charges	(0.46)	(0.45)	(0.44)
Return after operating charges*	0.37	5.47	5.70
Distributions on income shares	(3.59)	(3.37)	(2.97)
Closing net asset value per share	111.11	114.33	112.23
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.32%	4.87%	5.21%
Other information			
Closing net asset value (£'000s)	1,307	23,491	31,964
Closing number of shares	1,175,998	20,547,082	28,479,917
Operating charges	0.40%	0.40%	0.40%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	115.56	115.63	113.16
Lowest share price (pence)	111.60	110.68	106.26

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

Aberdeen Sterling Opportunistic Corporate Bond Fund

P Gross Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	114.41	112.33	109.59
Return before operating charges*	0.83	6.09	6.90
Operating charges	(0.46)	(0.45)	(0.44)
Return after operating charges*	0.37	5.64	6.46
Distributions on income shares	(3.59)	(3.56)	(3.72)
Closing net asset value per share	111.19	114.41	112.33
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.32%	5.02%	5.89%
Other information			
Closing net asset value (£'000s)	44	937	1,570
Closing number of shares	39,818	818,918	1,397,817
Operating charges	0.40%	0.40%	0.40%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	115.64	115.73	113.46
Lowest share price (pence)	111.67	110.77	106.37

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

Aberdeen Sterling Opportunistic Corporate Bond Fund

Q Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	114.33	112.24	109.51
Return before operating charges*	0.86	5.92	6.11
Operating charges	(0.36)	(0.34)	(0.33)
Return after operating charges*	0.50	5.58	5.78
Distributions on income shares	(3.69)	(3.49)	(3.05)
Closing net asset value per share	111.14	114.33	112.24
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.44%	4.97%	5.28%
Other information			
Closing net asset value (£'000s)	7,038	180,799	464,485
Closing number of shares	6,333,144	158,138,262	413,814,813
Operating charges	0.31%	0.30%	0.30%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	115.57	115.65	113.20
Lowest share price (pence)	111.63	110.70	106.27

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

Aberdeen Sterling Opportunistic Corporate Bond Fund

Q Gross Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	114.42	112.33	109.60
Return before operating charges*	0.87	6.10	6.89
Operating charges	(0.36)	(0.34)	(0.33)
Return after operating charges*	0.51	5.76	6.56
Distributions on income shares	(3.70)	(3.67)	(3.83)
Closing net asset value per share	111.23	114.42	112.33
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.45%	5.13%	5.99%
Other information			
Closing net asset value (£'000s)	105	15,863	22,501
Closing number of shares	94,358	13,862,958	20,030,996
Operating charges	0.31%	0.30%	0.30%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	115.66	115.75	113.49
Lowest share price (pence)	111.74	110.79	106.39

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

Aberdeen Sterling Opportunistic Corporate Bond Fund

Z Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	103.52	100.00[B]
Return before operating charges*	0.75	3.78
Operating charges	(0.14)	(0.13)
Return after operating charges*	0.61	3.65
Distributions on accumulation shares	(3.58)	(3.20)
Retained distributions on accumulation shares	3.58	3.07
Closing net asset value per share	104.13	103.52
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.59%	3.65%
Other information		
Closing net asset value (£'000s)	629	170
Closing number of shares	603,811	164,211
Operating charges	0.13%	0.13%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	105.26	103.88
Lowest share price (pence)	103.31	97.74

[A] Z Accumulation share class launched on 15 August 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Opportunistic Corporate Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 85.44% (2017: 81.38%)					
Bonds 85.44% (2017: 81.38%)					
Asset Backed Bonds / Mortgage Backed Bonds 2.16% (2017: 3.74%)					
United Kingdom 2.16% (2017: 3.74%)					
Feldspar 2016-1	FRN	15/09/45	844,714	846	0.30
Precise Mortgage Funding 2014-1	FRN	12/09/47	620,675	621	0.22
Precise Mortgage Funding 2018-2B	FRN	12/03/55	1,078,255	1,073	0.38
RMAC Securities No 1	FRN	12/06/44	1,764,141	1,691	0.59
RMAC 2018-1	FRN	12/06/46	900,000	894	0.32
Tolkien Funding Sukuk NO 1	FRN	20/07/52	980,109	981	0.35
				6,106	**2.16**
Total Asset Backed Bonds / Mortgage Backed Bonds				**6,106**	**2.16**
Corporate Bonds 68.89% (2017: 66.92%)					
Australia 1.92% (2017: 2.11%)					
Australia & New Zealand Banking	FRN	PERP	2,000,000	1,109	0.39
Commonwealth Bank of Australia (EMTN)	1.1250	22/12/21	3,200,000	3,169	1.13
Westpac Banking	FRN	PERP	2,000,000	1,137	0.40
				5,415	**1.92**
Belgium 0.57% (2017: 0.06%)					
Anheuser-Busch InBev (EMTN)∞	1.7500	07/03/25	1,654,000	**1,613**	**0.57**
Canada 0.27% (2017: 1.17%)					
Cott Finance (EMTN)	5.5000	01/07/24	338,000	319	0.11
Entertainment One	6.8750	15/12/22	413,000	433	0.16
				752	**0.27**
China 0.06% (2017: 0.04%)					
BiSoho	5.8750	01/05/23	182,736	**172**	**0.06**
Denmark 0.23% (2017: 0.05%)					
DKT Finance	7.0000	17/06/23	138,000	129	0.05
Nassa Topco	2.8750	06/04/24	572,000	534	0.18
				663	**0.23**
France 2.02% (2017: 3.37%)					
AXA (EMTN)	VAR	PERP	2,000,000	2,308	0.83
Electricite de France (EMTN)∞	6.2500	30/05/28	800,000	1,029	0.36
La Financiere Atalian∞	4.0000	15/05/24	262,000	226	0.08
La Financiere Atalian	6.6250	15/05/25	167,000	164	0.06
NewCo GB	8.0000	15/12/22	100,000	91	0.03
NewCo Sab MidCo∞	5.3750	15/04/25	233,000	204	0.07
Novafives	5.0000	15/06/25	100,000	87	0.03
Paprec	4.0000	31/03/25	217,000	194	0.07

Aberdeen Sterling Opportunistic Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Paprec	FRN	31/03/25	100,000	90	0.03
SFR∞	5.6250	15/05/24	370,000	342	0.12
Societe Generale (EMTN)∞	VAR	23/02/28	1,100,000	956	0.34
				5,691	**2.02**
Germany 1.38% (2017: 0.62%)					
Adler Pezler	4.1250	01/04/24	125,000	112	0.04
Aroundtown	3.2500	18/07/27	995,000	975	0.34
BASF (EMTN)	1.3750	21/06/22	305,000	304	0.11
Blitz	6.0000	30/07/26	351,000	315	0.11
CTC BondCo	5.2500	15/12/25	100,000	87	0.03
Nidda BondCo	5.0000	30/09/25	100,000	85	0.03
Nidda Healthcare	3.5000	30/09/24	156,000	136	0.05
Platin 1426	5.3750	15/06/23	100,000	85	0.03
PrestigeBidCo	6.2500	15/12/23	430,000	407	0.14
Safari Verwaltungs∞	5.3750	30/11/22	300,000	270	0.10
Senvion∞	3.8750	25/10/22	629,000	496	0.18
Tele Columbus∞	3.8750	02/05/25	294,000	252	0.09
Unitymedia	3.7500	15/01/27	392,000	367	0.13
				3,891	**1.38**
Greece 0.14% (2017: 0.08%)					
Intralot Capital Luxembourg∞	6.7500	15/09/21	367,000	284	0.10
Intralot Capital Luxembourg	5.2500	15/09/24	177,000	124	0.04
				408	**0.14**
Guernsey 0.11% (2017: nil)					
Summit Germany	2.0000	31/01/25	370,000	**311**	**0.11**
Indonesia 0.47% (2017: nil)					
Perusahaan Listrik Negara	5.4500	21/05/28	1,678,000	**1,329**	**0.47**
Ireland 0.14% (2017: 0.13%)					
Ardagh Packaging Finance	6.7500	15/05/24	261,000	252	0.09
Ardagh Packaging Finance	4.7500	15/07/27	145,000	140	0.05
				392	**0.14**
Israel 0.16% (2017: nil)					
Teva Pharmaceutical Finance Netherlands II	1.6250	15/10/28	360,000	263	0.10
Teva Pharmaceutical Finance Netherlands II	4.5000	01/03/25	100,000	93	0.03
Teva Pharmaceutical Finance Netherlands II	1.2500	31/03/23	100,000	84	0.03
				440	**0.16**
Italy 1.86% (2017: 0.43%)					
Enel	VAR	15/09/76	2,210,000	2,418	0.87
Enel	VAR	10/09/75	1,800,000	1,987	0.70
Telecom Italia Finance (EMTN)∞	7.7500	24/01/33	400,000	493	0.17
Wind Tre	2.7500	20/01/24	240,000	201	0.07

Aberdeen Sterling Opportunistic Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Wind Tre	2.6250	20/01/23	176,000	149	0.05
				5,248	**1.86**
Jersey 0.16% (2017: 0.15%)					
LHC3	4.1250	15/08/24	147,000	130	0.05
Nemean Bondco	7.3750	01/02/24	350,000	334	0.11
				464	**0.16**
Kazakhstan nil (2017: 0.60%)					
Luxembourg 1.33% (2017: 0.93%)					
Altice∞	7.2500	15/05/22	780,000	711	0.26
DEA Finance	7.5000	15/10/22	454,000	435	0.15
Galapagos∞	5.3750	15/06/21	275,000	209	0.07
Garfunkelex Holdco 3∞	7.5000	01/08/22	250,000	219	0.08
Garfunkelux Holdco 2∞	11.0000	01/11/23	250,000	248	0.09
INEOS	5.3750	01/08/24	249,000	234	0.08
Kleopatra 1∞	8.5000	30/06/23	169,000	105	0.04
LHMC Finco	6.2500	20/12/23	123,000	113	0.04
Matterhorn Telecom	4.8750	01/05/23	370,000	334	0.12
Monitchem HoldCo 2∞	6.8750	15/06/22	370,000	295	0.10
Samsonite Finco (EMTN)	3.5000	15/05/26	100,000	87	0.03
SIG Combibloc	7.7500	15/02/23	420,000	390	0.14
Unilabs Subholding	5.7500	15/05/25	430,000	369	0.13
				3,749	**1.33**
Mexico 1.66% (2017: nil)					
America Movil	VAR	06/09/73	3,000,000	3,206	1.14
CEMEX	2.7500	05/12/24	400,000	349	0.12
Petroleos Mexicanos	2.5000	24/11/22	1,278,000	1,143	0.40
				4,698	**1.66**
Netherlands 1.60% (2017: 1.51%)					
Cooperatieve Rabobank (EMTN)	5.2500	14/09/27	1,820,000	2,094	0.75
InterXion	4.7500	15/06/25	135,000	125	0.04
LGE HoldCo VI	7.1250	15/05/24	650,000	621	0.22
Lincoln Finance	6.8750	15/04/21	722,000	666	0.24
Maxeda DIY∞	6.1250	15/07/22	160,000	136	0.05
Nyrstar Netherlands (EMTN)	6.8750	15/03/24	511,000	367	0.13
OCI	5.0000	15/04/23	100,000	94	0.03
Ziggo Secured Finance	4.2500	15/01/27	459,000	408	0.14
				4,511	**1.60**
Norway nil (2017: 0.35%)					
Singapore 0.37% (2017: nil)					
Puma International Financing	5.0000	24/01/26	1,500,000	**1,032**	**0.37**

Aberdeen Sterling Opportunistic Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
South Africa 0.12% (2017: 0.07%)					
Sappi Papier	3.3750	01/04/22	371,000	**336**	**0.12**
Spain 0.74% (2017: 0.56%)					
Aldesa Financial Services (EMTN)	7.2500	01/04/21	125,000	105	0.04
CaixaBank∞	VAR	PERP	1,400,000	1,180	0.41
Codere Finance 2 Luxembourg	6.7500	01/11/21	564,000	484	0.17
Haya Finance 2017	5.2500	15/11/22	400,000	326	0.12
				2,095	**0.74**
Sweden 0.09% (2017: nil)					
Perstorp	11.0000	30/09/21	200,000	164	0.06
Verisure Midholding	5.7500	01/12/23	100,000	88	0.03
				252	**0.09**
Switzerland 2.14% (2017: 1.49%)					
Credit Suisse	VAR	12/09/25	1,600,000	1,532	0.54
Zurich Finance UK (EMTN)	VAR	PERP	4,000,000	4,522	1.60
				6,054	**2.14**
Turkey 0.40% (2017: nil)					
Turk Telekomunikasyon	3.7500	19/06/19	1,512,000	**1,137**	**0.40**
United Arab Emirates 0.42% (2017: nil)					
IPIC GMTN (EMTN)	6.8750	14/03/26	910,000	**1,190**	**0.42**
United Kingdom 43.21% (2017: 44.17%)					
Admiral	5.5000	25/07/24	2,370,000	2,610	0.92
Amigo Luxembourg	7.6250	15/01/24	200,000	204	0.07
Anglian Water Osprey Financing (EMTN)	5.0000	30/04/23	2,000,000	2,032	0.72
Annington Funding (EMTN)	2.6460	12/07/25	3,300,000	3,270	1.16
Arqiva Broadcast Finance (EMTN)	9.5000	31/03/20	100,000	103	0.04
Arrow Global Finance	5.1250	15/09/24	290,000	267	0.09
Assura	3.0000	19/07/28	463,000	463	0.16
Aviva∞	VAR	PERP	3,000,000	3,294	1.17
Aviva	VAR	14/11/36	1,500,000	1,683	0.60
Bank of Scotland Capital Funding	VAR	PERP	2,500,000	2,772	0.98
Barclays	VAR	PERP	300,000	278	0.10
Barclays (EMTN)∞	3.1250	17/01/24	2,734,000	2,749	0.97
Barclays (EMTN)	VAR	06/10/23	1,747,000	1,723	0.61
BAT International Finance (EMTN)	4.0000	04/09/26	2,000,000	2,165	0.77
BP Capital Markets (EMTN)	2.2740	03/07/26	1,505,000	1,510	0.53
Broadgate Financing	FRN	05/01/30	4,181,820	4,093	1.45
Cabot Financial Luxembourg	6.5000	01/04/21	400,000	401	0.14
Cabot Financial Luxembourg (EMTN)	8.3750	01/08/20	100,000	102	0.04
Channel Link Enterprises Finance	VAR	30/06/50	400,000	395	0.14
Close Brothers (EMTN)∞	2.7500	26/04/23	634,000	636	0.23
Close Brothers Finance (EMTN)	2.7500	19/10/26	3,000,000	2,986	1.06

Aberdeen Sterling Opportunistic Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Corral Petroleum	11.7500	15/05/21	280,000	267	0.09
CPUK Finance	4.2500	28/02/47	142,000	142	0.05
CYBG	VAR	PERP	1,520,000	1,554	0.55
Daily Mail & General Trust	6.3750	21/06/27	1,000,000	1,147	0.41
EC Finance	2.3750	15/11/22	100,000	89	0.03
Experian Finance (EMTN)	2.1250	27/09/24	853,000	847	0.30
Fuller Smith & Turner	6.8750	30/04/28	1,300,000	1,696	0.60
Galaxy Finco	7.8750	15/11/21	600,000	585	0.21
Gatwick Funding (EMTN)∞	6.1250	02/03/28	3,000,000	3,711	1.31
GKN∞	6.7500	28/10/19	1,000,000	1,060	0.38
HBOS Capital Funding	6.8500	PERP	1,800,000	1,383	0.49
HBOS Capital Funding	VAR	PERP	361,000	365	0.13
HBOS Sterling Finance Jersey	VAR	PERP	1,000,000	1,445	0.52
Heathrow Funding (EMTN)	6.7500	03/12/28	2,000,000	2,612	0.93
Heathrow Funding (EMTN)	7.1250	14/02/24	500,000	611	0.22
HSBC∞	6.7500	11/09/28	2,000,000	2,536	0.90
HSBC∞	VAR	27/06/23	847,000	844	0.30
InterContinental Hotels (EMTN)	3.7500	14/08/25	4,000,000	4,236	1.50
Intu Metrocentre Finance	4.1250	06/12/23	890,000	950	0.34
Keystone Financing	9.5000	15/10/19	66,540	68	0.02
Lloyds Bank (EMTN)	7.6250	22/04/25	3,000,000	3,851	1.36
Lloyds Banking	VAR	PERP	450,000	465	0.16
London & Quadrant Housing Trust	2.6250	28/02/28	1,311,000	1,304	0.46
Mizzen Bondco	7.0000	01/05/21	473,500	482	0.17
Moto Finance	4.5000	01/10/22	335,000	331	0.12
National Westminster Bank (EMTN)	VAR	PERP	2,500,000	2,185	0.77
Nationwide Building Society (EMTN)	VAR	PERP	200,000	206	0.07
NewRiver (REIT)	3.5000	07/03/28	1,242,000	1,212	0.43
NIE Finance	6.3750	02/06/26	3,000,000	3,831	1.36
Nomad Foods Bondco	3.2500	15/05/24	175,000	155	0.06
Paragon	VAR	09/09/26	2,500,000	2,663	0.94
PGH Capital	6.6250	18/12/25	1,500,000	1,655	0.59
PGH Capital (EMTN)	4.1250	20/07/22	1,000,000	1,023	0.36
Pinnacle Bidco	6.3750	15/02/25	123,000	124	0.04
PizzaExpress Financing 2∞	6.6250	01/08/21	221,000	205	0.07
Principality Building Society (EMTN)	2.3750	23/11/23	1,020,000	1,005	0.36
Provident Financial (EMTN)	7.0000	04/06/23	751,000	765	0.27
RAC Bond	5.0000	06/11/22	217,000	203	0.07
Royal Bank of Scotland	VAR	PERP	1,500,000	1,424	0.50
Royal Bank of Scotland	5.5000	PERP	100,000	90	0.03
Saga	3.3750	12/05/24	420,000	399	0.14
Shop Direct Funding	7.7500	15/11/22	120,000	105	0.04
Society of Lloyd's∞	4.7500	30/10/24	2,500,000	2,686	0.95
SSE∞	VAR	16/09/77	3,320,000	3,378	1.20
Stagecoach∞	4.0000	29/09/25	2,460,000	2,565	0.91
Standard Life Aberdeen (EMTN)†∞	VAR	04/12/42	5,040,000	5,562	1.98
Stonegate Pub Financing	4.8750	15/03/22	524,000	517	0.18
Synlab Bondco	6.2500	01/07/22	100,000	92	0.03

Aberdeen Sterling Opportunistic Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Synlab Unsecured Bondco	8.2500	01/07/23	100,000	95	0.03
Thames Water Utilities Cayman Finance (EMTN)	1.8750	24/01/24	2,500,000	2,430	0.86
Thames Water Utilities Cayman Finance (EMTN)	VAR	13/09/30	1,600,000	1,777	0.63
Thames Water Utilities Cayman Finance (EMTN)	2.8750	03/05/27	1,070,000	1,027	0.36
Thames Water Utilities Cayman Finance (EMTN)∞	2.3750	03/05/23	750,000	731	0.26
Thames Water Utilities Finance (EMTN)	6.7500	16/11/28	600,000	805	0.29
Trafford Centre Finance	4.7500	28/04/24	2,000,000	2,139	0.76
Tritax Big Box (EMTN) (REIT)	2.6250	14/12/26	2,212,000	2,184	0.77
UNITE USAF II	3.3740	30/06/23	385,000	410	0.15
Virgin Media Finance	6.3750	15/10/24	500,000	518	0.18
Virgin Media Secured Finance	5.0000	15/04/27	250,000	245	0.09
Vodafone (EMTN)	5.6250	04/12/25	1,319,000	1,590	0.56
Voyage Care Bondco	5.8750	01/05/23	247,000	247	0.09
Voyage Care Bondco	10.0000	01/11/23	110,000	109	0.04
Vue International Bidco	7.8750	15/07/20	330,000	330	0.12
Western Power Distribution	3.6250	06/11/23	2,900,000	3,039	1.08
Western Power Distribution West Midlands (EMTN)	3.8750	17/10/24	5,000,000	5,433	1.92
Worldpay Finance	3.7500	15/11/22	500,000	481	0.17
				121,957	**43.21**
United States 7.32% (2017: 9.03%)					
Adient Global∞	3.5000	15/08/24	365,000	309	0.11
Alliance Data Systems∞	5.2500	15/11/23	140,000	129	0.05
American International	VAR	15/03/67	1,250,000	1,053	0.37
American International	VAR	15/03/67	500,000	470	0.17
AT&T	4.3750	14/09/29	1,500,000	1,638	0.58
AT&T	5.5000	15/03/27	1,000,000	1,197	0.42
Avis Budget Finance∞	4.5000	15/05/25	399,000	361	0.13
BWAY	4.7500	15/04/24	200,000	179	0.06
Citigroup (EMTN)	5.1500	21/05/26	2,514,000	2,945	1.05
Crown European∞	3.3750	15/05/25	490,000	449	0.16
Diamond BC∞	5.6250	15/08/25	238,000	195	0.07
Energizer Gamma Acquisition	4.6250	15/07/26	321,000	292	0.10
Energy Transfer Partners	4.2000	15/04/27	3,300,000	2,440	0.86
Energy Transfer Partners	4.9500	15/06/28	739,000	576	0.20
Equinix	2.8750	01/10/25	448,000	389	0.14
Federal-Mogul Financing	5.0000	15/07/24	100,000	93	0.03
General Motors Financial (EMTN)	2.2500	06/09/24	2,405,000	2,330	0.83
Goodyear Dunlop Tires Europe	3.7500	15/12/23	120,000	110	0.04
International Game Technology∞	4.7500	15/02/23	406,000	392	0.14
International Game Technology	3.5000	15/07/24	223,000	202	0.07
Plains All American Pipeline	4.5000	15/12/26	2,500,000	1,892	0.67
Sabine Pass Liquefaction	5.0000	15/03/27	2,500,000	1,967	0.70
Silgan	3.2500	15/03/25	114,000	104	0.04
Superior Industries International	6.0000	15/06/25	350,000	307	0.11
Valeant Pharmaceuticals	4.5000	15/05/23	430,000	370	0.13
WMG Acquisition	4.1250	01/11/24	282,000	260	0.09
				20,649	**7.32**

Aberdeen Sterling Opportunistic Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Total Corporate Bonds				**194,449**	**68.89**
Corporate Convertible Bonds 0.24% (2017: nil)					
Italy 0.24% (2017: nil)					
Telecom Italia	1.1250	26/03/22	800,000	**680**	**0.24**
Total Corporate Convertible Bonds				**680**	**0.24**
Government Bonds 14.15% (2017: 10.72%)					
Italy 0.23% (2017: 0.54%)					
Italy (Republic of)	1.5000	01/06/25	780,000	**659**	**0.23**
United Kingdom 13.92% (2017: 10.18%)					
UK Treasury∞	1.7500	07/09/22	29,450,000	30,405	10.78
UK Treasury∞	2.0000	07/09/25	8,400,000	8,873	3.14
				39,278	**13.92**
Total Government Bonds				**39,937**	**14.15**
Total Bonds				**241,172**	**85.44**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**241,172**	**85.44**
Other transferable securities and money market instruments 4.08% (2017: 4.77%)					
Equities 0.01% (2017: nil)					
Luxembourg 0.01% (2017: nil)					
BrightHouse			17,636	**35**	**0.01**
Total Equities				**35**	**0.01**
Bonds 4.07% (2017: 4.77%)					
Asset Backed Bonds / Mortgage Backed Bonds 3.65% (2017: 4.14%)					
United Kingdom 3.65% (2017: 4.14%)					
London Wall Mortgage Capital	FRN	15/08/48	4	-	-
Motor 2016-1	1.3000	25/11/25	4,500,000	4,491	1.60
Paragon Mortgages No 25	FRN	15/05/50	1,317,000	1,306	0.46
PCL Funding II 2017-1	FRN	15/06/22	1,658,000	1,658	0.59
Precise Mortgage Funding No 1	FRN	12/03/47	95,774	96	0.03
Precise Mortgage Funding 2014-2	FRN	12/12/47	2,383,518	2,386	0.85
Precise Mortgage Funding 2018-1B	FRN	12/12/54	350,114	348	0.12
				10,285	**3.65**
Total Asset Backed Bonds / Mortgage Backed Bonds				**10,285**	**3.65**
Corporate Bonds 0.42% (2017: 0.63%)					
Luxembourg 0.11% (2017: 0.09%)					
ARD Finance	6.6250	15/09/23	350,000	**322**	**0.11**

Aberdeen Sterling Opportunistic Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Netherlands 0.03% (2017: nil)					
Constellium	4.2500	15/02/26	100,000	**89**	**0.03**
United Kingdom 0.19% (2017: 0.15%)					
BrightHouse Finco∞	9.0000	15/05/23	214,042	195	0.07
TalkTalk Telecom	5.3750	15/01/22	350,000	350	0.12
				545	**0.19**
United States 0.09% (2017: 0.39%)					
AMC Entertainment	6.3750	15/11/24	257,000	**260**	**0.09**
Total Corporate Bonds				**1,216**	**0.42**
Total Bonds				**11,501**	**4.07**
Total Other transferable securities and money market instruments				**11,536**	**4.08**
Open Ended Investment Funds 8.40% (2017: 8.36%)					
Aberdeen Strategic Bond Fund Z-Acc†			14,692,146	**23,700**	**8.40**
Total Open Ended Investment Funds				**23,700**	**8.40**

Derivatives 0.15% (2017: 0.07%)
Future contracts nil (2017: (0.05%))

Future	Maturity	Notional	Unrealised Gains/(Losses) £'000	Total Net Assets %
CBT US 10 Year Note	19/09/18	(49)	(5)	-
CBT US 10 Year Ultra	19/09/18	(69)	(17)	(0.01)
EUX Euro-Bund	06/09/18	(19)	(10)	-
ICE Long Gilt	26/09/18	24	37	0.01
Unrealised gains on future contracts			**5**	**-**

Forward currency exchange contracts (0.20%) (2017: (0.06%))

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Barclays Capital	USD	GBP	07/09/18	1,975,000	1,476,559	27	0.01
Citigroup	USD	GBP	07/09/18	973,000	737,811	3	-
Deutsche Bank	GBP	USD	14/08/18	167,998	223,000	(2)	-
Deutsche Bank	GBP	USD	07/09/18	19,702,413	26,324,000	(335)	(0.12)
HSBC	EUR	GBP	07/09/18	145,000	127,242	2	-
JPM Chase	GBP	USD	07/09/18	264,598	350,000	(2)	-
JPM Chase	USD	GBP	07/09/18	425,000	316,856	7	-
Merrill Lynch	GBP	EUR	07/09/18	8,150,681	9,249,000	(109)	(0.04)
Morgan Stanley	GBP	EUR	14/08/18	23,192,091	26,153,000	(146)	(0.05)
Royal Bank of Canada	GBP	USD	07/09/18	546,640	738,000	(15)	(0.01)
Royal Bank of Canada	USD	GBP	07/09/18	815,000	621,183	(1)	-
State Street	USD	GBP	07/09/18	3,139,000	2,390,431	(1)	-

Aberdeen Sterling Opportunistic Corporate Bond Fund

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
UBS	EUR	GBP	07/09/18	868,000	760,935	14	0.01
UBS	EUR	GBP	07/09/18	682,000	608,439	1	-
UBS	GBP	USD	07/09/18	956,459	1,265,000	(6)	-
UBS	GBP	USD	07/09/18	682,934	897,000	-	-
UBS	GBP	EUR	07/09/18	294,780	330,000	-	-
UBS	USD	GBP	07/09/18	775,000	583,152	7	-
Unrealised losses on forward currency exchange contracts						**(556)**	**(0.20)**

Swaps 0.35% (2017: 0.18%)

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) £'000	Total Net Assets %
Barclays Capital	EUR	20/06/23	7,000,000	Vodafone	1.0000	102	0.04
Barclays Capital	EUR	20/06/23	4,200,000	Glencore Finance	5.0000	555	0.21
JPM Chase	EUR	20/06/22	2,000,000	Lynx	5.0000	236	0.08
JPM Chase	EUR	20/06/23	3,800,000	Anheuser-Busch	1.0000	68	0.02
Unrealised gains on swap contracts						**961**	**0.35**
Unrealised gains on derivatives						**410**	**0.15**
Total investments[#]						**276,818**	**98.07**
Other net assets						**5,451**	**1.93**
Total net assets						**282,269**	**100.00**

[†] Managed by subsidiaries of Standard Life Aberdeen plc.
[∞] A portion of this security is on loan at the year end.
[#] Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen Sterling Opportunistic Corporate Bond Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	63,476	22.93	22.49

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Germany (Federal Republic of)	36,255	Government Bond	Investment grade	BNP Paribas
France (Government of)	17,699	Government Bond	Investment grade	BNP Paribas
UK Treasury	6,379	Government Bond	Investment grade	BNP Paribas
Sweden (Kingdom of)	2,073	Government Bond	Investment grade	BNP Paribas
Netherlands (Kingdom of)	1,871	Government Bond	Investment grade	BNP Paribas
Luxembourg (Grand Duchy of)	1,699	Government Bond	Investment grade	BNP Paribas
Australia (Commonwealth of)	877	Government Bond	Investment grade	BNP Paribas
Norway (Kingdom of)	371	Government Bond	Investment grade	BNP Paribas
Total collateral received	**67,224**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	67,224	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	877
EUR	59,597
GBP	6,379
NOK	371
Total collateral received	**67,224**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Morgan Stanley	32,393	United States	Tri-party
JPM Chase	24,386	United States	Tri-party
Barclays	4,316	United Kingdom	Tri-party
BNP Paribas	2,381	France	Tri-party
Total market value of securities lending	**63,476**		

Aberdeen Sterling Opportunistic Corporate Bond Fund

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	1,374

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	20,237	45,613	-	**67,224**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	63,476	-	**63,476**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	75	125.00
Direct operational costs (securities lending agent costs)	(15)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(15)	(25.00)
Net return	**60**	**100.00**

Aberdeen Sterling Opportunistic Corporate Bond Fund

Statement of total return
For the year ended 31 July 2018

		2018		2017	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	1		(7,819)		9,776
Revenue	2	10,638		22,059	
Expenses	3	(2,829)		(3,671)	
Net revenue before taxation		7,809		18,388	
Taxation	4	-		-	
Net revenue after taxation			7,809		18,388
Total return before distributions			**(10)**		**28,164**
Distributions	5		(7,809)		(18,415)
Change in net assets attributable to shareholders from investment activities			**(7,819)**		**9,749**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018		2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		**461,190**		**734,809**
Amounts receivable on issue of shares	41,928		26,028	
Amounts payable on cancellation of shares	(213,973)		(310,676)	
		(172,045)		(284,648)
Dilution adjustment		213		578
Change in net assets attributable to shareholders from investment activities		(7,819)		9,749
Retained distributions on accumulation shares		729		702
Unclaimed distributions > 6 years		1		-
Closing net assets attributable to shareholders		**282,269**		**461,190**

Aberdeen Sterling Opportunistic Corporate Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		277,467	440,237
Current assets:			
Debtors	6	13,585	16,685
Cash and bank balances	7	4,043	21,093
Total assets		**295,095**	**478,015**
Liabilities:			
Investment liabilities		649	4,066
Creditors:			
Amounts held at futures clearing houses and brokers		1,305	2,449
Other creditors	8	9,311	7,347
Distribution payable		1,561	2,963
Total liabilities		**12,826**	**16,825**
Net assets attributable to shareholders		**282,269**	**461,190**

Aberdeen Sterling Opportunistic Corporate Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital (losses)/gains

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(7,008)	20,314
Derivative contracts	(794)	(4,812)
Forward currency contracts losses	(59)	(5,817)
Other currency gains	42	71
Class actions	-	20
Net capital (losses)/gains	**(7,819)**	**9,776**

2. Revenue

	2018 £'000	2017 £'000
Interest on debt securities	8,945	20,096
Distributions from collective investment schemes:		
UK interest distributions	942	1,042
Offshore distributions - taxable	446	713
Stock lending commission	60	19
Bank interest	16	6
Derivative revenue:		
Interest on swap contracts	229	183
Total revenue	**10,638**	**22,059**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	2,501	3,254
Operating, administrative and servicing fees	325	413
	2,826	3,667
Other expenses:		
Interest payable and similar charges	3	4
	3	4
Total expenses	**2,829**	**3,671**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

Aberdeen Sterling Opportunistic Corporate Bond Fund

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	-	-
Current tax charge	**-**	**-**
Total taxation	**-**	**-**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	7,809	18,388
Corporation tax at 20% (2017 - 20%)	1,562	3,678
Effects of:		
Tax deductible on interest distributions	(1,562)	(3,678)
Total taxation	**-**	**-**

Factors that may affect future tax charges

There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
First interim	2,039	5,798
Second interim	1,537	4,367
Third interim	1,968	3,925
Final	1,736	3,136
	7,280	17,226
Add: Revenue deducted on cancellation of shares	600	1,284
Deduct: Revenue received on issue of shares	(71)	(95)
Distributions for the year	**7,809**	**18,415**
Total distributions	**7,809**	**18,415**

Details of the distribution per share are set out in the distribution tables on pages 772 to 775.

Aberdeen Sterling Opportunistic Corporate Bond Fund

Movement between net revenue and distributions	2017 £'000	2016 £'000
Net revenue after taxation	7,809	18,388
Add:		
Undistributed revenue brought forward	-	28
Deduct:		
Movement between share classes due to conversions	-	(1)
Distributions	**7,809**	**18,415**

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	4,123	6,691
Amounts receivable for issue of shares	20	-
Sales awaiting settlement	5,981	9,819
Currency transactions awaiting settlement	3,296	-
Other debtor	-	10
Tax reclaimable	165	165
Total debtors	**13,585**	**16,685**

7. Cash and bank balances

	2018 £'000	2017 £'000
Amounts held at futures clearing houses and brokers	326	2,816
Cash and bank balances	3,717	18,277
Total cash and bank balances	**4,043**	**21,093**

8. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	249	280
Amounts payable for cancellation of shares	569	2,105
Purchases awaiting settlement	5,197	4,823
Swap interest payable	-	139
Currency transactions awaiting settlement	3,296	-
Total other creditors	**9,311**	**7,347**

9. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 760. £772,000 was due to the ACD (2017 - £2,350,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £29,262,000 (2017 - £38,541,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

Aberdeen Sterling Opportunistic Corporate Bond Fund

10. Material shareholders

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 87% of the Fund's shares in issue.

11. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.00%
Class 'I': 0.50%
Class 'I' Gross: 0.50%
Class 'P': 0.27%
Class 'P' Gross: 0.27%
Class 'Q': 0.27%
Class 'Q' Gross: 0.27%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 738 to 748. The distribution per share class is given in the distribution tables on pages 772 to 775. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	112,041	186,145,294	79,977	2,028,105
Creations during the year	2,752	36,949,700	33,500	8,500
Cancellations during the year	(61,000)	(642,203)	(18,800)	(719,100)
Shares converted during the year	3,948	(199,465)	-	818,961
Closing shares in issue	**57,741**	**222,253,326**	**94,677**	**2,136,466**

	I Gross Accumulation shares	I Gross Income shares	P Income shares	P Gross Income shares
Opening number of shares	18,591,770	23,630	20,547,082	818,918
Creations during the year	-	-	-	-
Cancellations during the year	(723,400)	-	(19,256,700)	(779,100)
Shares converted during the year	-	-	(114,384)	-
Closing shares in issue	**17,868,370**	**23,630**	**1,175,998**	**39,818**

	Q Income shares	Q Gross Income shares	Z Accumulation shares
Opening number of shares	158,138,262	13,862,958	164,211
Creations during the year	-	-	439,600
Cancellations during the year	(151,270,300)	(13,768,600)	-
Shares converted during the year	(534,818)	-	-
Closing shares in issue	**6,333,144**	**94,358**	**603,811**

12. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Aberdeen Sterling Opportunistic Corporate Bond Fund

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Barclays	4,316	4,596	Government Bond
BNP Paribas	2,381	2,774	Government Bond
JPM Chase	24,386	25,756	Government Bond
Morgan Stanley	32,393	34,098	Government Bond
Total	**63,476**	**67,224**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	75	15	60

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
BNP Paribas	299	315	Government Bond
JPM Chase	18,053	19,066	Government Bond
Total	**18,352**	**19,381**	

Aberdeen Sterling Opportunistic Corporate Bond Fund

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	24	5	19

13. **Risk management policies and disclosures**

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

Global Exposure

Based on the investment strategy, types of complexities of the derivatives and the proportion of the Fund comprising derivatives, the method of estimating the Fund's overall risk position (Global Exposure) is to the use the value at risk (VaR) techniques which estimate the probability of portfolio losses based on the statistical analysis of historical price trends and volatilities. The VaR is produced on a daily basis and the Fund's current VaR limit is detailed below.

Value at risk (VaR)

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

Model assumptions	
System:	Barclays POINT
VaR methodology:	Monte Carlo
Confidence level:	99%
Holding period:	1 week (5 days)
VaR limit (absolute)	20%
VaR limit (relative)	200%
Reference portfolio for relative VaR	

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	0.93%	1.04%
Maximum VaR	1.37%	1.52%
Average VaR	1.10%	1.25%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	-	0.62%	-	0.32%	0.94%
31 July 2017	0.02%	1.05%	-	0.09%	1.16%

Aberdeen Sterling Opportunistic Corporate Bond Fund

Financial derivatives

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Swap contracts £'000	Total by counterparty £'000
Barclays	27	657	684
Citigroup	3	-	3
HSBC	2	-	2
JPM Chase	7	304	311
State Street	14	-	14
UBS	8	-	8
Total exposure	**61**	**961**	**1,022**

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Swap contracts £'000	Total by counterparty £'000
Barclays	-	345	345
BNP Paribas	28	-	28
Citigroup	93	-	93
Goldman Sachs	88	-	88
HSBC	787	-	787
JPM Chase	157	2,772	2,929
Merrill Lynch	38	-	38
Royal Bank of Canada	22	-	22
UBS	41	-	41
Total exposure	**1,254**	**3,117**	**4,371**

The Fund had cash of £1,269,000 held as collateral as at 31 July 2018 (2017 - £2,449,000) and the Fund had no cash pledged as collateral as at 31 July 2018 (2017 - £1,730,000).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	649	-	-	649
Non-derivatives					
Amounts held at futures clearing houses and brokers	1,305	-	-	-	36
Other creditors	-	9,311	-	-	9,311
Distribution payable	-	1,561	-	-	1,561
Total financial liabilities	**1,305**	**11,521**	**-**	**-**	**12,826**

Aberdeen Sterling Opportunistic Corporate Bond Fund

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	1,732	2,334	-	4,066
Non-derivatives					
Amounts held at futures clearing houses and brokers	2,449	-	-	-	2,449
Other creditors	-	7,347	-	-	7,347
Distribution payable	-	2,963	-	-	2,963
Total financial liabilities	**2,449**	**12,042**	**2,334**	**-**	**16,825**

14. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Bonds	196,061	509,290	326,781	822,182
Collective Investment Schemes	-	3,077	15,071	1,000
Trades in the year before transactions costs	**196,061**	**512,367**	**341,852**	**823,182**
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**196,061**	**512,367**	**341,852**	**823,182**

Aberdeen Sterling Opportunistic Corporate Bond Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £5,854,000 in the year (2017 - £33,943,000 (net sales)).

There were transaction costs in respect of derivatives of £1,000 in the year (2017 - £3,000). The transaction costs in respect of derivatives expressed as a percentage of net asset value is 0.00% (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.50% (2017 - 0.52%).

Aberdeen Sterling Opportunistic Corporate Bond Fund

15. **Fair value**

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1

Quoted prices in active markets for identical securities.

Level 2

Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3

Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1[A]	40,008	32	49,417	223
Level 2	237,459	617	390,820	3,843
Level 3	-	-	-	-
Total	**277,467**	**649**	**440,237**	**4,066**

[A] A Debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price, amount to £39,937,000 as at 31 July 2018 (2017: £49,417,000).

Aberdeen Sterling Opportunistic Corporate Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

First interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 October 2017

	Revenue	Equalisation	Distribution paid 31/01/18	Distribution paid 31/01/17
A Accumulation shares				
Group 1	0.69585	-	0.69585	0.67373
Group 2	0.49585	0.20000	0.69585	0.67373
A Income shares				
Group 1	0.58801	-	0.58801	0.58246
Group 2	0.39293	0.19508	0.58801	0.58246
I Accumulation shares				
Group 1	0.90271	-	0.90271	0.83580
Group 2	0.59736	0.30535	0.90271	0.83580
I Income shares				
Group 1	0.75598	-	0.75598	0.71959
Group 2	0.35622	0.39976	0.75598	0.71959
I Gross Accumulation shares				
Group 1	0.84151	-	0.84151	0.96675
Group 2	0.84151	-	0.84151	0.96675
I Gross Income shares				
Group 1	0.68824	-	0.68824	0.81404
Group 2	0.68824	-	0.68824	0.81404
P Income shares				
Group 1	0.79858	-	0.79858	0.74673
Group 2	0.79858	-	0.79858	0.74673
P Gross Income shares				
Group 1	0.79857	-	0.79857	0.93498
Group 2	0.79857	-	0.79857	0.93498
Q Income shares				
Group 1	0.82772	-	0.82772	0.76970
Group 2	0.48864	0.33908	0.82772	0.76970
Q Gross Income shares				
Group 1	0.82751	-	0.82751	0.95966
Group 2	0.82751	-	0.82751	0.95966
Z Accumulation shares				
Group 1	0.79483	-	0.79483	0.51633
Group 2	0.79483	-	0.79483	0.51633

Aberdeen Sterling Opportunistic Corporate Bond Fund

Second interim interest distribution
Group 1: Shares purchased prior to 1 November 2017
Group 2: Shares purchased 1 November 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.77435	-	0.77435	0.70067
Group 2	0.77435	-	0.77435	0.70067
A Income shares				
Group 1	0.65099	-	0.65099	0.60263
Group 2	0.55099	0.10000	0.65099	0.60263
I Accumulation shares				
Group 1	0.98667	-	0.98667	0.89424
Group 2	0.72756	0.25911	0.98667	0.89424
I Income shares				
Group 1	0.82100	-	0.82100	0.76510
Group 2	0.62543	0.19557	0.82100	0.76510
I Gross Accumulation shares				
Group 1	0.91968	-	0.91968	0.83590
Group 2	0.91968	-	0.91968	0.83590
I Gross Income shares				
Group 1	0.74735	-	0.74735	0.69845
Group 2	0.74735	-	0.74735	0.69845
P Income shares				
Group 1	0.86137	-	0.86137	0.80929
Group 2	0.68237	0.17900	0.86137	0.80929
P Gross Income shares				
Group 1	0.86102	-	0.86102	0.80961
Group 2	0.86102	-	0.86102	0.80961
Q Income shares				
Group 1	0.88900	-	0.88900	0.83768
Group 2	0.09900	0.79000	0.88900	0.83768
Q Gross Income shares				
Group 1	0.88632	-	0.88632	0.83779
Group 2	0.88632	-	0.88632	0.83779
Z Accumulation shares				
Group 1	0.86211	-	0.86211	0.77796
Group 2	0.60211	0.26000	0.86211	0.77796

Aberdeen Sterling Opportunistic Corporate Bond Fund

Third interim interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 30 April 2018

	Revenue	Equalisation	Distribution paid 31/07/18	Distribution paid 31/07/17
A Accumulation shares				
Group 1	1.02734	-	1.02734	0.87660
Group 2	1.02734	-	1.02734	0.87660
A Income shares				
Group 1	0.85877	-	0.85877	0.74988
Group 2	0.53988	0.31889	0.85877	0.74988
I Accumulation shares				
Group 1	1.24404	-	1.24404	1.07563
Group 2	0.96427	0.27977	1.24404	1.07563
I Income shares				
Group 1	1.02797	-	1.02797	0.91419
Group 2	0.61506	0.41291	1.02797	0.91419
I Gross Accumulation shares				
Group 1	1.16041	-	1.16041	1.00299
Group 2	1.16041	-	1.16041	1.00299
I Gross Income shares				
Group 1	0.93642	-	0.93642	0.83250
Group 2	0.93642	-	0.93642	0.83250
P Income shares				
Group 1	1.06026	-	1.06026	0.94926
Group 2	1.06026	-	1.06026	0.94926
P Gross Income shares				
Group 1	1.06143	-	1.06143	0.95001
Group 2	1.06143	-	1.06143	0.95001
Q Income shares				
Group 1	1.08544	-	1.08544	0.98472
Group 2	0.88544	0.20000	1.08544	0.98472
Q Gross Income shares				
Group 1	1.08780	-	1.08780	0.97742
Group 2	1.08780	-	1.08780	0.97742
Z Accumulation shares				
Group 1	1.04434	-	1.04434	0.93304
Group 2	0.80434	0.24000	1.04434	0.93304

Aberdeen Sterling Opportunistic Corporate Bond Fund

Final interest distribution
Group 1: Shares purchased prior to 1 May 2018
Group 2: Shares purchased 1 May 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.80007	-	0.80007	0.76867
Group 2	0.80007	-	0.80007	0.76867
A Income shares				
Group 1	0.66374	-	0.66374	0.65325
Group 2	0.46938	0.19436	0.66374	0.65325
I Accumulation shares				
Group 1	1.01230	-	1.01230	0.98012
Group 2	0.49511	0.51719	1.01230	0.98012
I Income shares				
Group 1	0.82915	-	0.82915	0.82655
Group 2	0.32796	0.50119	0.82915	0.82655
I Gross Accumulation shares				
Group 1	0.94366	-	0.94366	0.91292
Group 2	0.94366	-	0.94366	0.91292
I Gross Income shares				
Group 1	0.75481	-	0.75481	0.75187
Group 2	0.75481	-	0.75481	0.75187
P Income shares				
Group 1	0.86896	-	0.86896	0.86860
Group 2	0.86896	-	0.86896	0.86860
P Gross Income shares				
Group 1	0.87086	-	0.87086	0.87032
Group 2	0.87086	-	0.87086	0.87032
Q Income shares				
Group 1	0.89223	-	0.89223	0.89790
Group 2	0.42223	0.47000	0.89223	0.89790
Q Gross Income shares				
Group 1	0.89403	-	0.89403	0.89943
Group 2	0.89403	-	0.89403	0.89943
Z Accumulation shares				
Group 1	0.87839	-	0.87839	0.84643
Group 2	0.02839	0.85000	0.87839	0.84643

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

Aberdeen Sterling Short Dated Corporate Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Investment grade corporate Debt and debt-related securities denominated in (or hedged back to) Sterling with a maturity of up to five years.

The Fund may also invest in other transferable securities, including Debt and debt-related securities issued by corporate issuers, governments, public bodies and supra-national issuers worldwide, in each case of any maturity or credit quality and denominated in any currency, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Performance review

For the year ended 31 July 2018, the value of Aberdeen Sterling Short Dated Corporate Bond Fund – A Accumulation Shares decreased by 0.06% compared to an increase of 0.45% in the benchmark, iBoxx Sterling Corporates 1 – 5 year Index.

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

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

Market review

Underlying gilt yields trended downwards in August 2017 and through to the first week of September, when hawkish rhetoric from the Bank of England's Monetary Policy Committee pushed yields sharply higher. Financials led the performance tables – in particular subordinated bonds – but spreads tightened in practically all sectors. The final three months of 2017 continued in the same positive vein; benign government bond markets, loose monetary policies and improving levels of economic activity all helped create an environment which attracted investors into riskier assets.

In contrast, the first half of 2018 was a difficult one for corporate bonds. While sterling investment grade credit outperformed UK government bonds in January, the return generated by a tightening of credit spreads over gilts was offset by yield moves with UK government bond yields moving higher. Thereafter, volatility returned to risk markets, with yield spreads widening in both February and March. The main drivers were an escalation in fears of a trade war between the world's two largest economies, China and the US, along with rising inflation and some softer economic data globally. Credit spreads continued to widen from April through to June as European politics once again caused some concerns. So, too, did increased fears of a material trade war between the US and its major trading partners. Sector-wise, both banks and insurers were among the weakest while safe haven sectors were stronger performers.

July was a positive month for global credit markets. Yield spreads between corporate bonds and government bonds tightened in Europe and the US, and also in the UK, albeit to a lesser extent. Early in the month, trade concerns pushed spreads wider, but positive US economic data throughout July illustrated how little impact the talk of tariff increases was having. Subordinated insurance bonds were particularly strong, and energy-related bonds performed well.

Portfolio review

Risk assets rallied broadly through to end of January 2018, but volatility returned as Italian political change, geopolitical developments in North Korea and increasing US trade protectionism drove corrections across risk assets. Short-dated credit outperformed all-maturity corporates, however, showing lower volatility and a lesser impact from the broader rise in gilt yields. The Fund return after fees and tax was -0.06%.

Financials outperformed corporates during the latter half of 2017. High beta sectors outperformed with subordinated insurance bonds such as tier 2 Phoenix and Bupa Finance 23s posting good returns, and one of the strongest performers was an off benchmark US dollar position in the 2023 bonds of Australian insurer QBE which were tendered for at par, locking in a 4.5 point premium to market levels. Residential mortgage-backed securities added to performance as their floating-rate structures offset a rise in yields.

Corporates led the performance in 2018; however, due to a combination of increasing volatility driving softness in sub-financials and limited supply incorporates lending some technical support to the sector. This was despite some idiosyncratic stories affecting non-financials: the portfolio benefitted from an underweight to breakdown services provider AA, whose bonds widened significantly on the back a strategic review in February highlighting challenges to their business model and declining membership. An overweight in FirstGroup dragged on returns as the firm was approached by private equity firm Apollo in April, adversely affecting the 5.25 22s held in the portfolio. With trade tensions between the US and China picking up in June, export-related and auto names such as Ford and Honda were weaker, though the portfolio used the market softness to add attractively priced short-call euro-denominated hybrids from Volkswagen which added to performance as the trade rhetoric softened into July.

Another strong theme over the second quarter of 2018 was a resurgence of oil price strength, with Brent crude contracts nearing $80/barrel in May. This contributed to good performance of oil majors Shell, Total and BP, alongside off-benchmark US dollar positions such as Anadarko Petroleum, Canadian Natural Resources and State of Qatar 23s which were added to the portfolio. Also within energy, an underweight to Gazprom contributed positively to returns as the company was affected by US sanctions on Russian officials and businesses.

Outlook

Given a fairly benign economic environment, market levels appear attractive once again. Further volatility or well-priced new issuance is likely to provide an opportunity to add risk to funds. Looking ahead, we will use any market rally to reduce some of the Fund's riskier positions such as subordinated insurance ahead of what we expect to be higher volatility in the next year or two.

Sterling IG Aggregate Team **August 2018**

Aberdeen Sterling Short Dated Corporate Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 3 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Sterling Short Dated Corporate Bond Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	100.84	100.00[A]
Return before operating charges*	0.66	1.43
Operating charges	(0.68)	(0.57)
Return after operating charges*	(0.02)	0.86
Distributions on accumulation shares	(1.30)	(0.82)
Retained distributions on accumulation shares	1.30	0.80
Closing net asset value per share	100.82	100.84
* after direct transaction costs of:	-	-
Performance		
Return after charges	(0.02%)	0.86%
Other information		
Closing net asset value (£'000s)	23	6
Closing number of shares	23,100	6,000
Operating charges	0.67%	0.69%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	101.38	101.05
Lowest share price (pence)	100.41	99.44

[A]The opening net asset value stated is the share class launch price.
Fund launched on 3 October 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Short Dated Corporate Bond Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	100.03	100.00[A]
Return before operating charges*	0.65	1.40
Operating charges	(0.67)	(0.57)
Return after operating charges*	(0.02)	0.83
Distributions on income shares	(1.28)	(0.80)
Closing net asset value per share	98.73	100.03
* after direct transaction costs of:	-	-
Performance		
Return after charges	(0.02%)	0.83%
Other information		
Closing net asset value (£'000s)	6	6
Closing number of shares	6,000	6,000
Operating charges	0.67%	0.69%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	100.46	100.51
Lowest share price (pence)	98.98	99.37

[A]The opening net asset value stated is the share class launch price.
Fund launched on 3 October 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Short Dated Corporate Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	101.10	100.00[A]
Return before operating charges*	0.59	1.43
Operating charges	(0.37)	(0.32)
Return after operating charges*	0.22	1.11
Distributions on accumulation shares	(1.61)	(1.06)
Retained distributions on accumulation shares	1.61	1.05
Closing net asset value per share	101.32	101.10
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.22%	1.11%
Other information		
Closing net asset value (£'000s)	26,810	21,308
Closing number of shares	26,461,490	21,077,367
Operating charges	0.37%	0.39%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	101.75	101.27
Lowest share price (pence)	100.83	99.48

[A]The opening net asset value stated is the share class launch price.
Fund launched on 3 October 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Short Dated Corporate Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	100.05	100.00[A]
Return before operating charges*	0.59	1.41
Operating charges	(0.37)	(0.32)
Return after operating charges*	0.22	1.09
Distributions on income shares	(1.59)	(1.04)
Closing net asset value per share	98.68	100.05
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.22%	1.09%
Other information		
Closing net asset value (£'000s)	24,160	17,450
Closing number of shares	24,483,373	17,441,544
Operating charges	0.37%	0.39%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	100.51	100.58
Lowest share price (pence)	99.02	99.40

[A]The opening net asset value stated is the share class launch price.
Fund launched on 3 October 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Short Dated Corporate Bond Fund

K Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	101.17	100.00[A]
Return before operating charges*	0.60	1.43
Operating charges	(0.27)	(0.24)
Return after operating charges*	0.33	1.19
Distributions on accumulation shares	(1.72)	(1.15)
Retained distributions on accumulation shares	1.72	1.13
Closing net asset value per share	101.50	101.17
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.33%	1.19%
Other information		
Closing net asset value (£'000s)	22,633	9,072
Closing number of shares	22,298,789	8,967,100
Operating charges	0.27%	0.29%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	101.87	101.34
Lowest share price (pence)	100.98	99.48

[A]The opening net asset value stated is the share class launch price.
Fund launched on 3 October 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Short Dated Corporate Bond Fund

K Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	100.04	100.00[A]
Return before operating charges*	0.60	1.41
Operating charges	(0.27)	(0.24)
Return after operating charges*	0.33	1.17
Distributions on income shares	(1.69)	(1.13)
Closing net asset value per share	98.68	100.04
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.33%	1.17%
Other information		
Closing net asset value (£'000s)	88,478	66,010
Closing number of shares	89,663,973	65,982,006
Operating charges	0.27%	0.29%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	100.52	100.60
Lowest share price (pence)	99.02	99.39

[A]The opening net asset value stated is the share class launch price.
Fund launched on 3 October 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Short Dated Corporate Bond Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	101.35	100.00[A]
Return before operating charges*	0.58	1.45
Operating charges	(0.07)	(0.07)
Return after operating charges*	0.51	1.38
Distributions on accumulation shares	(1.91)	(1.34)
Retained distributions on accumulation shares	1.91	1.31
Closing net asset value per share	101.86	101.35
* after direct transaction costs of:	-	-
Performance		
Return after charges	0.50%	1.38%
Other information		
Closing net asset value (£'000s)	6	6
Closing number of shares	6,000	6,000
Operating charges	0.07%	0.09%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	102.13	101.52
Lowest share price (pence)	101.22	99.50

[A]The opening net asset value stated is the share class launch price.
Fund launched on 3 October 2016.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Sterling Short Dated Corporate Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 95.31% (2017: 93.32%)					
Bonds 95.31% (2017: 93.32%)					
Asset Backed Bonds / Mortgage Backed Bonds 2.40% (2017: 1.96%)					
United Kingdom 2.40% (2017: 1.96%)					
Castell 2017-1	FRN	25/10/44	444,320	445	0.27
Feldspar 2016-1	FRN	15/09/45	445,821	447	0.28
PCL Funding III	FRN	15/06/23	540,000	539	0.33
Precise Mortgage Funding 2018-2B	FRN	12/03/55	980,232	976	0.61
RMAC 2018-1	FRN	12/06/46	700,000	695	0.43
Tolkien Funding Sukuk NO 1	FRN	20/07/52	783,515	784	0.48
				3,886	**2.40**
Total Asset Backed Bonds / Mortgage Backed Bonds				**3,886**	**2.40**
Corporate Bonds 90.87% (2017: 91.36%)					
Australia 6.28% (2017: 2.96%)					
AMP Group Finance Services	6.8750	23/08/22	950,000	1,064	0.66
BHP Billiton Finance	VAR	22/10/77	1,200,000	1,364	0.84
Commonwealth Bank of Australia (EMTN)	VAR	19/12/23	1,400,000	1,418	0.87
Commonwealth Bank of Australia (EMTN)	2.2500	07/12/18	500,000	502	0.31
Commonwealth Bank of Australia (EMTN)	1.1250	22/12/21	305,000	302	0.19
National Australia Bank (EMTN)	1.8750	20/02/20	1,050,000	1,059	0.65
National Australia Bank (EMTN)	0.8750	26/06/20	900,000	891	0.55
National Capital Trust I	VAR	PERP	1,100,000	1,114	0.69
SGSP Australia Assets (EMTN)	5.1250	11/02/21	1,546,000	1,672	1.03
Toyota Motor Finance Australia (EMTN)	1.6250	11/07/22	800,000	796	0.49
				10,182	**6.28**
Canada 2.23% (2017: 3.26%)					
Canadian Imperial Bank of Commerce	1.1250	30/06/22	1,800,000	1,779	1.10
Canadian Natural Resources	2.9500	15/01/23	1,300,000	958	0.59
Glencore Canada Financial (EMTN)	7.3750	27/05/20	800,000	875	0.54
				3,612	**2.23**
Denmark 1.24% (2017: 1.01%)					
Danske Bank (EMTN)	VAR	29/09/21	2,000,000	**2,008**	**1.24**
France 6.96% (2017: 6.10%)					
AXA	7.1250	15/12/20	1,000,000	1,124	0.69
Banque Federative du Credit Mutuel (EMTN)	0.8750	08/06/20	1,800,000	1,782	1.09
Banque Federative du Credit Mutuel (EMTN)	1.3750	20/12/21	600,000	596	0.37
CNP Assurances	VAR	30/09/41	900,000	1,013	0.62
Engie	VAR	PERP	900,000	910	0.56
LVMH Moet Hennessy Louis Vuitton (EMTN)	1.0000	14/06/22	1,357,000	1,338	0.83
Orange	VAR	PERP	1,300,000	1,409	0.87

Aberdeen Sterling Short Dated Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Orange (EMTN)	7.2500	10/11/20	900,000	1,014	0.63
RCI Banque (EMTN)	1.8750	08/11/22	1,300,000	1,296	0.80
Total Capital (EMTN)	3.8750	14/12/18	800,000	808	0.50
				11,290	**6.96**
Germany 7.13% (2017: 8.77%)					
BASF (EMTN)	1.3750	21/06/22	305,000	304	0.19
BMW International Investment (EMTN)	1.0000	17/11/21	1,200,000	1,175	0.73
BMW International Investment (EMTN)	1.7500	19/04/22	800,000	800	0.49
Commerzbank (EMTN)	6.6250	30/08/19	800,000	843	0.52
Daimler (EMTN)	1.0000	20/12/19	700,000	697	0.43
Daimler (EMTN)	2.3750	16/12/21	214,000	219	0.13
Deutsche Bank	1.7500	16/12/21	600,000	586	0.36
Deutsche Bank (EMTN)	1.8750	28/02/20	500,000	498	0.31
E.ON International Finance (EMTN)	6.0000	30/10/19	1,000,000	1,057	0.65
FMS Wertmanagement	0.6250	06/03/20	1,000,000	994	0.61
innogy Finance (EMTN)	5.5000	06/07/22	1,400,000	1,590	0.98
Volkswagen Financial Services	1.7500	17/04/20	500,000	501	0.31
Volkswagen Financial Services (EMTN)	1.7500	12/09/22	1,000,000	990	0.61
Volkswagen Financial Services (EMTN)	1.5000	12/04/21	425,000	422	0.26
Volkswagen International Finance	VAR	PERP	1,000,000	888	0.55
				11,564	**7.13**
Italy 2.24% (2017: 2.03%)					
Enel	VAR	15/09/76	1,653,000	1,809	1.11
Enel (EMTN)	6.2500	20/06/19	907,000	945	0.58
FCA Bank Ireland (EMTN)	1.6250	29/09/21	900,000	884	0.55
				3,638	**2.24**
Japan 0.46% (2017: 0.67%)					
Mizuho Financial	2.9530	28/02/22	1,000,000	**744**	**0.46**
Mexico 1.13% (2017: nil)					
America Movil	VAR	06/09/73	800,000	855	0.53
Petroleos Mexicanos	2.5000	24/11/22	1,096,000	980	0.60
				1,835	**1.13**
Netherlands 5.03% (2017: 3.63%)					
ABN AMRO Bank (EMTN)	1.0000	30/06/20	1,800,000	1,787	1.10
ABN AMRO Bank (EMTN)	1.3750	07/06/22	1,000,000	988	0.61
ABN AMRO Bank (EMTN)	2.5000	18/12/18	600,000	603	0.37
Bank Nederlandse Gemeenten (EMTN)	1.0000	15/03/22	1,000,000	990	0.61
Bank Nederlandse Gemeenten (EMTN)	1.0000	17/06/22	600,000	593	0.37
Rabobank Capital Funding Trust IV	VAR	PERP	2,000,000	2,073	1.28
Shell International Finance (EMTN)	2.0000	20/12/19	1,100,000	1,113	0.69
				8,147	**5.03**
New Zealand 1.10% (2017: 1.15%)					
Chorus (EMTN)	6.7500	06/04/20	1,650,000	**1,781**	**1.10**

Aberdeen Sterling Short Dated Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Spain 0.56% (2017: 1.24%)					
FCC Aqualia	1.4130	08/06/22	1,000,000	**906**	**0.56**
Supranational 0.76% (2017: nil)					
European Coal & Steel Community	6.8750	25/01/19	1,200,000	**1,231**	**0.76**
Sweden 1.65% (2017: 0.62%)					
Scania (EMTN)	1.8750	28/06/22	534,000	532	0.33
Svenska Handelsbanken (EMTN)	1.6250	18/06/22	800,000	799	0.49
Swedbank (EMTN)	1.2500	29/12/21	1,365,000	1,349	0.83
				2,680	**1.65**
Switzerland 3.25% (2017: 1.45%)					
Credit Suisse Funding	3.0000	27/05/22	1,350,000	1,395	0.86
Glencore Finance Europe	6.0000	03/04/22	500,000	559	0.34
Glencore Finance Europe (EMTN)	6.5000	27/02/19	650,000	668	0.41
UBS London	2.4500	01/12/20	886,000	661	0.41
UBS London (EMTN)	1.2500	10/12/20	630,000	626	0.39
Zurich Finance UK (EMTN)	VAR	PERP	1,200,000	1,357	0.84
				5,266	**3.25**
Turkey 0.50% (2017: nil)					
Turk Telekomunikasyon	3.7500	19/06/19	1,076,000	**809**	**0.50**
United Kingdom 32.86% (2017: 37.07%)					
Abbey National Treasury Services (EMTN)	1.8750	17/02/20	800,000	805	0.50
Aviva (EMTN)	VAR	03/06/41	1,800,000	1,982	1.21
Bank of Scotland	9.3750	15/05/21	980,000	1,165	0.72
Barclays (EMTN)	VAR	06/10/23	1,124,000	1,108	0.68
BAT International Finance (EMTN)	1.7500	05/07/21	1,550,000	1,549	0.96
BP Capital Markets	2.3150	13/02/20	1,000,000	755	0.47
BUPA Finance	3.3750	17/06/21	1,100,000	1,155	0.71
BUPA Finance	5.0000	25/04/23	600,000	652	0.40
Cadent Finance (EMTN)	1.1250	22/09/21	1,200,000	1,183	0.73
Close Brothers (EMTN)	2.7500	26/04/23	641,000	643	0.40
Close Brothers Finance (EMTN)	3.8750	27/06/21	1,307,000	1,378	0.85
Coventry Building Society (EMTN)	1.8750	24/10/23	900,000	887	0.55
Coventry Building Society (EMTN)	1.0000	05/05/20	690,000	685	0.42
Daily Mail & General Trust	5.7500	07/12/18	700,000	709	0.44
Firstgroup	5.2500	29/11/22	1,200,000	1,319	0.81
Friends Life	8.2500	21/04/22	1,200,000	1,451	0.90
GKN	6.7500	28/10/19	1,300,000	1,377	0.85
Heathrow Funding (EMTN)	6.2500	10/09/18	1,100,000	1,105	0.68
HSBC	VAR	27/06/23	806,000	803	0.50
HSBC Bank Capital Funding Sterling 2	VAR	PERP	1,200,000	1,259	0.78
Imperial Tobacco Finance (EMTN)	9.0000	17/02/22	1,050,000	1,298	0.80
InterContinental Hotels (EMTN)	3.8750	28/11/22	1,300,000	1,398	0.86
LAB Investments	7.1250	18/02/19	990,000	1,016	0.63

Aberdeen Sterling Short Dated Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Legal & General (EMTN)	VAR	PERP	1,300,000	1,326	0.82
Lloyds Bank	FRN	16/01/20	691,000	692	0.43
Lloyds Bank (EMTN)	VAR	09/07/25	1,800,000	1,916	1.17
Marks & Spencer (EMTN)	6.1250	02/12/19	400,000	423	0.26
Northern Powergrid Yorks	7.2500	15/12/22	1,100,000	1,345	0.83
PGH Capital (EMTN)	4.1250	20/07/22	1,400,000	1,432	0.88
Principality Building Society (EMTN)	2.3750	23/11/23	595,000	586	0.36
Provident Financial (EMTN)	7.0000	04/06/23	243,000	248	0.15
Prudential (EMTN)	1.7500	27/11/18	1,000,000	1,002	0.62
RELX	2.7500	01/08/19	400,000	404	0.25
Royal Bank of Scotland (EMTN)	FRN	15/05/20	881,000	882	0.54
Santander UK	FRN	05/05/20	737,000	738	0.46
Scottish Power UK (EMTN)	6.7500	29/05/23	1,500,000	1,818	1.11
SEGRO	7.0000	14/03/22	1,100,000	1,289	0.80
Severn Trent Utilities Finance (EMTN)	1.6250	04/12/22	830,000	824	0.51
Severn Trent Utilities Finance (EMTN)	1.1250	07/09/21	739,000	729	0.45
Sky (EMTN)	2.8750	24/11/20	1,000,000	1,030	0.64
Southern Water Services Finance (EMTN)	5.0000	31/03/21	1,300,000	1,413	0.87
Southern Water Services Finance (EMTN)	6.1250	31/03/19	950,000	980	0.60
SSE	VAR	PERP	1,400,000	1,427	0.88
Standard Life Aberdeen†	VAR	PERP	500,000	535	0.33
Standard Life Aberdeen (EMTN)†	VAR	04/12/42	400,000	441	0.27
Thames Water Utilities Cayman Finance (EMTN)	VAR	13/09/30	650,000	722	0.45
Thames Water Utilities Cayman Finance (EMTN)	2.3750	03/05/23	380,000	370	0.23
Thames Water Utilities Finance (EMTN)	5.0500	30/06/20	1,200,000	1,272	0.78
United Utilities Water (EMTN)	5.7500	25/03/22	1,100,000	1,260	0.78
Wales & West Utilities Finance (EMTN)	VAR	17/12/36	532,000	542	0.33
Western Power Distribution	3.6250	06/11/23	1,000,000	1,048	0.65
Western Power Distribution East Midlands (EMTN)	5.2500	17/01/23	800,000	911	0.56
				53,287	**32.86**
United States 17.49% (2017: 20.26%)					
American Honda Finance	1.3000	21/03/22	2,150,000	2,129	1.31
Anadarko Petroleum	4.8500	15/03/21	500,000	393	0.24
AT&T	2.3750	27/11/18	1,000,000	762	0.47
AutoNation	3.3500	15/01/21	527,000	399	0.25
AXA Equitable	3.9000	20/04/23	522,000	396	0.24
Bank of America (EMTN)	5.5000	22/11/21	1,000,000	1,106	0.68
Bank of America (EMTN)	5.5000	04/12/19	800,000	844	0.52
Caterpillar Financial Services (MTN)	1.3500	18/05/19	1,000,000	755	0.47
Citigroup (EMTN)	5.1250	12/12/18	1,500,000	1,520	0.94
CVS Health	3.3500	09/03/21	780,000	594	0.37
Edison International	2.1250	15/04/20	750,000	560	0.35
Exelon	3.4970	01/06/22	400,000	302	0.19
Ford Motor Credit	3.3390	28/03/22	1,500,000	1,115	0.69
GE Capital UK Funding Unlimited (EMTN)	5.8750	04/11/20	1,100,000	1,202	0.74
Goldman Sachs	5.5000	12/10/21	1,000,000	1,103	0.68
JM Smucker	2.5000	15/03/20	650,000	491	0.30
JPMorgan Chase (EMTN)	1.8750	10/02/20	700,000	706	0.44

Aberdeen Sterling Short Dated Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Marathon Petroleum	3.4000	15/12/20	1,000,000	765	0.47
Metropolitan Life Global Funding I (EMTN)	1.1250	15/12/21	1,691,000	1,670	1.03
Metropolitan Life Global Funding I (EMTN)	2.6250	05/12/22	209,000	218	0.13
Microsoft	2.4000	06/02/22	1,200,000	895	0.55
Morgan Stanley	FRN	20/01/22	1,000,000	775	0.48
Mylan	2.5000	07/06/19	544,000	413	0.25
New York Life Global Funding	1.0000	15/12/21	1,200,000	1,184	0.73
New York Life Global Funding (EMTN)	1.7500	15/12/22	1,637,000	1,650	1.02
Newell Brands	2.6000	29/03/19	94,000	71	0.04
Penske Truck Leasing	2.7000	14/03/23	1,208,000	870	0.54
Philip Morris International	2.0000	21/02/20	1,000,000	751	0.46
Plains All American Pipeline	3.8500	15/10/23	683,000	512	0.32
Toyota Motor Credit (MTN)	2.6000	11/01/22	1,100,000	820	0.51
Wells Fargo Bank (EMTN)	5.2500	01/08/23	3,000,000	3,378	2.08
				28,349	**17.49**
Total Corporate Bonds				**147,329**	**90.87**
Corporate Convertible Bonds 1.19% (2017: nil)					
United Kingdom 1.19% (2017: nil)					
British Land White 2015	-	09/06/20	2,000,000	**1,922**	**1.19**
Total Corporate Convertible Bonds				**1,922**	**1.19**
Government Bonds 0.85% (2017: nil)					
Qatar 0.24% (2017: nil)					
Qatar (State of)	3.8750	23/04/23	500,000	**383**	**0.24**
Supranational 0.61% (2017: nil)					
Council of Europe Development Bank	1.1250	15/12/21	1,000,000	**998**	**0.61**
Total Government Bonds				**1,381**	**0.85**
Total Bonds				**154,518**	**95.31**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**154,518**	**95.31**
Other transferable securities and money market instruments 2.62% (2017: 3.32%)					
Bonds 2.62% (2017: 3.32%)					
Asset Backed Bonds / Mortgage Backed Bonds 1.60% (2017: 1.96%)					
Luxembourg nil (2017: 0.25%)					
United Kingdom 1.60% (2017: 1.71%)					
Motor 2016-1	1.3000	25/11/25	750,000	748	0.46
Paragon Mortgages No 25	FRN	15/05/50	1,317,000	1,306	0.81
PCL Funding II 2017-1	FRN	15/06/22	314,000	314	0.19
Precise Mortgage Funding 2018-1B	FRN	12/12/54	225,004	224	0.14
				2,592	**1.60**

Aberdeen Sterling Short Dated Corporate Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Total Asset Backed Bonds / Mortgage Backed Bonds				2,592	1.60
Corporate Bonds 1.02% (2017: 1.36%)					
United States 1.02% (2017: 1.36%)					
Fidelity National Information Services	1.7000	30/06/22	1,670,000	1,651	1.02
Total Corporate Bonds				1,651	1.02
Total Bonds				4,243	2.62
Total Other transferable securities and money market instruments				4,243	2.62

Derivatives (0.18%) (2017: 0.20%)

Forward currency exchange contracts (0.19%) (2017: 0.20%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
HSBC	GBP	USD	07/09/18	498,043	651,000	3	-
Merrill Lynch	GBP	EUR	07/09/18	1,826,831	2,073,000	(25)	(0.02)
Morgan Stanley	GBP	USD	07/09/18	15,793,529	21,112,000	(275)	(0.17)
Morgan Stanley	GBP	EUR	07/09/18	529,807	600,000	(6)	-
Morgan Stanley	GBP	EUR	07/09/18	348,071	394,000	(4)	-
Royal Bank of Canada	USD	GBP	07/09/18	493,000	372,863	2	-
Unrealised losses on forward currency exchange contracts						(305)	(0.19)

Future contracts 0.01% (2017: nil)

Future	Maturity	Notional	Unrealised Gains/(Losses) £'000	Total Net Assets %
CBT US 5 Year Note	28/09/18	(100)	12	0.01
Unrealised gains on future contracts			12	0.01
Unrealised losses on derivatives			(293)	(0.18)
Total investments#			158,468	97.75
Other net assets			3,648	2.25
Total net assets			162,116	100.00

†Managed by subsidiaries of Standard Life Aberdeen plc.
#Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen Sterling Short Dated Corporate Bond Fund

Statement of total return
For the year ended 31 July 2018

		2018		3 October 2016 to 31 July 2017	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	1		(2,047)		84
Revenue	2	2,858		1,012	
Expenses	3	(446)		(194)	
Net revenue before taxation		2,412		818	
Taxation	4	-		-	
Net revenue after taxation			2,412		818
Total return before distributions			**365**		**902**
Distributions	5		(2,412)		(818)
Change in net assets attributable to shareholders from investment activities			**(2,047)**		**84**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018		3 October 2016 to 31 July 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		**113,858**		**-**
Amounts receivable on issue of shares	59,771		116,096	
Amounts payable on cancellation of shares	(10,232)		(2,637)	
		49,539		113,459
Dilution adjustment		-		113
Change in net assets attributable to shareholders from investment activities		(2,047)		84
Retained distributions on accumulation shares		766		202
Closing net assets attributable to shareholders		**162,116**		**113,858**

Aberdeen Sterling Short Dated Corporate Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		158,778	110,295
Current assets:			
Debtors	6	4,029	2,453
Cash and bank balances	7	1,301	2,756
Total assets		**164,108**	**115,504**
Liabilities:			
Investment liabilities		310	37
Creditors:			
Amounts held at futures clearing houses and brokers		12	103
Other creditors	8	1,158	1,191
Distribution payable		512	315
Total liabilities		**1,992**	**1,646**
Net assets attributable to shareholders		**162,116**	**113,858**

Aberdeen Sterling Short Dated Corporate Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital (losses)/gains

	2018 £'000	3 October 2016 to 31 July 2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities losses	(2,011)	(534)
Derivative contracts	317	(65)
Forward currency contracts (losses)/gains	(320)	710
Other currency losses	(33)	(27)
Net capital (losses)/gains	**(2,047)**	**84**

2. Revenue

	2018 £'000	3 October 2016 to 31 July 2017 £'000
Interest on debt securities	2,857	1,012
Bank interest	1	-
Total revenue	**2,858**	**1,012**

3. Expenses

	2018 £'000	3 October 2016 to 31 July 2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	340	139
Operating, administrative and servicing fees	105	54
	445	193
Other expenses:		
Interest payable and similar charges	1	1
	1	1
Total expenses	**446**	**194**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

4. Taxation

	2018 £'000	3 October 2016 to 31 July 2017 £'000
The tax charge comprises:		
Corporation tax	-	-
Current tax charge	**-**	**-**
Total taxation	**-**	**-**

Factors affecting current tax charge for year
The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	3 October 2016 to 31 July 2017 £'000
Net revenue before taxation	2,412	818
Corporation tax at 20% (2017 - 20%)	482	164
Effects of:		
Tax deductible on interest distributions	(482)	(164)
Total taxation	**-**	**-**

Factors that may affect future tax charges
There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax
There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions

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

	2018 £'000	3 October 2016 to 31 July 2017 £'000
First interim	532	51
Second interim	619	207
Third interim	638	273
Final	732	426
	2,521	957
Add: Revenue deducted on cancellation of shares	26	5
Deduct: Revenue received on issue of shares	(135)	(144)
Distributions for the year	**2,412**	**818**
Total distributions	**2,412**	**818**

Details of the distribution per share are set out in the distribution tables on 801 to 804.

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	2,623	1,612
Amounts receivable for issue of shares	264	828
Overseas withholding tax reclaimable	28	13
Sales awaiting settlement	1,114	-
Total debtors	**4,029**	**2,453**

Aberdeen Sterling Short Dated Corporate Bond Fund

7. **Cash and bank balances**

	2018 £'000	2017 £'000
Amounts held at futures clearing houses and brokers	82	166
Cash and bank balances	1,219	2,590
Total cash and bank balances	**1,301**	**2,756**

8. **Other creditors**

	2018 £'000	2017 £'000
Accrued expenses	39	30
Amounts payable for cancellation of shares	121	23
Purchases awaiting settlement	998	1,138
Total other creditors	**1,158**	**1,191**

9. **Related parties**

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 791. £111,000 was due from the ACD (2017 - £783,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £976,000 (2017 - nil) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

10. **Material shareholders**

James Hay Pension Trustees held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 44% of the Fund's shares in issue.

Fil Nominee (Shareholdings) Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 26% of the Fund's shares in issue.

Minster Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 23% of the Fund's shares in issue.

11. **Shareholder funds**

The annual management charge on each share class is as follows:
Class 'A': 0.60%
Class 'I': 0.30%
Class 'K': 0.20%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 778 to 784. The distribution per share class is given in the distribution tables on pages 801 to 804. All share classes have the same rights on winding up.

Aberdeen Sterling Short Dated Corporate Bond Fund

Share reconciliation
As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	6,000	6,000	21,077,367	17,441,544
Creations during the year	55,700	-	11,262,200	9,117,400
Cancellations during the year	(38,600)	-	(5,805,600)	(1,705,500)
Shares converted during the year	-	-	(72,477)	(370,071)
Closing shares in issue	**23,100**	**6,000**	**26,461,490**	**24,483,373**

	K Accumulation shares	K Income shares	Z Accumulation shares
Opening number of shares	8,967,100	65,982,006	6,000
Creations during the year	14,044,300	25,164,114	-
Cancellations during the year	(754,124)	(1,883,700)	-
Shares converted during the year	41,513	401,553	-
Closing shares in issue	**22,298,789**	**89,663,973**	**6,000**

12. Risk management policies and disclosures

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

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

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Euro	-	2,774	37	2,811
Pound Sterling	28,294	112,959	3,877	145,130
US Dollar	864	15,171	132	16,167
Total financial assets	**29,158**	**130,904**	**4,046**	**164,108**

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Euro	699	898	4	1,601
Pound Sterling	21,685	75,498	2,631	99,814
US Dollar	821	13,182	86	14,089
Total financial assets	**23,205**	**89,578**	**2,721**	**115,504**

Aberdeen Sterling Short Dated Corporate Bond Fund

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Pound Sterling	-	-	(1,980)	(1,980)
US Dollar	(12)	-	-	(12)
Total financial liabilities	**(12)**	**-**	**(1,980)**	**(1,992)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Euro	-	-	(35)	(35)
Pound Sterling	-	-	(370)	(370)
US Dollar	(103)	-	(1,138)	(1,241)
Total financial liabilities	**(103)**	**-**	**(1,543)**	**(1,646)**

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Sensitivity analysis

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

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	0.62%	0.51%
Maximum VaR	0.72%	0.71%
Average VaR	0.66%	0.60%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	(0.07%)	0.47%	-	0.24%	0.64%
31 July 2017	(0.08%)	0.50%	-	0.24%	0.66%

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

Aberdeen Sterling Short Dated Corporate Bond Fund

Counterparty risk

Credit quality of debt security investment assets

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

	Market value £'000	Percentage of total net assets %
2018		
Investment grade securities (AAA - BBB)	153,931	94.95
Below investment grade (BB and below)	1,518	0.94
Unrated securities	3,312	2.04
Derivatives*	(293)	(0.18)
Other net assets	3,648	2.25
Net assets	**162,116**	**100.00**

	Market value £'000	Percentage of total net assets %
2017		
Investment grade securities (AAA - BBB)	107,255	94.20
Unrated securities	2,771	2.44
Derivatives*	232	0.20
Other net assets	3,600	3.16
Net assets	**113,858**	**100.00**

*Please refer to the counterparty risk note on page 15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

Financial derivatives

The Fund can use derivatives in order to meet its investment objectives or to protect from price and currency movements.

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty %
HSBC	3	3
Royal Bank of Canada	2	2
Total exposure	**5**	**5**

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty %
Citigroup	2	2
Goldman Sachs	12	12
HSBC	239	239
Royal Bank of Canada	16	16
Total exposure	**269**	**269**

The Fund had no collateral pledged or collateral held in respect of derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	310	-	-	310
Non-derivatives					
Amounts held at futures clearing houses and brokers	12	-	-	-	12
Other creditors	-	1,158	-	-	1,158
Distribution payable	-	512	-	-	512
Total financial liabilities	**12**	**1,980**	**-**	**-**	**1,992**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	37	-	-	37
Non-derivatives					
Amounts held at futures clearing houses and brokers	103	-	-	-	103
Other creditors	-	1,191	-	-	1,191
Distribution payable	-	315	-	-	315
Total financial liabilities	**103**	**1,543**	**-**	**-**	**1,646**

13. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Bonds	94,480	142,498	37,901	28,763
Trades in the year before transactions costs	**94,480**	**142,498**	**37,901**	**28,763**
Commissions				
Bonds	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**94,480**	**142,498**	**37,901**	**28,763**

Aberdeen Sterling Short Dated Corporate Bond Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Taxes				
Bonds	-	-	-	-
Other expenses				
Bonds	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £3,801,000 in the year (2017 - £2,298,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.33% (2017 - 0.29%).

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	12	-	-	2
Level 2	158,766	310	110,295	35
Level 3	-	-	-	-
Total	**158,778**	**310**	**110,295**	**37**

Aberdeen Sterling Short Dated Corporate Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

First interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 October 2017

	Revenue	Equalisation	Distribution paid 31/01/18	Distribution paid 31/01/17
A Accumulation shares				
Group 1	0.30339	-	0.30339	0.06558
Group 2	0.02339	0.28000	0.30339	0.06558
A Income shares				
Group 1	0.30096	-	0.30096	0.06558
Group 2	0.30096	-	0.30096	0.06558
I Accumulation shares				
Group 1	0.37997	-	0.37997	0.07604
Group 2	0.16087	0.21910	0.37997	0.07604
I Income shares				
Group 1	0.37603	-	0.37603	0.07604
Group 2	0.19303	0.18300	0.37603	0.07604
K Accumulation shares				
Group 1	0.40576	-	0.40576	0.08903
Group 2	0.18273	0.22303	0.40576	0.08903
K Income shares				
Group 1	0.40123	-	0.40123	0.08903
Group 2	0.17372	0.22751	0.40123	0.08903
Z Accumulation shares				
Group 1	0.45450	-	0.45450	0.10266
Group 2	0.45450	-	0.45450	0.10266

Aberdeen Sterling Short Dated Corporate Bond Fund

Second interim interest distribution
Group 1: Shares purchased prior to 1 November 2017
Group 2: Shares purchased 1 November 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.32414	-	0.32414	0.21640
Group 2	0.31414	0.01000	0.32414	0.21640
A Income shares				
Group 1	0.32059	-	0.32059	0.21625
Group 2	0.32059	-	0.32059	0.21625
I Accumulation shares				
Group 1	0.40298	-	0.40298	0.29914
Group 2	0.16525	0.23773	0.40298	0.29914
I Income shares				
Group 1	0.39730	-	0.39730	0.29891
Group 2	0.19147	0.20583	0.39730	0.29891
K Accumulation shares				
Group 1	0.42907	-	0.42907	0.32102
Group 2	0.15978	0.26929	0.42907	0.32102
K Income shares				
Group 1	0.42257	-	0.42257	0.32074
Group 2	0.17966	0.24291	0.42257	0.32074
Z Accumulation shares				
Group 1	0.47633	-	0.47633	0.37933
Group 2	0.47633	-	0.47633	0.37933

Aberdeen Sterling Short Dated Corporate Bond Fund

Third interim interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 30 April 2018

	Revenue	Equalisation	Distribution paid 31/07/18	Distribution paid 31/07/17
A Accumulation shares				
Group 1	0.31288	-	0.31288	0.23892
Group 2	0.06288	0.25000	0.31288	0.23892
A Income shares				
Group 1	0.30844	-	0.30844	0.23823
Group 2	0.30844	-	0.30844	0.23823
I Accumulation shares				
Group 1	0.39070	-	0.39070	0.31002
Group 2	0.20851	0.18219	0.39070	0.31002
I Income shares				
Group 1	0.38365	-	0.38365	0.30885
Group 2	0.14573	0.23792	0.38365	0.30885
K Accumulation shares				
Group 1	0.41581	-	0.41581	0.33493
Group 2	0.18253	0.23328	0.41581	0.33493
K Income shares				
Group 1	0.40778	-	0.40778	0.33357
Group 2	0.19533	0.21245	0.40778	0.33357
Z Accumulation shares				
Group 1	0.46416	-	0.46416	0.38416
Group 2	0.46416	-	0.46416	0.38416

Aberdeen Sterling Short Dated Corporate Bond Fund

Final interest distribution
Group 1: Shares purchased prior to 1 May 2018
Group 2: Shares purchased 1 May 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.35997	-	0.35997	0.27772
Group 2	0.17715	0.18282	0.35997	0.27772
A Income shares				
Group 1	0.35375	-	0.35375	0.27626
Group 2	0.35375	-	0.35375	0.27626
I Accumulation shares				
Group 1	0.43845	-	0.43845	0.36052
Group 2	0.21448	0.22397	0.43845	0.36052
I Income shares				
Group 1	0.42889	-	0.42889	0.35805
Group 2	0.21064	0.21825	0.42889	0.35805
K Accumulation shares				
Group 1	0.46483	-	0.46483	0.38593
Group 2	0.19002	0.27481	0.46483	0.38593
K Income shares				
Group 1	0.45398	-	0.45398	0.38310
Group 2	0.19742	0.25656	0.45398	0.38310
Z Accumulation shares				
Group 1	0.51533	-	0.51533	0.44433
Group 2	0.51533	-	0.51533	0.44433

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

Aberdeen Sterling Short Term Government Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Sterling denominated UK government Debt and debt-related securities with a maturity of up to five years.

The Fund may also invest in other transferable securities, including Debt and debt-related securities of any maturity and denominated in any currency issued by governments, public bodies and supra-national issuers worldwide, Investment grade corporate Debt and debt-related securities, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Performance review

For the year ended 31 July 2018, the value of Aberdeen Sterling Short Term Government Bond Fund – A Accumulation shares decreased by 1.19% compared to a decrease of 0.49% in the benchmark, the FTSE-A British Government under 5 Years Index.

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

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

Market review

Investors in UK government bonds experienced something of a roller-coaster ride in the year to 31 July. The yield on the 10-year benchmark gilt started the review period at 1.28% and touched a low of 1.02%, and a high of 1.52% before ending the review period at 1.33%. The Fund return after fees and tax was -1.19%.

US tensions with North Korea escalated in the summer of 2017, with President Trump saying any threats to the US or its allies would be met with "fire and fury". This sparked risk-off moves with 'safe' assets rising in price, while assets perceived as risky sold off. At its September meeting, the Bank of England's (BoE) Monetary Policy Committee (MPC) shifted to a hawkish stance, effectively giving the market an unconditional pledge to hike interest rates. The market reacted to the hawkish rhetoric by pricing imminent rate hikes into the yield curve. November brought an increase in the official bank rate, its first rise since 2017. However, the accompanying monetary policy statement was seen by the market to be dovish, with Governor Mark Carney stating that the outlook for inflation was conditioned on a market path that implied two additional 25bp increases over the three-year forecast period.

Global equity markets were strong at the beginning of 2018, helping to prompt a sell-off in government bonds; the yield on the 10-year US Treasury rose to 2.70% in January, a level not seen since 2014. In the UK market, accompanied by optimistic Brexit headlines and slightly better economic data, the 10-year gilt yield also moved higher. The start of February brought a return to market volatility, and relatively large falls in equities caused flight-to-quality moves throughout fixed income markets. However, this was relatively short-lived; as investors' nerves settled, both equity prices and bond yields moved higher once more, albeit the move in bond yields was partially retraced in March.

An escalation of trade concerns, the strengthening US dollar and worries about Eurozone viability stemming from Italian politics were the dominating stories between April and June. The overall mix served to unnerve risk markets. While the UK gilt market was buffeted by global developments, communications from the Bank of England caused the greatest confusion. Having overtly shifted market rate pricing towards a series of likely rises through a hawkish stance based on supply side concerns, the MPC pulled back sharply from this stance in the face of weak first quarter GDP data. Subsequent communications from Governor Carney indicated a far less certain interest rate opinion, driving strong performance from gilts.

Encouraging labour market data and robust retail spending provided signals that economic activity was only temporarily stalled by adverse weather in the first quarter, and markets became increasingly confident that the MPC would move interest rates higher in August. Nevertheless, UK yields outperformed their global peers as the aforementioned political uncertainty provided a more supportive tone to UK gilts early in the month, and yields initially fell on the aforementioned political malaise and global trade tariff concerns. However, bonds suffered a reversal towards month end as investors fretted over potential changes to Bank of Japan monetary policy.

Portfolio review

Duration positions made a positive contribution to Fund performance. Early in the review period, sharp moves lower in UK gilt yields following risk-off periods were used to build a short duration position. We took profits following the moves higher after September's MPC meeting, and added a tactical long duration position. We thought the market moves were overdone and entered the position anticipating a short-term retracement lower in yields. In March 2018 and April 2018 in response to the international geo-political risk-off moves the Fund went short duration. These positions were closed in April and May as yields retraced higher. In mid-May we used the syndication of Gilt 2071s (an extension of the yield curve) to take the Fund long, exiting this position as yields fell on the back of the Italian political issues. Then in mid-June the Fund reset the short duration position, as again we felt the risk-off move was overdone. This position was closed at a profit in early July.

The Fund entered the review period holding Australian government bonds (selling gilts). The rationale for this trade was the belief that two central banks (Reserve Bank of Australia & BoE) were on divergent monetary policy paths. In December 2017 the fund added to this position. In July 2018 in response to market moves, the Fund partially closed the position at a profit to the Fund. We continue to believe that Australian government bonds will outperform in the coming months. At the end of July 2018 the Fund added a small position in Canadian government bonds. The Fund also entered a position in German Bunds in August 2017; this was closed in September at a profit.

A currency position into US dollars (selling sterling) was a drag on performance. This position was closed near the end of January. Finally in May the Fund added a curve flattening position, selling five-year gilts and buying 30-year gilts.

Aberdeen Sterling Short Term Government Bond Fund

Outlook

Following the recent rally in global yields, we still believe UK gilt yields have the ability to rise over the medium term. However, we are cognisant of both the global backdrop and Brexit negotiations. As we head towards September, the political risk in the UK heightens significantly.

The growth outlook in Europe and the US remains relatively strong and both central banks are either tightening monetary policy or starting to ease less which will provide upward pressure on global developed market bond yields. In contrast to this positive news in Europe we still wait to see what the implications are of the new populist administration in Italy. In the US, we will keep a close eye on developments regarding trade tariffs.

We believe Brexit negotiations present considerable risk. The elephant in the room is the Irish Border and the future customs relationship, and future political instability in the second half of 2018 cannot be ruled out. Key events are the Conservative Party Conference at the end of the September and the crucial EU Summit in mid-October.

Pan Euro Macro Team **August 2018**

Aberdeen Sterling Short Term Government Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 3 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Sterling Short Term Government Bond Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	128.54	130.39	128.06
Return before operating charges*	(0.10)	(0.40)	3.77
Operating charges	(1.36)	(1.45)	(1.44)
Return after operating charges*	(1.46)	(1.85)	2.33
Distributions on accumulation shares	-	-	-
Retained distributions on accumulation shares	-	-	-
Closing net asset value per share	127.08	128.54	130.39
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(1.14%)	(1.42%)	1.82%
Other information			
Closing net asset value (£'000s)	6,809	7,291	9,152
Closing number of shares	5,358,115	5,671,889	7,018,909
Operating charges	1.07%	1.12%	1.12%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	128.81	130.83	130.39
Lowest share price (pence)	126.71	128.38	127.88

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

Aberdeen Sterling Short Term Government Bond Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	116.02	117.69	115.59
Return before operating charges*	(0.09)	(0.36)	3.40
Operating charges	(1.23)	(1.31)	(1.30)
Return after operating charges*	(1.32)	(1.67)	2.10
Distributions on income shares	-	-	-
Closing net asset value per share	114.70	116.02	117.69
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(1.14%)	(1.42%)	1.82%
Other information			
Closing net asset value (£'000s)	1,027	1,508	1,941
Closing number of shares	895,050	1,299,839	1,649,520
Operating charges	1.07%	1.12%	1.12%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	116.26	118.09	117.69
Lowest share price (pence)	114.37	115.87	115.43

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

Aberdeen Sterling Short Term Government Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	101.91	102.87	100.57
Return before operating charges*	(0.07)	(0.31)	2.97
Operating charges	(0.58)	(0.63)	(0.63)
Return after operating charges*	(0.65)	(0.94)	2.34
Distributions on accumulation shares	(0.24)	(0.08)	(0.20)
Retained distributions on accumulation shares	0.24	0.06	0.16
Closing net asset value per share	101.26	101.91	102.87
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.63%)	(0.91%)	2.33%
Other information			
Closing net asset value (£'000s)	62,395	69,932	72,753
Closing number of shares	61,618,042	68,621,371	70,721,637
Operating charges	0.57%	0.62%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	102.16	103.24	102.88
Lowest share price (pence)	100.81	101.59	100.43

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

Aberdeen Sterling Short Term Government Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	100.72	101.73	99.61
Return before operating charges*	(0.07)	(0.32)	2.90
Operating charges	(0.57)	(0.63)	(0.62)
Return after operating charges*	(0.64)	(0.95)	2.28
Distributions on income shares	(0.24)	(0.06)	(0.16)
Closing net asset value per share	99.84	100.72	101.73
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.64%)	(0.93%)	2.29%
Other information			
Closing net asset value (£'000s)	22,270	24,828	23,031
Closing number of shares	22,305,148	24,650,027	22,638,375
Operating charges	0.57%	0.62%	0.62%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	100.97	102.09	101.74
Lowest share price (pence)	99.55	100.41	99.48

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

Aberdeen Sterling Short Term Government Bond Fund

P Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	117.17	118.15	115.67
Return before operating charges*	(0.09)	(0.45)	3.30
Operating charges	(0.34)	(0.38)	(0.37)
Return after operating charges*	(0.43)	(0.83)	2.93
Distributions on income shares	(0.59)	(0.15)	(0.45)
Closing net asset value per share	116.15	117.17	118.15
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.37%)	(0.70%)	2.53%
Other information			
Closing net asset value (£'000s)	5,777	1	170
Closing number of shares	4,973,817	851	143,659
Operating charges	0.29%	0.32%	0.32%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	117.48	118.57	118.19
Lowest share price (pence)	115.84	116.61	115.51

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

Aberdeen Sterling Short Term Government Bond Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	150.34	151.05	147.06
Return before operating charges*	(0.11)	(0.47)	4.38
Operating charges	(0.13)	(0.18)	(0.18)
Return after operating charges*	(0.24)	(0.65)	4.20
Distributions on accumulation shares	(1.08)	(0.54)	(1.03)
Retained distributions on accumulation shares	1.08	0.48	0.82
Closing net asset value per share	150.10	150.34	151.05
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.16%)	(0.43%)	2.86%
Other information			
Closing net asset value (£'000s)	1,039	965	710
Closing number of shares	692,117	642,064	469,905
Operating charges	0.09%	0.12%	0.12%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	150.77	151.58	151.04
Lowest share price (pence)	149.13	149.34	146.87

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

Aberdeen Sterling Short Term Government Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 98.66% (2017: 100.77%)					
Bonds 98.66% (2017: 100.77%)					
Government Bonds 98.66% (2017: 100.77%)					
Australia 5.63% (2017: 15.11%)					
Australia (Commonwealth of)	5.7500	15/07/22	8,699,000	**5,593**	**5.63**
Canada 5.69% (2017: nil)					
Canada (Government of)	0.5000	01/03/22	10,252,000	**5,655**	**5.69**
United Kingdom 87.34% (2017: 81.72%)					
UK Treasury	4.5000	07/03/19	13,416,000	13,729	13.82
UK Treasury∞	4.7500	07/03/20	7,741,000	8,238	8.29
UK Treasury	1.7500	22/07/19	7,647,000	7,723	7.78
UK Treasury	1.5000	22/01/21	7,591,000	7,720	7.77
UK Treasury∞	2.0000	22/07/20	7,521,000	7,702	7.76
UK Treasury	3.7500	07/09/21	6,676,000	7,270	7.32
UK Treasury∞	3.7500	07/09/19	6,684,000	6,909	6.96
UK Treasury	8.0000	07/06/21	5,571,000	6,707	6.75
UK Treasury	0.5000	22/07/22	6,627,000	6,514	6.56
UK Treasury∞	4.0000	07/03/22	5,569,000	6,188	6.23
UK Treasury∞	3.7500	07/09/20	5,750,000	6,110	6.15
UK Treasury	3.5000	22/01/45	1,188,000	1,614	1.63
UK Treasury	0.7500	22/07/23	164,000	162	0.16
UK Treasury	1.7500	07/09/22	150,000	155	0.16
				86,741	**87.34**
United States nil (2017: 3.94%)					
Total Government Bonds				**97,989**	**98.66**
Total Bonds				**97,989**	**98.66**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**97,989**	**98.66**

Aberdeen Sterling Short Term Government Bond Fund

Derivatives 0.07% (2017: 0.03%)

Forward currency exchange contracts 0.07% (2017: 0.03%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Citigroup	GBP	CAD	07/09/18	5,665,273	9,687,000	(1)	-
Goldman Sachs	GBP	AUD	07/09/18	16,038,346	28,408,000	(39)	(0.04)
HSBC	AUD	GBP	07/09/18	710,000	398,068	4	-
HSBC	AUD	GBP	07/09/18	4,430,000	2,506,003	1	-
HSBC	AUD	GBP	07/09/18	13,509,000	7,541,850	103	0.11
Unrealised gains on forward currency exchange contracts						**68**	**0.07**
Unrealised gains on derivatives						**68**	**0.07**
Total investments[≠]						**98,057**	**98.73**
Other net assets						**1,260**	**1.27**
Total net assets						**99,317**	**100.00**

[∞] A portion of this security is on loan at the year end.
[≠] Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen Sterling Short Term Government Bond Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	25,819	26.33	26.00

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Sweden (Kingdom of)	12,398	Government Bond	Investment grade	BNP Paribas
Luxembourg (Grand Duchy of)	10,160	Government Bond	Investment grade	BNP Paribas
UK Treasury	3,233	Government Bond	Investment grade	BNP Paribas
Netherlands (Kingdom of)	1,699	Government Bond	Investment grade	BNP Paribas
Total collateral received	**27,490**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	27,490	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
EUR	24,257
GBP	3,233
Total collateral received	**27,490**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Barclays	25,819	United Kingdom	Tri-party
Total market value of securities lending	**25,819**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	27,490	-	**27,490**

Aberdeen Sterling Short Term Government Bond Fund

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	25,819	-	**25,819**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	14	125.00
Direct operational costs (securities lending agent costs)	(3)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(3)	(25.00)
Net return	**11**	**100.00**

Aberdeen Sterling Short Term Government Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital losses	1		(866)		(852)
Revenue	2	816		515	
Expenses	3	(604)		(680)	
Net revenue/(expense) before taxation		212		(165)	
Taxation	4	(1)		-	
Net revenue/(expense) after taxation			211		(165)
Total return before distributions			**(655)**		**(1,017)**
Distributions	5		(235)		(94)
Change in net assets attributable to shareholders from investment activities			**(890)**		**(1,111)**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**104,525**		**107,757**
Amounts receivable on issue of shares	15,503		18,927	
Amounts payable on cancellation of shares	(19,979)		(21,096)	
		(4,476)		(2,169)
Change in net assets attributable to shareholders from investment activities		(890)		(1,111)
Retained distributions on accumulation shares		158		48
Closing net assets attributable to shareholders		**99,317**		**104,525**

Aberdeen Sterling Short Term Government Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		98,097	105,576
Current assets:			
Debtors	6	15,157	1,391
Cash and bank balances		603	970
Total assets		**113,857**	**107,937**
Liabilities:			
Investment liabilities		40	213
Creditors:			
Other creditors	7	14,466	3,199
Distribution payable		34	-
Total liabilities		**14,540**	**3,412**
Net assets attributable to shareholders		**99,317**	**104,525**

Aberdeen Sterling Short Term Government Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital losses

	2018 £'000	2017 £'000
The net capital losses on investments during the year comprise:		
Non-derivative securities losses	(1,775)	(640)
Forward currency contracts gains/(losses)	902	(522)
Other currency gains	7	310
Net capital losses	**(866)**	**(852)**

2. Revenue

	2018 £'000	2017 £'000
Interest on debt securities	804	510
Stock lending commission	11	5
Bank interest	1	-
Total revenue	**816**	**515**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	513	556
Operating, administrative and servicing fees	91	124
Total expenses	**604**	**680**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	1	-
Current tax charge	**1**	**-**
Total taxation	**1**	**-**

Aberdeen Sterling Short Term Government Bond Fund

Factors affecting current tax charge for year
The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue/(expense) before taxation	212	(165)
Corporation tax at 20% (2017 - 20%)	42	(33)
Effects of:		
Excess management expenses	-	33
Income being paid as interest distributions	(42)	-
Irrecoverable overseas withholding tax	1	-
Total taxation	**1**	**-**

Factors that may affect future tax charges
There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax
There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**
The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	2018 £'000	2017 £'000
First interim	23	77
Second interim	58	-
Third interim	50	1
Final	104	1
	235	79
Add: Revenue deducted on cancellation of shares	5	29
Deduct: Revenue received on issue of shares	(5)	(14)
Distributions for the year	**235**	**94**
Total distributions	**235**	**94**

Details of the distribution per share are set out in the distribution tables on pages 830 to 831.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	211	(165)
Add:		
Movement between share classes due to conversions	2	-
Revenue deficit transfer from capital account	22	259
Distributions	**235**	**94**

Aberdeen Sterling Short Term Government Bond Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	872	595
Amounts receivable for issue of shares	67	795
Overseas withholding tax reclaimable	-	1
Sales awaiting settlement	5,756	-
Currency transactions awaiting settlement	8,462	-
Total debtors	**15,157**	**1,391**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	32	59
Amounts payable for cancellation of shares	300	2,300
Purchases awaiting settlement	5,672	840
Currency transactions awaiting settlement	8,462	-
Total other creditors	**14,466**	**3,199**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 818. £261,000 was due to the ACD (2017 - £1,553,000) at the year end.

The Investment Adviser

As at the year end the Fund held no investments that were managed by subsidiaries of Standard Life Aberdeen plc (2017 - nil).

9. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 0.80%
Class 'I': 0.30%
Class 'P': 0.20%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 808 to 813. The distribution per share class is given in the distribution tables on pages 830 to 831. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	5,671,889	1,299,839	68,621,371	24,650,027
Creations during the year	1,369,986	64,114	8,514,245	4,074,452
Cancellations during the year	(1,248,135)	(468,903)	(16,049,103)	(1,108,984)
Shares converted during the year	(435,625)	-	531,529	(5,310,347)
Closing shares in issue	**5,358,115**	**895,050**	**61,618,042**	**22,305,148**

Aberdeen Sterling Short Term Government Bond Fund

	P Income shares	Z Accumulation shares
Opening number of shares	851	642,064
Creations during the year	770,864	50,053
Cancellations during the year	(375,417)	-
Shares converted during the year	4,577,519	-
Closing shares in issue	**4,973,817**	**692,117**

10. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Barclays	25,819	27,490	Government Bond
Total	**25,819**	**27,490**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	14	3	11

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
Bank of Nova Scotia	2,525	2,664	Government Bond
Total	**2,525**	**2,664**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	6	1	5

11. Risk management policies and disclosures

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

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

The following table shows separately the value of the Fund's financial assets and liabilities at fixed interest rates, at variable rates and those that are non-interest bearing including instruments used to hedge against changes in interest rates.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end consists of:

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2018				
Australian Dollar	3	5,593	2,909	8,505
Canadian Dollar	-	5,655	5,684	11,339
Pound Sterling	600	86,741	6,672	94,013
Total financial assets	**603**	**97,989**	**15,265**	**113,857**

Aberdeen Sterling Short Term Government Bond Fund

Currency	Floating rate financial assets £'000	Fixed rate financial assets £'000	Non-interest bearing financial assets £'000	Total £'000
2017				
Australian Dollar	-	15,793	36	15,829
Euro	-	-	225	225
Pound Sterling	970	85,417	1,366	87,753
US Dollar	-	4,121	9	4,130
Total financial assets	**970**	**105,331**	**1,636**	**107,937**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2018				
Australian Dollar	-	-	(2,792)	(2,792)
Euro	-	-	(5,672)	(5,672)
Pound Sterling	-	-	(6,076)	(6,076)
Total financial liabilities	**-**	**-**	**(14,540)**	**(14,540)**

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Non-interest bearing financial liabilities £'000	Total £'000
2017				
Pound Sterling	-	-	(3,412)	(3,412)
Total financial liabilities	**-**	**-**	**(3,412)**	**(3,412)**

The floating rate financial assets and liabilities comprise sterling denominated bank balances and overdrafts that bear interest at rates based on six month LIBOR and index linked bonds.

Sensitivity analysis

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

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	0.24%	0.26%
Maximum VaR	0.81%	0.83%
Average VaR	0.43%	0.60%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	-	0.36%	-	0.04%	0.40%
31 July 2017	-	0.43%	-	0.07%	0.50%

Aberdeen Sterling Short Term Government Bond Fund

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

Counterparty risk

Credit quality of debt security investment assets

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

	Market value £'000	Percentage of total net assets %
2018		
Investment grade securities (AAA - BBB)	97,827	91.74
Unrated securities	162	6.92
Derivatives*	68	0.07
Other net assets	1,260	1.27
Net assets	**99,317**	**100.00**

	Market value £'000	Percentage of total net assets %
2017		
Investment grade securities (AAA - BBB)	105,331	100.77
Derivatives*	32	0.03
Other net liabilities	(838)	(0.80)
Net assets	**104,525**	**100.00**

* Please refer to the counterparty risk note on page 15 for further details.

Investment grade information used in the above table is based on credit ratings issued by Standard & Poor's or Fitch's ratings.

Financial derivatives

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
HSBC	108	108
Total exposure	**108**	**108**

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
BNP Paribas	225	225
HSBC	20	20
Total exposure	**245**	**245**

The Fund had no collateral pledged or collateral held in respect of derivatives as at 31 July 2018 (2017 - nil).

Aberdeen Sterling Short Term Government Bond Fund

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	40	-	-	40
Non-derivatives					
Other creditors	-	14,466	-	-	14,466
Distribution payable	-	34	-	-	34
Total financial liabilities	**-**	**14,540**	**-**	**-**	**14,540**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	213	-	-	213
Non-derivatives					
Other creditors	-	3,199	-	-	3,199
Total financial liabilities	**-**	**3,412**	**-**	**-**	**3,412**

12. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Bonds	321,511	213,340	324,635	212,791
Trades in the year before transactions costs	**321,511**	**213,340**	**324,635**	**212,791**
Commissions				
Bonds	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**321,511**	**213,340**	**324,635**	**212,791**

Aberdeen Sterling Short Term Government Bond Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Taxes				
Bonds	-	-	-	-
Other expenses				
Bonds	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were no corporate actions in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.01% (2017 - 0.01%).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Aberdeen Sterling Short Term Government Bond Fund

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1[A]	92,396	-	89,538	-
Level 2	5,701	40	16,038	213
Level 3	-	-	-	-
Total	**98,097**	**40**	**105,576**	**213**

[A] Debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price, amount to £92,396,000 as at 31 July 2018 (2017: £89,538,000).

Aberdeen Sterling Short Term Government Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

First interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 October 2017

	Revenue	Equalisation	Distribution paid 31/01/18	Distribution paid 31/01/17
A Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
I Accumulation shares				
Group 1	0.02386	-	0.02386	0.06474
Group 2	-	0.02386	0.02386	0.06474
I Income shares				
Group 1	0.02359	-	0.02359	0.06403
Group 2	-	0.02359	0.02359	0.06403
P Income shares				
Group 1	0.10219	-	0.10219	0.14940
Group 2	0.10219	-	0.10219	0.14940
Z Accumulation shares				
Group 1	0.22515	-	0.22515	0.24713
Group 2	0.22515	-	0.22515	0.24713

Second interim interest distribution
Group 1: Shares purchased prior to 1 November 2017
Group 2: Shares purchased 1 November 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
I Accumulation shares				
Group 1	0.05718	-	0.05718	-
Group 2	0.01424	0.04294	0.05718	-
I Income shares				
Group 1	0.05651	-	0.05651	-
Group 2	0.00920	0.04731	0.05651	-
P Income shares				
Group 1	0.15392	-	0.15392	-
Group 2	0.03122	0.12270	0.15392	-
Z Accumulation shares				
Group 1	0.27417	-	0.27417	0.02210
Group 2	0.08417	0.19000	0.27417	0.02210

Aberdeen Sterling Short Term Government Bond Fund

Third interim interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 30 April 2018

	Revenue	Equalisation	Distribution paid 31/07/18	Distribution paid 31/07/17
A Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
I Accumulation shares				
Group 1	0.04899	-	0.04899	-
Group 2	0.02054	0.02845	0.04899	-
I Income shares				
Group 1	0.04839	-	0.04839	-
Group 2	0.02146	0.02693	0.04839	-
P Income shares				
Group 1	0.14117	-	0.14117	-
Group 2	0.06483	0.07634	0.14117	-
Z Accumulation shares				
Group 1	0.25467	-	0.25467	0.11773
Group 2	0.10467	0.15000	0.25467	0.11773

Final interest distribution
Group 1: Shares purchased prior to 1 May 2018
Group 2: Shares purchased 1 May 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
I Accumulation shares				
Group 1	0.11022	-	0.11022	-
Group 2	0.06971	0.04051	0.11022	-
I Income shares				
Group 1	0.10880	-	0.10880	-
Group 2	0.07399	0.03481	0.10880	-
P Income shares				
Group 1	0.19473	-	0.19473	-
Group 2	0.10904	0.08569	0.19473	-
Z Accumulation shares				
Group 1	0.32697	-	0.32697	0.08943
Group 2	0.01697	0.31000	0.32697	0.08943

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

Aberdeen Strategic Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in global Debt and debt-related securities denominated in (or hedged back to) Sterling.

The Fund may also invest in other transferable securities, including Debt and debt-related securities denominated in any currency, as well as money market instruments, deposits, cash and near cash, and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

The Fund may use financial derivative instruments for investment purposes and/or efficient portfolio management. The Fund may use derivative instruments to create short and/or long positions.

Performance review

For the year ended 31 July 2018, the value of Aberdeen Strategic Bond Fund – A Accumulation Shares increased by 0.44%.

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

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

Market review

Developed market government bonds outperformed almost all riskier asset classes over the 12 months to 31 July 2018. Although government bond yields trended downwards in August 2017 there followed a period of rising government bond yields and falling credit spreads. Improving economic data and tighter monetary policies adopted in a number of jurisdictions was the major cause for this move, which continued into the end of the calendar year.

In contrast, the first half of 2018 was a difficult one for corporate bonds and a much better one for government bonds in markets such as the UK and core Europe. Volatility returned to all major risk markets, with yield spreads widening in both February and March. The main drivers were an escalation in fears of a trade war between the world's two largest economies, China and the US, along with rising inflation and some softer economic data globally. Credit spreads continued to widen from April through to June as European politics once again caused some concerns. So, too, did increased fears of a material trade war between the US and its major trading partners. Sector-wise, both banks and insurers were among the weakest while safe haven sectors were stronger performers. In summary, the second six months of this period saw a near mirror of the prior period.

In credit markets higher risk areas naturally outperformed early in the period and suffered in the "risk-off" environment which followed. Emerging markets and high yield were especially weak with the former suffering from the fallout of the trade disputes and accompanying strong dollar.

Finally, July saw some respite and proved a positive month for global credit markets. Yield spreads between corporate bonds and government bonds tightened in Europe and the US, and also in the UK, albeit to a lesser extent. Early in the month, trade concerns pushed spreads wider, but positive US economic data throughout July illustrated how little impact the talk of tariff increases was having. Subordinated insurance bonds were particularly strong, and energy-related bonds performed well.

Portfolio review

The Fund's duration was held at a low level at the beginning of the review period, in anticipation of inflation moving higher. Credit risk was fairly equally split between industrial and financial names, with a smaller exposure to asset backed security exposures.

Within financials, insurers suffered reversals in August, while banks delivered positive contributions from UT2 perpetual floating rate bonds. Meanwhile, within industrials, the capital goods sector performed well in August. In September, most of the positive returns came from the portfolio's high yield positions – in particular, bank and insurance capital bonds. Energy sector positions performed well as the oil price rose. The Fund's position in residential mortgage-backed securities also helped preserve capital as yields rose, as the floating rate nature of these instruments means they are not correlated with lower gilt prices. Both banks and insurers had a positive impact on returns in the final three months of 2017. The banking sector has benefited from improving fundamentals as earnings slowly improve, balance sheets shrink and new and better quality capital is raised. A small allocation to oil sensitive areas was also established.

The Fund's positive return in January was largely the result of a long position in credit markets across the globe and a lack of interest rate exposure. We have been reducing interest rate exposure for some time based on both valuations and the increasing threat of the impact of higher policy rates. Credit exposure was also reduced with exposure to two key sectors – financials and energy – being the most relevant risk positions. Credit market exposure has also been reduced, however, and a pick up in volatility may well provide some opportunities to add once again at some attractive levels. Exposure to floating rate residential mortgage backed security issuance were significant outperformers over the month. While the Fund declined in value in February, the reduction in exposure to financials and energy in January mitigated the fall. Hedges against the Fund's high yield exposure boosted performance, while positions in a favoured but high beta sector – insurance – detracted. There was a further small negative return in March, driven by weakness in financials and energy. The Fund's return was marginally negative from April through to June, reflecting an allocation to credit markets which were weak. Credit exposure has been focused on investment grade, primarily on financials, energy and asset-backed securities. Bonds issued by Standard Life Aberdeen and MEG Energy, a Canadian shale oil producer, added value.

In contrast, July was positive for the Fund, with many of the themes in which the Fund has been investing contributing to an overall positive performance. Financials, particularly the insurance sector, were strong, and subordinated bonds led the way. In total, the sector added around a third of total return in July, boosted by a better tone for equity markets and emerging markets as geopolitical waters calmed.

We believed the upturn in global growth would lead to a continued imbalance in supply/demand dynamics for oil, and accordingly a higher oil price. Notable outperformers included US-based energy groups such as: Andeavor, whose announced merger with Marathon led to a 30bp spread move tighter; and Energy Transfer Partners, a US pipeline

business. Against that, a relatively new euro issue from Pemex performed poorly, affected by concerns around the new Mexican president. This holding was sold just after the end of the reporting period. TMT added to performance, mainly through hybrid securities from SES, Telefonica and Orange.

Outlook

Corporate bonds look to provide value based on improving fundamentals, especially after an excellent second quarter reporting season. The risks still remain around the deterioration of the technical background with extraordinary stimulus measures from central banks in Europe coming to an end this year. We are also keeping a close eye on developments around trade tariffs, which have the potential to cause weakness in credit markets.

That said, given a fairly benign economic environment, market levels appear attractive once again. Further volatility or well-priced new issuance is likely to provide an opportunity to add risk to funds. Looking ahead, we will use any market rally to reduce some of the Fund's riskier positions such as subordinated insurance ahead of what we expect to be higher volatility in the next year or two.

Sterling IG Aggregate Team **August 2018**

Aberdeen Strategic Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 3 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Derivatives: This Fund can use derivatives in order to meet its investment objective. The use of derivatives may result in greater fluctuations in the value of the Fund, and may increase the magnitude of any losses.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Strategic Bond Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	148.01	139.44	135.78[A]
Return before operating charges*	2.46	10.48	6.02
Operating charges	(1.69)	(1.66)	(1.53)
Return after operating charges*	0.77	8.82	4.49
Distributions on accumulation shares	(4.23)	(4.21)	(4.13)
Retained distributions on accumulation shares	4.23	3.96	3.30
Closing net asset value per share	148.78	148.01	139.44
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.52%	6.33%	3.31%
Other information			
Closing net asset value (£'000s)	3,151	5,795	726
Closing number of shares	2,117,856	3,915,615	520,815
Operating charges	1.13%	1.14%	1.14%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	151.58	148.53	140.03
Lowest share price (pence)	147.69	139.84	129.28

[A] The opening net asset value stated is the share class launch price.
Fund launched on 11 September 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Strategic Bond Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	118.98	115.23	114.96[A]
Return before operating charges*	1.99	8.33	4.33
Operating charges	(1.35)	(1.34)	(1.29)
Return after operating charges*	0.64	6.99	3.04
Distributions on income shares	(3.37)	(3.24)	(2.77)
Closing net asset value per share	116.25	118.98	115.23
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.54%	6.07%	2.64%
Other information			
Closing net asset value (£'000s)	20	70	57
Closing number of shares	17,191	58,671	49,771
Operating charges	1.13%	1.14%	1.14%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	121.12	120.25	116.62
Lowest share price (pence)	116.40	114.74	108.29

[A] The opening net asset value stated is the share class launch price.
Fund launched on 11 September 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Strategic Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	152.90	143.33	139.12[A]
Return before operating charges*	2.54	10.82	6.09
Operating charges	(0.98)	(0.95)	(0.88)
Return after operating charges*	1.56	9.87	5.21
Distributions on accumulation shares	(5.16)	(5.08)	(5.00)
Retained distributions on accumulation shares	5.16	4.78	4.00
Closing net asset value per share	154.46	152.90	143.33
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.02%	6.89%	3.74%
Other information			
Closing net asset value (£'000s)	17,488	21,054	7,809
Closing number of shares	11,322,477	13,769,648	5,448,248
Operating charges	0.63%	0.64%	0.64%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	156.98	153.43	143.94
Lowest share price (pence)	153.27	143.90	132.68

[A] The opening net asset value stated is the share class launch price.
Fund launched on 11 September 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Strategic Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	118.84	115.04	114.92[A]
Return before operating charges*	1.97	8.34	4.11
Operating charges	(0.75)	(0.75)	(0.72)
Return after operating charges*	1.22	7.59	3.39
Distributions on income shares	(3.96)	(3.79)	(3.27)
Closing net asset value per share	116.10	118.84	115.04
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.03%	6.60%	2.95%
Other information			
Closing net asset value (£'000s)	3,252	1,700	2,628
Closing number of shares	2,800,980	1,430,591	2,284,191
Operating charges	0.63%	0.64%	0.64%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	121.11	120.26	116.54
Lowest share price (pence)	116.34	114.59	108.26

[A] The opening net asset value stated is the share class launch price.
Fund launched on 11 September 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Strategic Bond Fund

I Gross Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	119.98	112.24	108.15[A]
Return before operating charges*	2.00	8.49	4.78
Operating charges	(0.77)	(0.75)	(0.69)
Return after operating charges*	1.23	7.74	4.09
Distributions on accumulation shares	(4.05)	(3.99)	(3.91)
Retained distributions on accumulation shares	4.05	3.99	3.91
Closing net asset value per share	121.21	119.98	112.24
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.03%	6.90%	3.78%
Other information			
Closing net asset value (£'000s)	970	928	519
Closing number of shares	800,228	773,628	461,928
Operating charges	0.63%	0.64%	0.64%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	123.18	120.40	112.75
Lowest share price (pence)	120.28	112.73	103.50

[A] The opening net asset value stated is the share class launch price.
Fund launched on 11 September 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Strategic Bond Fund

I Gross Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	103.44	100.16	100.04[A]
Return before operating charges*	1.72	7.44	4.32
Operating charges	(0.65)	(0.65)	(0.63)
Return after operating charges*	1.07	6.79	3.69
Distributions on income shares	(3.45)	(3.51)	(3.57)
Closing net asset value per share	101.06	103.44	100.16
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.03%	6.78%	3.69%
Other information			
Closing net asset value (£'000s)	13,373	12,887	10,301
Closing number of shares	13,232,182	12,458,482	10,285,382
Operating charges	0.63%	0.64%	0.64%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	105.43	104.68	101.69
Lowest share price (pence)	101.28	99.76	94.27

[A] The opening net asset value stated is the share class launch price.
Fund launched on 11 September 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Strategic Bond Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	158.46	147.86	142.99[A]
Return before operating charges*	2.63	11.15	6.23
Operating charges	(0.21)	(0.21)	(0.20)
Return after operating charges*	2.42	10.94	6.03
Distributions on accumulation shares	(6.17)	(6.00)	(5.81)
Retained distributions on accumulation shares	6.17	5.66	4.65
Closing net asset value per share	160.88	158.46	147.86
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.53%	7.40%	4.22%
Other information			
Closing net asset value (£'000s)	62,218	73,280	100,278
Closing number of shares	38,673,467	46,244,367	67,821,467
Operating charges	0.13%	0.14%	0.14%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	163.09	159.02	148.48
Lowest share price (pence)	159.08	148.45	136.62

[A] The opening net asset value stated is the share class launch price.
Fund launched on 11 September 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Strategic Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 91.68% (2017: 90.39%)					
Bonds 91.68% (2017: 90.16%)					
Asset Backed Bonds / Mortgage Backed Bonds 0.44% (2017: 2.69%)					
United Kingdom 0.44% (2017: 2.69%)					
PCL Funding III	FRN	15/06/23	439,000	**438**	**0.44**
Total Asset Backed Bonds / Mortgage Backed Bonds				**438**	**0.44**
Corporate Bonds 90.84% (2017: 86.40%)					
Australia 3.84% (2017: 4.54%)					
APT Pipelines (EMTN)	3.5000	22/03/30	1,470,000	1,510	1.50
Australia & New Zealand Banking	FRN	PERP	700,000	388	0.39
National Capital Trust I	VAR	PERP	850,000	861	0.86
QBE Insurance	VAR	24/05/42	1,012,000	1,096	1.09
				3,855	**3.84**
Belgium 0.78% (2017: nil)					
Anheuser-Busch InBev (EMTN)	1.7500	07/03/25	807,000	**787**	**0.78**
Brazil 0.50% (2017: nil)					
Petrobras Global Finance	5.9990	27/01/28	700,000	**505**	**0.50**
Canada 2.83% (2017: 1.74%)					
Bank of Nova Scotia (EMTN)	1.2500	08/06/22	100,000	98	0.10
Barrick North America Finance	5.7500	01/05/43	1,000,000	844	0.84
Canadian Natural Resources	3.8000	15/04/24	1,600,000	1,208	1.20
MEG Energy	7.0000	31/03/24	1,000,000	689	0.69
				2,839	**2.83**
China 0.75% (2017: nil)					
CNAC HK Finbridge	1.7500	14/06/22	839,000	**751**	**0.75**
Denmark 1.10% (2017: 0.98%)					
Danica Pension Livsforsikringsaktieselskab	VAR	29/09/45	600,000	599	0.60
Danske Bank (EMTN)	VAR	29/09/21	500,000	502	0.50
				1,101	**1.10**
France 6.00% (2017: 8.94%)					
AXA (EMTN)	VAR	PERP	1,500,000	1,733	1.72
BNP Paribas Cardif	VAR	PERP	700,000	667	0.66
CNP Assurances	VAR	30/09/41	400,000	450	0.45
Orange	VAR	PERP	900,000	975	0.97
SFR	5.6250	15/05/24	705,000	652	0.65

Aberdeen Strategic Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Societe Generale (EMTN)∞	VAR	23/02/28	400,000	347	0.35
TDF Infrastructure	2.5000	07/04/26	600,000	550	0.55
TOTAL (EMTN)	VAR	PERP	700,000	658	0.65
				6,032	**6.00**
Germany 3.21% (2017: 4.73%)					
Aroundtown	3.2500	18/07/27	398,000	390	0.39
BASF (EMTN)	1.3750	21/06/22	127,000	126	0.13
E.ON International Finance (EMTN)	6.3750	07/06/32	800,000	1,086	1.08
Unitymedia	3.7500	15/01/27	500,000	468	0.47
Volkswagen International Finance	VAR	PERP	1,300,000	1,156	1.14
				3,226	**3.21**
Indonesia 0.62% (2017: nil)					
Perusahaan Listrik Negara	5.4500	21/05/28	786,000	**623**	**0.62**
Ireland nil (2017: 3.04%)					
Italy 1.88% (2017: 2.77%)					
Enel (EMTN)	5.7500	22/06/37	650,000	809	0.81
Intesa Sanpaolo (EMTN)	5.2500	28/01/22	1,000,000	1,084	1.07
				1,893	**1.88**
Kazakhstan nil (2017: 0.34%)					
Luxembourg 1.55% (2017: 2.65%)					
Altice∞	7.2500	15/05/22	330,000	301	0.30
SES∞	VAR	PERP	1,000,000	949	0.95
SIG Combibloc	7.7500	15/02/23	330,000	306	0.30
				1,556	**1.55**
Mexico 0.21% (2017: nil)					
Petroleos Mexicanos	4.7500	26/02/29	239,000	**216**	**0.21**
Netherlands 3.26% (2017: 3.46%)					
ABN AMRO Bank (EMTN)	6.2500	27/04/22	1,650,000	1,350	1.35
ABN AMRO Bank (EMTN)	1.3750	07/06/22	900,000	889	0.88
Rabobank Capital Funding Trust IV	VAR	PERP	1,000,000	1,036	1.03
				3,275	**3.26**
New Zealand nil (2017: 0.98%)					
Norway nil (2017: 0.54%)					
Singapore 0.82% (2017: nil)					
Puma International Financing	5.0000	24/01/26	1,200,000	**826**	**0.82**

Aberdeen Strategic Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Spain 1.35% (2017: 1.79%)					
CaixaBank	VAR	PERP	600,000	505	0.51
CaixaBank (EMTN)	VAR	17/04/30	500,000	427	0.42
Telefonica Europe	VAR	PERP	500,000	426	0.42
				1,358	**1.35**
Sweden 0.57% (2017: nil)					
Scania (EMTN)	1.8750	28/06/22	152,000	151	0.15
Swedbank (EMTN)	1.2500	29/12/21	424,000	419	0.42
				570	**0.57**
Switzerland 3.86% (2017: 2.72%)					
Credit Suisse∞	VAR	12/09/25	500,000	479	0.48
Syngenta Finance	4.8920	24/04/25	218,000	165	0.16
UBS	7.6250	17/08/22	1,500,000	1,273	1.27
UBS Jersey (EMTN)	VAR	19/11/24	506,000	534	0.53
UBS London	2.4500	01/12/20	699,000	521	0.52
Zurich Finance UK (EMTN)	VAR	PERP	800,000	905	0.90
				3,877	**3.86**
Turkey 0.55% (2017: nil)					
Turk Telekomunikasyon	3.7500	19/06/19	740,000	**556**	**0.55**
United Arab Emirates 0.57% (2017: nil)					
IPIC GMTN (EMTN)	6.8750	14/03/26	440,000	**575**	**0.57**
United Kingdom 47.91% (2017: 40.07%)					
ABP Finance (EMTN)	6.2500	14/12/26	500,000	612	0.61
Admiral	5.5000	25/07/24	1,100,000	1,211	1.21
Anglian Water Osprey Financing (EMTN)	5.0000	30/04/23	1,100,000	1,118	1.11
Annington Funding (EMTN)	3.6850	12/07/34	1,060,000	1,076	1.07
Assura	3.0000	19/07/28	187,000	187	0.19
Aviva	VAR	PERP	500,000	525	0.52
Aviva (EMTN)	VAR	04/06/50	700,000	723	0.72
Aviva (EMTN)	VAR	12/09/49	238,000	234	0.23
Barclays Bank	VAR	PERP	350,000	382	0.38
Barclays Bank (EMTN)	10.0000	21/05/21	750,000	896	0.89
Barclays (EMTN)	VAR	06/10/23	1,123,000	1,107	1.10
Barclays (EMTN)	3.2500	17/01/33	683,000	635	0.63
BAT International Finance (EMTN)	4.0000	04/09/26	1,100,000	1,191	1.19
BP Capital Markets (EMTN)	2.2740	03/07/26	450,000	451	0.45
British Land (EMTN)	2.3750	14/09/29	339,000	321	0.32
Broadgate Financing	5.0980	05/04/33	566,000	653	0.65
BUPA Finance	5.0000	08/12/26	400,000	436	0.43
Channel Link Enterprises Finance	VAR	30/06/50	170,000	168	0.17
City Greenwich Lewisham Rail Link	9.3750	11/10/20	155,939	166	0.16
CYBG	VAR	PERP	500,000	511	0.51
Daily Mail & General Trust	6.3750	21/06/27	300,000	344	0.34

Aberdeen Strategic Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Dignity Finance	4.6956	31/12/49	800,000	765	0.76
Fuller Smith & Turner	6.8750	30/04/28	700,000	913	0.91
Gatwick Funding (EMTN)	6.1250	02/03/28	1,500,000	1,855	1.85
Greene King Finance (SINK)	4.0643	15/03/35	150,838	160	0.16
HBOS Capital Funding	VAR	PERP	2,550,000	2,581	2.56
HBOS Capital Funding	6.8500	PERP	500,000	384	0.38
Heathrow Funding (EMTN)	7.1250	14/02/24	300,000	367	0.36
HSBC	VAR	27/06/23	694,000	692	0.69
HSBC Bank Capital Funding Sterling 1	VAR	PERP	1,512,000	1,881	1.87
HSBC Bank Capital Funding Sterling 2	VAR	PERP	992,000	1,041	1.04
HSBC (EMTN)	VAR	13/11/26	551,000	530	0.53
InterContinental Hotels (EMTN)	3.7500	14/08/25	700,000	741	0.74
Lloyds Bank (EMTN)∞	VAR	PERP	1,000,000	1,738	1.73
Lloyds Bank (EMTN)	VAR	PERP	500,000	653	0.65
Mizzen Bondco	7.0000	01/05/21	662,900	675	0.67
National Westminster Bank	6.5000	07/09/21	630,000	710	0.71
National Westminster Bank (EMTN)	VAR	PERP	1,400,000	1,224	1.22
National Westminster Bank (EMTN)	VAR	PERP	500,000	569	0.57
NewRiver (REIT)	3.5000	07/03/28	713,000	696	0.69
NGG Finance	VAR	18/06/73	1,050,000	1,152	1.15
Paragon	VAR	09/09/26	750,000	799	0.79
PGH Capital	6.6250	18/12/25	1,187,000	1,310	1.30
Premiertel	6.1750	08/05/32	475,846	534	0.53
Principality Building Society (EMTN)	2.3750	23/11/23	383,000	377	0.38
Provident Financial (EMTN)	7.0000	04/06/23	287,000	292	0.29
Prudential (EMTN)∞	VAR	20/07/55	1,000,000	1,052	1.05
Rl Finance Bonds No 3	6.1250	13/11/28	400,000	442	0.44
Royal Bank of Scotland	VAR	PERP	1,500,000	1,424	1.42
RSA Insurance	VAR	10/10/45	1,000,000	1,081	1.08
SEGRO	2.8750	11/10/37	470,000	449	0.45
SSE∞	VAR	PERP	1,500,000	1,528	1.52
Stagecoach	4.0000	29/09/25	377,000	393	0.39
Standard Chartered (EMTN)	5.1250	06/06/34	500,000	537	0.53
Telereal Securitisation∞	5.4252	10/12/31	783,700	911	0.91
Tesco Property Finance 3	5.7440	13/04/40	874,804	1,007	1.00
Thames Water Utilities Cayman Finance (EMTN)	2.8750	03/05/27	530,000	509	0.51
THFC Funding No 2 (EMTN)	6.3500	08/07/39	510,000	746	0.74
Trafford Centre Finance	7.0300	28/01/29	456,733	564	0.56
Virgin Media Secured Finance	6.2500	28/03/29	1,000,000	1,044	1.04
Vodafone (EMTN)	5.6250	04/12/25	601,000	725	0.72
Vodafone (EMTN)	3.0000	12/08/56	160,000	139	0.14
				48,137	**47.91**
United States 8.68% (2017: 7.11%)					
American International	VAR	15/03/67	600,000	505	0.50
American International	VAR	15/03/67	250,000	235	0.23
Andeavor	4.5000	01/04/48	1,000,000	720	0.72
AT&T	4.3750	14/09/29	700,000	764	0.76

Aberdeen Strategic Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Energy Transfer Partners	4.2000	15/04/27	1,250,000	924	0.92
Energy Transfer Partners	4.9500	15/06/28	326,000	254	0.25
Exelon	3.4970	01/06/22	800,000	604	0.60
General Motors Financial (EMTN)	2.2500	06/09/24	1,181,000	1,145	1.14
Mylan	3.7500	15/12/20	336,000	257	0.26
Mylan	2.5000	07/06/19	102,000	77	0.08
Plains All American Pipeline	4.5000	15/12/26	1,000,000	757	0.75
Sabine Pass Liquefaction	5.0000	15/03/27	1,200,000	944	0.94
Valeant Pharmaceuticals	4.5000	15/05/23	919,000	791	0.79
Wells Fargo	3.0690	24/01/23	1,000,000	744	0.74
				8,721	**8.68**
Total Corporate Bonds				**91,279**	**90.84**
Government Bonds 0.40% (2017: 1.07%)					
Italy nil (2017: 0.96%)					
Qatar 0.40% (2017: nil)					
Qatar (State of)	4.5000	23/04/28	516,000	**402**	**0.40**
United Kingdom nil (2017: 0.11%)					
Total Government Bonds				**402**	**0.40**
Total Bonds				**92,119**	**91.68**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**92,119**	**91.68**
Other transferable securities and money market instruments 1.08% (2017: 2.40%)					
Bonds 1.08% (2017: 2.40%)					
Asset Backed Bonds / Mortgage Backed Bonds 0.87% (2017: 2.13%)					
United Kingdom 0.87% (2017: 2.13%)					
Precise Mortgage Funding 2017-1B A	FRN	12/03/54	704,194	703	0.70
Precise Mortgage Funding 2018-1B	FRN	12/12/54	174,572	174	0.17
				877	**0.87**
Total Asset Backed Bonds / Mortgage Backed Bonds				**877**	**0.87**
Corporate Bonds 0.21% (2017: 0.27%)					
Australia 0.21% (2017: nil)					
Westfield America Management	2.6250	30/03/29	212,000	**207**	**0.21**

Aberdeen Strategic Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
United States nil (2017: 0.27%)					
Total Corporate Bonds				207	0.21
Total Bonds				1,084	1.08
Total Other transferable securities and money market instruments				1,084	1.08
Open Ended Investment Funds 1.66% (2017: 1.53%)					
Aberdeen Global - Indian Bond Fund Z Acc USD†			189,916	1,669	1.66
Total Open Ended Investment Funds				1,669	1.66

Derivatives (0.35%) (2017: 0.31%)

Future contracts (0.13%) (2017: 0.11%)

Future	Maturity	Notional	Unrealised Gains/(Losses) £'000	Total Net Assets %
CBT US Ultra Bond	19/09/18	(15)	(13)	(0.01)
CBT US 10 Year Note	19/09/18	(40)	(7)	(0.01)
CBT US 10 Year Ultra	19/09/18	(40)	(8)	(0.01)
CBT US 5 Year Note	28/09/18	(44)	5	0.01
EUX Euro-Bund	06/09/18	(53)	(27)	(0.03)
EUX Euro-Bobl	06/09/18	(35)	(3)	-
ICE Long Gilt	26/09/18	(120)	(78)	(0.08)
SFE Australia 10 Year Bond	17/09/18	30	(2)	-
Unrealised losses on future contracts			(133)	(0.13)

Forward currency exchange contracts (0.47%) (2017: (0.07%))

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Barclays Capital	USD	GBP	07/09/18	1,023,000	764,820	14	0.01
BNP Paribas	EUR	GBP	07/09/18	932,000	826,511	6	0.01
BNP Paribas	USD	GBP	07/09/18	1,430,000	1,076,661	12	0.01
BNP Paribas	USD	GBP	07/09/18	67,000	50,041	1	-
Citigroup	EUR	GBP	07/09/18	60,000	53,384	-	-
Citigroup	GBP	EUR	07/09/18	67,003	75,000	-	-
Citigroup	GBP	EUR	07/09/18	63,375	72,000	(1)	-
Citigroup	USD	EUR	07/09/18	1,340,000	1,137,587	4	-
Citigroup	USD	GBP	07/09/18	494,000	374,593	1	-
Citigroup	USD	GBP	07/09/18	135,000	102,547	-	-
Citigroup	USD	GBP	07/09/18	104,000	77,540	2	-
Deutsche Bank	USD	GBP	07/09/18	112,000	84,725	1	-
HSBC	EUR	GBP	07/09/18	55,000	48,264	1	-
HSBC	GBP	AUD	07/09/18	62,634	111,000	-	-
Merrill Lynch	EUR	GBP	07/09/18	96,000	84,646	1	-
Merrill Lynch	GBP	EUR	07/09/18	12,533,138	14,222,000	(168)	(0.16)
Morgan Stanley	GBP	USD	07/09/18	20,368,057	27,227,000	(356)	(0.34)

Aberdeen Strategic Bond Fund

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Morgan Stanley	GBP	EUR	07/09/18	602,499	682,000	(7)	(0.01)
Morgan Stanley	GBP	EUR	07/09/18	529,807	600,000	(6)	(0.01)
Morgan Stanley	GBP	EUR	07/09/18	62,500	70,000	-	-
Morgan Stanley	GBP	EUR	07/09/18	62,406	71,000	(1)	-
Morgan Stanley	GBP	USD	07/09/18	48,914	65,000	(1)	-
Royal Bank of Canada	GBP	USD	07/09/18	240,729	325,000	(7)	(0.01)
Royal Bank of Canada	USD	GBP	07/09/18	66,000	49,360	1	-
State Street	EUR	GBP	07/09/18	990,000	869,933	14	0.01
State Street	USD	GBP	07/09/18	1,046,000	796,556	-	-
UBS	EUR	GBP	07/09/18	545,000	486,216	1	-
UBS	GBP	USD	07/09/18	1,657,466	2,177,000	-	-
UBS	USD	GBP	07/09/18	1,125,000	850,606	6	0.01
UBS	USD	GBP	07/09/18	903,000	681,473	6	0.01
UBS	USD	GBP	07/09/18	391,000	297,876	-	-
Unrealised losses on forward currency exchange contracts						**(476)**	**(0.47)**

Swaps 0.25% (2017: 0.27%)

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) £'000	Total Net Assets %
Barclays Capital	EUR	20/06/23	1,700,000	Glencore Finance	5.0000	225	0.22
JPM Chase	EUR	20/06/23	1,600,000	Anheuser-Busch	1.0000	29	0.03
Unrealised gains on swap contracts						**254**	**0.25**
Unrealised losses on derivatives						**(355)**	**(0.35)**
Total investments≠						**94,517**	**94.07**
Other net assets						**5,955**	**5.93**
Total net assets						**100,472**	**100.00**

† Managed by subsidiaries of Standard Life Aberdeen plc.
∞ A portion of this security is on loan at the year end.
≠ Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

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Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	6,117	6.47	6.09

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Sweden (Kingdom of)	1,339	Government Bond	Investment grade	BNP Paribas
France (Government of)	1,316	Government Bond	Investment grade	BNP Paribas
Germany (Federal Republic of)	1,315	Government Bond	Investment grade	BNP Paribas
Luxembourg (Grand Duchy of)	1,098	Government Bond	Investment grade	BNP Paribas
UK Treasury	767	Government Bond	Investment grade	BNP Paribas
Netherlands (Kingdom of)	677	Government Bond	Investment grade	BNP Paribas
Australia (Commonwealth of)	63	Government Bond	Investment grade	BNP Paribas
Norway (Kingdom of)	27	Government Bond	Investment grade	BNP Paribas
Total collateral received	**6,602**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	6,602	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	63
EUR	5,745
GBP	767
NOK	27
Total collateral received	**6,602**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Barclays	2,789	United Kingdom	Tri-party
JPM Chase	1,743	United States	Tri-party
BNP Paribas	1,042	France	Tri-party
Credit Suisse	543	Switzerland	Tri-party
Total market value of securities lending	**6,117**		

Aberdeen Strategic Bond Fund

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	98

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	6,504	-	**6,602**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	6,117	-	**6,117**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	14	125.00
Direct operational costs (securities lending agent costs)	(3)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(3)	(25.00)
Net return	**11**	**100.00**

Aberdeen Strategic Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(2,444)		3,694
Revenue	2	4,287		5,038	
Expenses	3	(382)		(344)	
Net revenue before taxation		3,905		4,694	
Taxation	4	-		-	
Net revenue after taxation			3,905		4,694
Total return before distributions			**1,461**		**8,388**
Distributions	5		(3,905)		(4,696)
Change in net assets attributable to shareholders from investment activities			**(2,444)**		**3,692**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**115,714**		**122,318**
Amounts receivable on issue of shares	10,823		32,168	
Amounts payable on cancellation of shares	(26,966)		(46,457)	
		(16,143)		(14,289)
Dilution adjustment		22		120
Change in net assets attributable to shareholders from investment activities		(2,444)		3,692
Retained distributions on accumulation shares		3,323		3,873
Closing net assets attributable to shareholders		**100,472**		**115,714**

Aberdeen Strategic Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		95,202	110,141
Current assets:			
Debtors	6	5,487	4,215
Cash and bank balances	7	2,620	4,683
Total assets		**103,309**	**119,039**
Liabilities:			
Investment liabilities		685	911
Creditors:			
Amounts held at futures clearing houses and brokers		493	722
Other creditors	8	1,494	1,568
Distribution payable		165	124
Total liabilities		**2,837**	**3,325**
Net assets attributable to shareholders		**100,472**	**115,714**

Aberdeen Strategic Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital (losses)/gains**

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(2,296)	5,770
Derivative contracts	114	(576)
Forward currency contracts losses	(272)	(1,527)
Other currency gains	10	12
Class actions	-	15
Net capital (losses)/gains	**(2,444)**	**3,694**

2. **Revenue**

	2018 £'000	2017 £'000
Interest on debt securities	4,121	4,854
Distributions from collective investment schemes:		
Offshore distributions - taxable	114	123
Stock lending commission	11	16
Bank interest	3	4
Derivative revenue:		
Interest on swap contracts	38	41
Total revenue	**4,287**	**5,038**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	241	170
Operating, administrative and servicing fees	139	173
	380	343
Other expenses:		
Interest payable and similar charges	2	1
	2	1
Total expenses	**382**	**344**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

Aberdeen Strategic Bond Fund

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	-	-
Current tax charge	**-**	**-**
Total taxation	**-**	**-**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	3,905	4,694
Corporation tax at 20% (2017 - 20%)	781	939
Effects of:		
Tax deductible on interest distributions	(781)	(939)
Total taxation	**-**	**-**

Factors that may affect future tax charges

There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

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5. **Distributions (including the movement between net revenue and distributions)**

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

	2018 £'000	2017 £'000
First interim	883	1,454
Second interim	869	969
Third interim	1,031	1,132
Final	1,061	1,056
	3,844	4,611
Add: Revenue deducted on cancellation of shares	101	244
Deduct: Revenue received on issue of shares	(40)	(159)
Distributions for the year	**3,905**	**4,696**
Total distributions	**3,905**	**4,696**

Details of the distribution per share are set out in the distribution tables on pages 863 to 866.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	3,905	4,694
Add:		
Undistributed revenue brought forward	-	2
Distributions	**3,905**	**4,696**

6. **Debtors**

	2018 £'000	2017 £'000
Accrued revenue	1,465	1,631
Amounts receivable for issue of shares	162	42
Sales awaiting settlement	2,345	2,542
Currency transactions awaiting settlement	1,364	-
Other debtor	151	-
Total debtors	**5,487**	**4,215**

7. **Cash and bank balances**

	2018 £'000	2017 £'000
Amounts held at futures clearing houses and brokers	1,098	683
Cash and bank balances	1,522	4,000
Total cash and bank balances	**2,620**	**4,683**

8. **Other creditors**

	2018 £'000	2017 £'000
Accrued expenses	27	34
Amounts payable for cancellation of shares	103	303
Purchases awaiting settlement	-	1,206
Swap interest payable	-	25
Currency transactions awaiting settlement	1,364	-
Total other creditors	**1,494**	**1,568**

Aberdeen Strategic Bond Fund

9. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 851. £41,000 was due from the ACD (2017 - £282,000 due to the ACD) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £1,669,000 (2017 - £1,767,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

10. Material shareholders

Harewood Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 54% of the Fund's shares in issue.

11. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.00%
Class 'I': 0.50%
Class 'I' Gross: 0.50%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 835 to 841. The distribution per share class is given in the distribution tables on pages 863 to 866. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	3,915,615	58,671	13,769,648	1,430,591
Creations during the year	378,100	28,400	3,820,434	1,636,500
Cancellations during the year	(2,150,600)	(43,100)	(6,296,200)	(277,500)
Shares converted during the year	(25,259)	(26,780)	28,595	11,389
Closing shares in issue	**2,117,856**	**17,191**	**11,322,477**	**2,800,980**

	I Gross Accumulation shares	I Gross Income shares	Z Accumulation shares
Opening number of shares	773,628	12,458,482	46,244,367
Creations during the year	151,900	2,160,312	12,400
Cancellations during the year	(125,300)	(1,398,100)	(7,583,300)
Shares converted during the year	-	11,488	-
Closing shares in issue	**800,228**	**13,232,182**	**38,673,467**

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12. **Securities on Loan**

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Barclays	2,789	2,970	Government Bond
BNP Paribas	1,042	1,213	Government Bond
Credit Suisse	543	578	Government Bond
JPM Chase	1,743	1,841	Government Bond
Total	**6,117**	**6,602**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	14	3	11

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Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
Morgan Stanley	1,131	1,196	Government Bond
Total	**1,131**	**1,196**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	20	4	16

13. Risk management policies and disclosures

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

Global Exposure

Based on the investment strategy, types of complexities of the derivatives and the proportion of the Fund comprising derivatives, the method of estimating the Fund's overall risk position (Global Exposure) is to the use the value at risk (VaR) techniques which estimate the probability of portfolio losses based on the statistical analysis of historical price trends and volatilities. The VaR is produced on a daily basis and the Fund's current VaR limit is detailed below.

Value at risk (VaR)

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

Model assumptions

System:	Advanced Portfolio Technologies (APT)
VaR methodology:	Parametric
Confidence level:	99%
Holding period:	1 week (5 days)
Decay factor for exponential smoothing of the historical market data:	nil
Historical observation period:	180 weeks
VaR limit (absolute)	20%
VaR limit (relative)	200%

Reference portfolio for relative VaR

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	1.28%	1.14%
Maximum VaR	1.50%	1.67%
Average VaR	1.37%	1.40%

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VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	(0.25%)	0.84%	-	0.73%	1.32%
31 July 2017	(0.28%)	0.83%	-	0.78%	1.33%

Financial derivatives

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Swap contracts £'000	Total by counterparty £'000
Barclays	14	225	239
BNP Paribas	19	-	19
Citigroup	7	-	7
Deutsche Bank	1	-	1
HSBC	1	-	1
JPM Chase	-	29	29
Merrill Lynch	1	-	1
Royal Bank of Canada	1	-	1
State Street	14	-	14
UBS	13	-	13
Total exposure	**71**	**254**	**325**

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Swap contracts £'000	Total by counterparty £'000
Barclays Bank	1	38	39
Citigroup	20	-	20
Goldman Sachs	27	-	27
HSBC	353	-	353
JPM Chase	9	661	670
Merrill Lynch	6	-	6
Royal Bank of Canada	14	-	14
UBS	11	-	11
Total exposure	**441**	**699**	**1,140**

The Fund had cash with of £488,000 held as collateral as at 31 July 2018 (2017 - £588,000) and the Fund had no cash pledged as collateral as at 31 July 2018 (2017 - £220,000).

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Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	685	-	-	685
Non-derivatives					
Amounts held at futures clearing houses and brokers	493	-	-	-	493
Other creditors	-	1,494	-	-	1,494
Distribution payable	-	165	-	-	165
Total financial liabilities	**493**	**2,344**	**-**	**-**	**2,837**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	525	-	386	911
Non-derivatives					
Amounts held at futures clearing houses and brokers	722	-	-	-	722
Other creditors	-	1,568	-	-	1,568
Distribution payable	-	124	-	-	124
Total financial liabilities	**722**	**2,217**	**-**	**386**	**3,325**

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14. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Bonds	52,754	54,362	62,580	68,923
Trades in the year before transactions costs	**52,754**	**54,362**	**62,580**	**68,923**
Commissions				
Bonds	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**52,754**	**54,362**	**62,580**	**68,923**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Taxes				
Bonds	-	-	-	-
Other expenses				
Bonds	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £1,222,000 in the year (2017 - £2,398,000 (net sales)).

There were no transaction costs in respect of derivatives for the year (2017 - £2,000). The transaction costs in respect of derivatives expressed as a percentage of net asset value is nil (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.68% (2017 - 0.67%).

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15. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1[A]	5	138	1,376	4
Level 2	95,197	547	108,765	907
Level 3	-	-	-	-
Total	**95,202**	**685**	**110,141**	**911**

[A] There were no debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price as at 31 July 2018 (2017 - £1,243,000).

Aberdeen Strategic Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

First interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 October 2017

	Revenue	Equalisation	Distribution paid 31/01/18	Distribution paid 31/01/17
A Accumulation shares				
Group 1	0.90002	-	0.90002	1.00108
Group 2	0.71724	0.18278	0.90002	1.00108
A Income shares				
Group 1	0.72349	-	0.72349	0.82721
Group 2	0.68183	0.04166	0.72349	0.82721
I Accumulation shares				
Group 1	1.12434	-	1.12434	1.17690
Group 2	0.59357	0.53077	1.12434	1.17690
I Income shares				
Group 1	0.87382	-	0.87382	0.94462
Group 2	0.55479	0.31903	0.87382	0.94462
I Gross Accumulation shares				
Group 1	0.88220	-	0.88220	1.15654
Group 2	0.34286	0.53934	0.88220	1.15654
I Gross Income shares				
Group 1	0.76059	-	0.76059	1.03189
Group 2	0.45597	0.30462	0.76059	1.03189
Z Accumulation shares				
Group 1	1.36676	-	1.36676	1.36131
Group 2	1.36676	-	1.36676	1.36131

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Second interim interest distribution
Group 1: Shares purchased prior to 1 November 2017
Group 2: Shares purchased 1 November 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.90826	-	0.90826	0.82847
Group 2	0.64607	0.26219	0.90826	0.82847
A Income shares				
Group 1	0.72574	-	0.72574	0.67975
Group 2	0.67658	0.04916	0.72574	0.67975
I Accumulation shares				
Group 1	1.13695	-	1.13695	1.03607
Group 2	0.65546	0.48149	1.13695	1.03607
I Income shares				
Group 1	0.87721	-	0.87721	0.82490
Group 2	0.39044	0.48677	0.87721	0.82490
I Gross Accumulation shares				
Group 1	0.89222	-	0.89222	0.81404
Group 2	0.57305	0.31917	0.89222	0.81404
I Gross Income shares				
Group 1	0.76363	-	0.76363	0.71899
Group 2	0.49548	0.26815	0.76363	0.71899
Z Accumulation shares				
Group 1	1.38418	-	1.38418	1.26082
Group 2	1.38418	-	1.38418	1.26082

Aberdeen Strategic Bond Fund

Third interim interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 30 April 2018

	Revenue	Equalisation	Distribution paid 31/07/18	Distribution paid 31/07/17
A Accumulation shares				
Group 1	1.15399	-	1.15399	1.08225
Group 2	0.77629	0.37770	1.15399	1.08225
A Income shares				
Group 1	0.91652	-	0.91652	0.88275
Group 2	0.68715	0.22937	0.91652	0.88275
I Accumulation shares				
Group 1	1.38522	-	1.38522	1.28775
Group 2	0.71770	0.66752	1.38522	1.28775
I Income shares				
Group 1	1.06099	-	1.06099	1.01799
Group 2	0.43188	0.62911	1.06099	1.01799
I Gross Accumulation shares				
Group 1	1.08692	-	1.08692	1.00994
Group 2	0.58169	0.50523	1.08692	1.00994
I Gross Income shares				
Group 1	0.92347	-	0.92347	0.88568
Group 2	0.45415	0.46932	0.92347	0.88568
Z Accumulation shares				
Group 1	1.63678	-	1.63678	1.51507
Group 2	1.63678	-	1.63678	1.51507

Aberdeen Strategic Bond Fund

Final interest distribution
Group 1: Shares purchased prior to 1 May 2018
Group 2: Shares purchased 1 May 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	1.27093	-	1.27093	1.04926
Group 2	0.67858	0.59235	1.27093	1.04926
A Income shares				
Group 1	1.00160	-	1.00160	0.84947
Group 2	1.00160	-	1.00160	0.84947
I Accumulation shares				
Group 1	1.51414	-	1.51414	1.28122
Group 2	0.91100	0.60314	1.51414	1.28122
I Income shares				
Group 1	1.14934	-	1.14934	1.00417
Group 2	0.70641	0.44293	1.14934	1.00417
I Gross Accumulation shares				
Group 1	1.18923	-	1.18923	1.00471
Group 2	0.39314	0.79609	1.18923	1.00471
I Gross Income shares				
Group 1	1.00138	-	1.00138	0.87351
Group 2	0.57015	0.43123	1.00138	0.87351
Z Accumulation shares				
Group 1	1.77959	-	1.77959	1.52728
Group 2	1.77959	-	1.77959	1.52728

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

Aberdeen Target Return Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to achieve a positive return over a rolling 12-month period, independent of prevailing market conditions, by investing predominantly in Debt and debt–related securities issued by governments, supranational institutions, government-related bodies and/or corporations, as well as money market instruments, cash, near cash and deposits. There is no guarantee that a positive return will be achieved over 12 months or any time period and capital may be at risk. Investors may not get back the full amount originally invested.

All or a substantial proportion of the physical assets of the Fund may at any time consist of cash and near cash, deposits and/or money market instruments.

Additionally, the Fund may invest in units in collective investments schemes (including other funds managed by the Investment Adviser or its affiliates).

The Fund may use financial derivative instruments for investment purposes and/or efficient portfolio management. The Fund may use derivative instruments to create short and/or long positions.

Performance review

For the year ended 31 July 2018, the value of Aberdeen Target Return Bond Fund - A Accumulation Shares increased by 0.88% compared to an increase of 0.54% in the benchmark, the LIBOR GBP 3 Month Index.

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

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

Market review

Global corporate bond markets rallied throughout the first half of the review period. This was despite ongoing geopolitical concerns and tightening monetary conditions. Stronger data was supportive of corporate bond fundamentals, combined with investor appetite for income and underwrote demand in a period characterised by strong supply.

This rally continued at the beginning of 2018 as corporate earnings and economic activity maintained their strong trajectories. However, fears surrounding a more-rapid policy tightening in the US, talks of trade wars and equity market volatility dampened investor sentiment as the quarter progressed. This resulted in a volatile end to the reporting period in Q4 2018, with spreads continuing to push wider. A weak end to the quarter rounded off what has been a disappointing first half of the year for global credit investors. The volatility left credit spreads wider and total returns finished in negative territory. The increasing risk of a trade war with the US, as well as growing risk in Italian politics were two of the major drivers of the weakness.

The US Federal Reserve (Fed) hiked interest rates during the period under review bringing it to a range of 1.75%-2%, and signalled two more hikes for 2018. The biggest talking point was the deterioration in trade relations between the US and China, after each announced a series of new tariffs. Jerome Powell took over as Chairman of the Fed from Janet Yellen in February. US congress passed a tax reform bill which features $1.5 trillion worth of cuts over the next decade.

The administration of President Donald Trump announced that it would impose tariffs on imported steel and aluminium from Canada, Mexico, and member nations of the European Union, which were effective from 1st June.

In Europe, political risk returned to the fore following a deal agreed between anti-establishment parties M5S and Northern League to form a coalition government, which included fiscal stimulus plans at odds with the European Union budgetary framework. The European Central Bank announced it would end its quantitative easing programme by the end of 2018, and signalled rates would stay at current levels until the at least the end of summer 2019.

Portfolio review

Credit generated good positive performance over the twelve month period. As we entered 2018, financials outperformed early in the quarter, however, this reversed in February and March as higher quality bonds outperformed lower quality bonds in the periodic sell-off. Weak risk sentiment weighed on credit valuations as we entered Q2 2018. This came as the market digested the continued negative posturing between the US and their global trading partners and on-going political risk in Europe. Corporations with significant US consumer bases, such as European auto manufacturers were most affected during the period as the prospect of tariffs loomed over future earnings and profitability. Peripheral issuers were also notable underperformers, while corporate hybrid bonds and subordinated financials also struggled in the 'risk off' environment. Towards the end of the review period, exposure to subordinated banking and insurance bonds generated decent returns post the recent weakness from for the sector. Industrials were another area of strength for the portfolio, with emerging market credits such as Petroleos Mexicanos and Petrobras generating good returns for the portfolio.

Active currency management positively contributed to performance led by an overweight to US dollars (particularly versus the Australian dollar, South African rand and Polish zloty) as US economic activity remained solid while the US Federal reserve continued to deliver its well telegraphed rate hikes. An overweight to Japanese yen also performed well supported by risk-off sentiment surrounding US-China trade tensions, emerging market weakness and fallout from European politics. These gains were partially offset by an overweight to Swedish krona as generally disappointed relative to expectations, while Riksbank rhetoric took a surprisingly dovish turn.

Interest rate positioning positively contributed to performance led by US front-end duration shorts as yields moved higher on the back of solid economic data and fiscal stimulus. Long front-end positions in Australia and Canada also performed well supported by softer than expected activity data. A short Italy versus spread position also added value as the Italian political situation worsened following the announcement of a deal between anti-establishment parties to form a coalition government, which included significant fiscal expansion plans at odds with the EU framework. These gains were partially offset by a long Italy front-end position as the curve flattened aggressively in May 2018 on redenomination risks. US yield curve positioning was also a drag as risk-off sentiment prompted a bid for longer tenors and a flattening of the curve.

Aberdeen Target Return Bond Fund

Short-dated assets (less than three years to maturity) currently represent 60% of the portfolio. These types of bonds provided stability to the Fund's performance.

Within our credit alpha allocation, the beta hedge represents 44% of the Fund's credit risk, reflecting our desire to reduce the portfolio's credit beta sensitivity and isolate the alpha within these positions.

The asset mix continues to favour an internationally diversified mix of countries, with over 75% of issuers based outside of the UK (across 26 countries).

Outlook

We continue to see value in global investment-grade credit. This is due to the sizeable market correction in the first half of the year, strong fundamental backdrop for corporates in Europe and the US as well as continued improvements in the banking sector. The phasing out of the European Central Bank's (ECB) purchase programme after September, while well flagged, reduces some of the technical support for the market, with September also being a seasonally high month in terms of supply. The Italian budget proposal has the potential to spark more volatility in Italian assets.

The effect of the tariffs announced between the US and China so far will have only a small negative impact on global growth (circa 0.2%). However, it is increasingly likely that the situation will escalate and the fact that the Trump administration is trying to fight a trade war on multiple fronts (China, Europe, NAFTA) to strike better deals is clearly alarming. Ultimately, we expect compromises to be reached and a full-blown trade war to be avoided, but the timing of this is hard to predict.

Fundamentally the global growth backdrop remains supportive for credit, which is reflected in the first quarter earnings season. We take comfort from the continued growth in the US and that recent softening in European GDP and inflation data comes from a relatively high base given the strong growth momentum of 2018.

Global Aggregate Team **August 2018**

Aberdeen Target Return Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 2 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Exchange Rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Derivatives: This Fund can use derivatives in order to meet its investment objective. The use of derivatives may result in greater fluctuations in the value of the Fund, and may increase the magnitude of any losses.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen Target Return Bond Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	118.84	116.80	118.73[A]
Return before operating charges*	2.35	3.38	(0.54)
Operating charges	(1.33)	(1.34)	(1.32)
Return after operating charges*	1.02	2.04	(1.86)
Distributions on accumulation shares	(1.19)	(0.85)	(0.32)
Retained distributions on accumulation shares	1.19	0.85	0.25
Closing net asset value per share	119.86	118.84	116.80
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.86%	1.75%	(1.57%)
Other information			
Closing net asset value (£'000s)	1,479	4,920	8,138
Closing number of shares	1,233,542	4,140,283	6,967,665
Operating charges	1.12%	1.13%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	120.27	120.24	118.87
Lowest share price (pence)	117.69	116.99	115.55

[A]The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Target Return Bond Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	98.04	97.05	98.87[A]
Return before operating charges*	1.94	2.80	(0.50)
Operating charges	(1.10)	(1.11)	(1.11)
Return after operating charges*	0.84	1.69	(1.61)
Distributions on income shares	(0.98)	(0.70)	(0.21)
Closing net asset value per share	97.90	98.04	97.05
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	0.86%	1.74%	(1.63%)
Other information			
Closing net asset value (£'000s)	8	8	13
Closing number of shares	8,376	8,376	12,976
Operating charges	1.12%	1.13%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	98.84	99.48	98.98
Lowest share price (pence)	97.08	96.76	96.12

[A]The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Target Return Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	105.50	103.14	104.45[A]
Return before operating charges*	2.11	3.02	(0.51)
Operating charges	(0.66)	(0.66)	(0.65)
Return after operating charges*	1.45	2.36	(1.16)
Distributions on accumulation shares	(1.57)	(1.28)	(0.75)
Retained distributions on accumulation shares	1.57	1.28	0.60
Closing net asset value per share	106.95	105.50	103.14
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.37%	2.29%	(1.11%)
Other information			
Closing net asset value (£'000s)	8,473	19,711	32,109
Closing number of shares	7,922,608	18,682,666	31,131,893
Operating charges	0.62%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	107.22	106.72	104.58
Lowest share price (pence)	104.54	103.32	101.93

[A] The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Target Return Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	96.42	95.42	97.20[A]
Return before operating charges*	1.92	2.79	(0.62)
Operating charges	(0.60)	(0.61)	(0.60)
Return after operating charges*	1.32	2.18	(1.22)
Distributions on income shares	(1.43)	(1.18)	(0.56)
Closing net asset value per share	96.31	96.42	95.42
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.38%	2.28%	(1.26%)
Other information			
Closing net asset value (£'000s)	3,073	9,387	10,604
Closing number of shares	3,190,752	9,735,252	11,113,152
Operating charges	0.62%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	97.39	98.06	97.32
Lowest share price (pence)	95.54	95.14	94.59

[A] The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Target Return Bond Fund

I Gross Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	121.17	118.46	119.77[A]
Return before operating charges*	2.44	3.47	(0.56)
Operating charges	(0.76)	(0.76)	(0.75)
Return after operating charges*	1.68	2.71	(1.31)
Distributions on accumulation shares	(1.81)	(1.47)	(0.86)
Retained distributions on accumulation shares	1.81	1.47	0.86
Closing net asset value per share	122.85	121.17	118.46
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.39%	2.29%	(1.09%)
Other information			
Closing net asset value (£'000s)	17,221	70,799	36,290
Closing number of shares	14,017,903	58,428,503	30,635,103
Operating charges	0.62%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	123.14	122.56	119.92
Lowest share price (pence)	120.06	118.81	117.03

[A] The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Target Return Bond Fund

I Gross Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	95.68	94.69	96.44[A]
Return before operating charges*	1.91	2.76	(0.46)
Operating charges	(0.60)	(0.60)	(0.60)
Return after operating charges*	1.31	2.16	(1.06)
Distributions on income shares	(1.42)	(1.17)	(0.69)
Closing net asset value per share	95.57	95.68	94.69
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.37%	2.28%	(1.10%)
Other information			
Closing net asset value (£'000s)	110	161	1,964
Closing number of shares	115,303	167,903	2,074,403
Operating charges	0.62%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	96.64	97.30	96.55
Lowest share price (pence)	94.79	94.42	93.91

[A] The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Target Return Bond Fund

K Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	103.20	100.68	100.00[B]
Return before operating charges*	2.04	3.12	1.26
Operating charges	(0.59)	(0.60)	(0.58)
Return after operating charges*	1.45	2.52	0.68
Distributions on accumulation shares	(1.60)	(1.44)	-
Retained distributions on accumulation shares	1.60	1.44	-
Closing net asset value per share	104.65	103.20	100.68
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.41%	2.50%	0.68%
Other information			
Closing net asset value (£'000s)	25	26	23
Closing number of shares	24,044	25,429	22,588
Operating charges	0.57%	0.58%	0.58%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	104.90	104.38	100.97
Lowest share price (pence)	102.26	100.87	99.52

[A] K Accumulation share class launched on 23 March 2016.
[B] The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Target Return Bond Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	130.10	126.58	127.72[A]
Return before operating charges*	2.60	3.69	(0.68)
Operating charges	(0.16)	(0.17)	(0.16)
Return after operating charges*	2.44	3.52	(0.84)
Distributions on accumulation shares	(2.60)	(2.20)	(1.51)
Retained distributions on accumulation shares	2.60	2.20	1.21
Closing net asset value per share	132.54	130.10	126.58
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	1.88%	2.78%	(0.66%)
Other information			
Closing net asset value (£'000s)	145,066	77,064	66,865
Closing number of shares	109,450,425	59,233,225	52,825,525
Operating charges	0.12%	0.13%	0.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	132.84	131.55	127.88
Lowest share price (pence)	128.98	126.80	124.92

[A]The opening net asset value stated is the share class launch price.
Fund launched on 28 August 2015.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen Target Return Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 94.10% (2017: 92.66%)					
Bonds 94.10% (2017: 92.66%)					
Asset Backed Bonds / Mortgage Backed Bonds 0.75% (2017: 1.32%)					
United Kingdom 0.16% (2017: 1.32%)					
Orbita Funding 2016-1	FRN	15/12/35	278,517	**279**	**0.16**
United States 0.59% (2017: nil)					
Sequoia Mortgage Trust 2018-6	VAR	25/07/48	1,348,886	**1,032**	**0.59**
Total Asset Backed Bonds / Mortgage Backed Bonds				**1,311**	**0.75**
Corporate Bonds 90.96% (2017: 87.06%)					
Argentina 0.35% (2017: nil)					
Cablevision	6.5000	15/06/21	800,000	**607**	**0.35**
Australia 1.55% (2017: 1.61%)					
BHP Billiton Finance	VAR	22/04/76	1,390,000	1,362	0.78
QBE Insurance	VAR	24/05/42	1,250,000	1,353	0.77
				2,715	**1.55**
Belgium 0.30% (2017: 0.64%)					
KBC Bank	VAR	PERP	500,000	**522**	**0.30**
Brazil 0.62% (2017: 1.13%)					
Marfrig	6.8750	24/06/19	1,400,000	**1,083**	**0.62**
Canada 2.16% (2017: 0.69%)					
Bank of Montreal (EMTN)	1.3750	29/12/21	500,000	496	0.28
Cenovus Energy	3.0000	15/08/22	1,900,000	1,382	0.79
Glencore Canada Financial (EMTN)∞	7.3750	27/05/20	1,740,000	1,905	1.09
				3,783	**2.16**
China 1.79% (2017: 1.01%)					
CNAC HK Finbridge	1.7500	14/06/22	680,000	609	0.35
CNPC General Capital	2.7500	14/05/19	1,400,000	1,061	0.60
Sinopec Group Overseas Development 2014	2.7500	10/04/19	1,200,000	912	0.52
Yunnan Energy Investment Overseas Finance	3.7500	14/11/20	800,000	560	0.32
				3,142	**1.79**
Denmark 1.41% (2017: 0.62%)					
Danske Bank	VAR	PERP	870,000	811	0.46
Danske Bank (EMTN)	VAR	29/09/21	919,000	923	0.53
Nykredit Realkredit	0.5000	19/01/22	836,000	743	0.42
				2,477	**1.41**

Aberdeen Target Return Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
France 9.88% (2017: 4.46%)					
AXA (EMTN)	VAR	PERP	2,000,000	2,108	1.20
Banque Federative du Credit Mutuel (EMTN)	1.3750	20/12/21	500,000	496	0.28
CNP Assurances	VAR	30/09/41	1,800,000	2,025	1.15
Credit Agricole∞	VAR	PERP	2,200,000	2,339	1.33
Engie	VAR	PERP	900,000	910	0.52
Natixis (EMTN)	5.8750	24/02/20	1,000,000	1,070	0.61
RCI Banque (EMTN)∞	1.8750	08/11/22	1,852,000	1,846	1.05
RCI Banque (EMTN)	0.7500	26/09/22	615,000	549	0.31
Renault (EMTN)	1.0000	18/04/24	900,000	795	0.45
Societe Generale	VAR	PERP	3,450,000	3,365	1.93
TOTAL (EMTN)	VAR	PERP	2,000,000	1,837	1.05
				17,340	**9.88**
Germany 6.58% (2017: 7.57%)					
ADO Properties	1.5000	26/07/24	600,000	522	0.30
Bayer (EMTN)	VAR	01/07/75	300,000	276	0.16
Bayer US Finance	3.8750	15/12/23	1,296,000	991	0.56
Deutsche Bank	1.7500	16/12/21	2,100,000	2,049	1.17
Deutsche Telekom International Finance (EMTN)	7.3750	04/12/19	1,170,000	1,263	0.72
Grand City (EMTN)	1.3750	03/08/26	400,000	343	0.20
Unitymedia Hessen	4.0000	15/01/25	1,500,000	1,401	0.80
Volkswagen Bank (EMTN)	0.6250	08/09/21	900,000	805	0.46
Volkswagen International Finance	VAR	PERP	2,000,000	1,790	1.02
Volkswagen International Finance	VAR	PERP	400,000	355	0.20
Vonovia Finance	VAR	PERP	1,000,000	952	0.54
Vonovia Finance (EMTN)	0.8750	03/07/23	900,000	798	0.45
				11,545	**6.58**
Guatemala 0.72% (2017: nil)					
Comcel Trust	6.8750	06/02/24	1,600,000	**1,266**	**0.72**
Hong Kong 0.21% (2017: 1.07%)					
Shimao Property	8.3750	10/02/22	460,000	**368**	**0.21**
Iceland 0.72% (2017: nil)					
Arion Bank (EMTN)	1.0000	20/03/23	1,441,000	**1,263**	**0.72**
India 0.99% (2017: 0.90%)					
ICICI Bank Dubai (EMTN)	4.8000	22/05/19	900,000	693	0.39
NTPC (EMTN)	5.6250	14/07/21	1,310,000	1,041	0.60
				1,734	**0.99**
Indonesia 0.90% (2017: nil)					
Bank Rakyat Indonesia Persero	4.6250	20/07/23	837,000	642	0.37
Pertamina Persero	5.2500	23/05/21	1,200,000	945	0.53
				1,587	**0.90**

Aberdeen Target Return Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Israel 0.27% (2017: nil)					
Teva Pharmaceutical Finance Netherlands II	0.3750	25/07/20	550,000	**482**	**0.27**
Italy 4.15% (2017: 3.37%)					
Intesa Sanpaolo	6.5000	24/02/21	2,170,000	1,721	0.98
Intesa Sanpaolo∞	VAR	PERP	700,000	664	0.38
Italgas (EMTN)	1.1250	14/03/24	1,300,000	1,151	0.66
Telecom Italia (EMTN)	6.3750	24/06/19	2,100,000	2,180	1.23
UniCredit (EMTN)	VAR	03/01/27	1,700,000	1,574	0.90
				7,290	**4.15**
Kazakhstan nil (2017: 0.51%)					
Kuwait nil (2017: 0.52%)					
Luxembourg 2.08% (2017: 0.40%)					
Altice	7.7500	15/05/22	900,000	683	0.39
ArcelorMittal (EMTN)∞	3.1250	14/01/22	1,150,000	1,100	0.63
SELP Finance	1.2500	25/10/23	2,100,000	1,865	1.06
				3,648	**2.08**
Mexico 1.46% (2017: 1.00%)					
America Movil	VAR	06/09/73	950,000	1,015	0.58
Petroleos Mexicanos	2.5000	24/11/22	1,727,000	1,545	0.88
				2,560	**1.46**
Netherlands 3.86% (2017: 4.76%)					
ABN AMRO Bank	VAR	27/03/28	1,400,000	1,050	0.60
Cooperatieve Rabobank	VAR	PERP	2,000,000	1,626	0.93
Koninklijke	VAR	PERP	3,000,000	2,694	1.53
Rabobank Nederland	VAR	26/05/26	1,500,000	1,397	0.80
				6,767	**3.86**
Russian Federation 0.55% (2017: 1.23%)					
Lukoil International Finance	7.2500	05/11/19	1,200,000	**957**	**0.55**
Spain 1.04% (2017: 1.61%)					
FCC Aqualia	1.4130	08/06/22	1,246,000	1,128	0.64
Telefonica Europe	VAR	PERP	800,000	694	0.40
				1,822	**1.04**
Sri Lanka 0.61% (2017: nil)					
National Savings Bank	8.8750	18/09/18	1,400,000	**1,070**	**0.61**
Sweden 1.95% (2017: 2.21%)					
Nordea Bank (EMTN)∞	VAR	PERP	2,500,000	1,909	1.09
Volvo Treasury∞	VAR	10/06/75	1,600,000	1,514	0.86
				3,423	**1.95**

Aberdeen Target Return Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Switzerland 2.95% (2017: 2.03%)					
Credit Suisse Group	VAR	PERP	1,000,000	765	0.44
Glencore Finance Europe (EMTN)	6.5000	27/02/19	1,500,000	1,541	0.88
UBS	VAR	PERP	800,000	788	0.45
UBS	VAR	PERP	800,000	633	0.36
UBS London (EMTN)	1.2500	10/12/20	500,000	497	0.28
Zurich Finance UK (EMTN)	VAR	PERP	845,000	955	0.54
				5,179	**2.95**
Turkey nil (2017: 0.52%)					
United Arab Emirates 0.37% (2017: 0.37%)					
National Bank of Abu Dhabi (EMTN)	3.0000	30/03/22	880,000	**656**	**0.37**
United Kingdom 20.45% (2017: 21.02%)					
Aviva (EMTN)	VAR	03/06/41	1,100,000	1,210	0.69
Barclays Bank∞	7.6250	21/11/22	1,250,000	1,032	0.59
Barclays Bank (EMTN)	VAR	PERP	1,100,000	1,138	0.65
Barclays (EMTN)	VAR	06/10/23	1,243,000	1,226	0.70
Barclays (EMTN)	VAR	07/02/28	1,220,000	1,041	0.59
Centrica (EMTN)	7.0000	19/09/18	1,500,000	1,511	0.86
CPUK Finance	4.2500	28/02/47	546,000	544	0.31
CYBG	VAR	09/02/26	320,000	329	0.19
Friends Life	VAR	PERP	2,250,000	1,731	0.99
HBOS Capital Funding	VAR	PERP	2,790,000	2,824	1.60
HSBC	VAR	13/03/23	2,396,000	1,796	1.02
HSBC	VAR	27/06/23	1,530,000	1,525	0.87
Legal & General (EMTN)	VAR	23/07/41	1,200,000	1,457	0.83
Lloyds Bank (EMTN)	FRN	27/03/23	2,500,000	2,497	1.42
Lloyds Bank (MTN)	3.2500	01/04/20	1,000,000	571	0.33
Lloyds Banking (EMTN)	VAR	15/01/24	1,860,000	1,620	0.92
National Westminster Bank	6.5000	07/09/21	2,000,000	2,253	1.28
PGH Capital	5.7500	07/07/21	1,500,000	1,652	0.94
Royal Bank of Scotland	6.1000	10/06/23	1,120,000	904	0.52
Saga	3.3750	12/05/24	1,000,000	951	0.54
SSE	VAR	PERP	2,060,000	2,099	1.20
Standard Chartered	2.1000	19/08/19	812,000	612	0.35
Tesco (EMTN)	6.1250	24/02/22	2,000,000	2,260	1.29
Tesco (EMTN)	5.5000	13/12/19	750,000	790	0.45
Vodafone	2.5000	26/09/22	1,555,000	1,136	0.65
Yorkshire Building Society (EMTN)∞	0.8750	20/03/23	1,327,000	1,176	0.67
				35,885	**20.45**
United States 23.04% (2017: 27.81%)					
Anadarko Petroleum	4.8500	15/03/21	1,100,000	864	0.49
AT&T	3.2000	01/03/22	1,132,000	850	0.48
AXA Equitable	3.9000	20/04/23	570,000	432	0.25
Ball	5.0000	15/03/22	777,000	609	0.35

Aberdeen Target Return Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Ball	4.3750	15/12/20	6,000	5	-
Bank of America (MTN)	FRN	21/10/22	2,410,000	1,867	1.06
Capital One National Association	2.6500	08/08/22	900,000	658	0.37
Cardinal Health	FRN	15/06/22	2,420,000	1,839	1.05
CCO Capital	5.1250	15/02/23	2,270,000	1,722	0.98
Centene	5.6250	15/02/21	1,100,000	857	0.49
Citbank	3.4000	23/07/21	700,000	534	0.30
Citigroup	FRN	01/09/23	2,400,000	1,876	1.07
Continental Resources	5.0000	15/09/22	1,915,000	1,481	0.84
Continental Resources	4.5000	15/04/23	800,000	620	0.35
Crown Castle International	2.2500	01/09/21	680,000	497	0.28
CSC	10.8750	15/10/25	635,000	562	0.32
CVS Health	FRN	09/03/21	3,249,000	2,493	1.43
Dollar Tree	3.7000	15/05/23	958,000	725	0.41
Exelon	3.4970	01/06/22	764,000	576	0.33
General Motors Financial (EMTN)	FRN	10/05/21	1,122,000	1,006	0.57
Halliburton	3.5000	01/08/23	999,000	759	0.43
HCA	5.2500	15/04/25	1,260,000	982	0.56
JPMorgan Chase	VAR	PERP	2,500,000	1,923	1.11
JPMorgan Chase	FRN	24/10/23	2,405,000	1,872	1.07
JPMorgan Chase	FRN	18/06/22	1,190,000	907	0.52
JPMorgan Chase	3.5000	01/12/48	1,403,301	1,053	0.60
Kinder Morgan Energy	3.5000	01/03/21	2,000,000	1,526	0.87
Lennar	4.7500	01/04/21	600,000	462	0.26
Maple Escrow	4.0570	25/05/23	629,000	482	0.27
MPLX	4.5000	15/07/23	595,000	464	0.26
Penske Truck Leasing	3.3750	01/02/22	1,000,000	751	0.43
Perrigo Finance	3.5000	15/12/21	633,000	476	0.27
Sabine Pass Liquefaction	6.2500	15/03/22	2,000,000	1,646	0.94
Sprint Communications	9.0000	15/11/18	185,000	143	0.08
Verizon Communications	FRN	16/03/22	1,755,000	1,363	0.78
Walmart	3.4000	26/06/23	1,765,000	1,352	0.77
Walt Disney	2.7580	07/10/24	2,980,000	1,699	0.97
Wells Fargo (EMTN)	1.3750	30/06/22	1,300,000	1,270	0.72
Welltower	3.7500	15/03/23	1,650,000	1,243	0.71
				40,446	**23.04**
Total Corporate Bonds				**159,617**	**90.96**
Government Bonds 2.39% (2017: 4.28%)					
China 0.65% (2017: nil)					
China Development Bank (EMTN)	0.3750	16/11/21	1,294,000	**1,147**	**0.65**
India 0.51% (2017: 0.50%)					
Export-Import Bank of India (EMTN)	2.7500	01/04/20	1,200,000	**897**	**0.51**

Aberdeen Target Return Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Nigeria nil (2017: 0.75%)					
Serbia nil (2017: 1.01%)					
South Korea 0.41% (2017: 0.60%)					
Korea Water Resources	2.7500	23/05/22	983,000	722	0.41
Sweden 0.82% (2017: 0.42%)					
Svensk Exportkredit (EMTN)	VAR	14/11/23	1,870,000	1,421	0.82
Turkey nil (2017: 1.00%)					
Total Government Bonds				4,187	2.39
Total Bonds				165,115	94.10
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				165,115	94.10
Other transferable securities and money market instruments 1.17% (2017: 2.82%)					
Bonds 1.17% (2017: 2.82%)					
Asset Backed Bonds / Mortgage Backed Bonds 0.37% (2017: 0.81%)					
Luxembourg nil (2017: 0.39%)					
United Kingdom 0.37% (2017: 0.42%)					
Offa No 1	FRN	14/06/50	645,805	650	0.37
Total Asset Backed Bonds / Mortgage Backed Bonds				650	0.37
Corporate Bonds 0.80% (2017: 2.01%)					
Netherlands nil (2017: 0.88%)					
Sweden nil (2017: 0.51%)					
United States 0.80% (2017: 0.62%)					
AT&T	FRN	05/09/23	1,554,000	1,401	0.80
Total Corporate Bonds				1,401	0.80
Total Bonds				2,051	1.17
Total Other transferable securities and money market instruments				2,051	1.17
Open Ended Investment Funds 1.77% (2017: 1.39%)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-3†	0.0000	00/01/00	3,101	3,101	1.77
Total Open Ended Investment Funds				3,101	1.77

Aberdeen Target Return Bond Fund

Derivatives (0.97%) (2017: (2.24%))

Future contracts (0.09%) (2017: (0.15%))

Future	Maturity	Notional	Unrealised Gains/(Losses) £'000	Total Net Assets %
CBT US 10 Year Note	19/09/18	(200)	17	0.01
CBT US 10 Year Ultra	19/09/18	110	(109)	(0.06)
CBT US 2 Year Note	28/09/18	34	(8)	-
CBT US 5 Year Note	28/09/18	(443)	54	0.03
EUX Euro-Bobl	06/09/18	(167)	(7)	-
EUX Euro-BTP	06/09/18	(76)	70	0.04
EUX Euro-Bund	06/09/18	(15)	8	-
EUX Euro-OAT	06/09/18	(63)	(30)	(0.02)
EUX Euro-Schatz	06/09/18	(120)	9	0.01
ICE Long Gilt	26/09/18	(54)	(86)	(0.05)
MSE Canada 10 Year Bond	19/09/18	(15)	(18)	(0.01)
OSE Japan 10 Year Bond	12/09/18	(12)	(1)	-
SFE Australia 10 Year Bond	17/09/18	(153)	(146)	(0.09)
SFE Australia 3 Year Bond	17/09/18	499	91	0.05
Unrealised losses on future contracts			**(156)**	**(0.09)**

Forward currency exchange contracts (0.37%) (2017: (0.08%))

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Barclays Capital	CNH	GBP	24/08/18	3,776,000	438,849	(17)	(0.01)
Barclays Capital	EUR	GBP	24/08/18	168,000	147,949	2	-
Barclays Capital	MXN	GBP	24/08/18	4,869,000	175,420	23	0.01
Barclays Capital	USD	CAD	24/08/18	2,311,275	3,008,000	-	-
Barclays Capital	ZAR	USD	24/08/18	17,610,000	1,306,812	25	0.01
Barclays Capital	ZAR	USD	24/08/18	15,715,000	1,155,387	31	0.02
BNP Paribas	EUR	NZD	24/08/18	3,820,000	6,494,699	43	0.02
BNP Paribas	EUR	GBP	24/08/18	2,626,000	2,305,854	38	0.02
BNP Paribas	EUR	GBP	24/08/18	224,000	196,648	3	-
BNP Paribas	GBP	EUR	14/08/18	20,916,496	23,604,000	(147)	(0.08)
BNP Paribas	GBP	EUR	14/08/18	606,480	682,000	(2)	-
BNP Paribas	GBP	USD	14/08/18	138,231	182,000	-	-
BNP Paribas	GBP	USD	24/08/18	363,794	485,000	(6)	-
BNP Paribas	GBP	EUR	24/08/18	334,521	383,000	(7)	-
BNP Paribas	GBP	EUR	24/08/18	220,720	247,000	-	-
BNP Paribas	GBP	EUR	24/08/18	118,956	136,000	(2)	-
BNP Paribas	GBP	EUR	24/08/18	104,228	119,000	(2)	-
BNP Paribas	USD	GBP	14/08/18	228,000	173,210	1	-
BNP Paribas	USD	GBP	24/08/18	2,643,000	2,022,308	(9)	(0.01)
Citigroup	GBP	EUR	14/08/18	20,912,305	23,603,000	(150)	(0.09)
Citigroup	GBP	CAD	14/08/18	1,748,431	3,041,000	(32)	(0.02)
Citigroup	GBP	CNH	24/08/18	1,785,828	15,490,000	55	0.03
Citigroup	GBP	USD	24/08/18	217,379	291,000	(4)	-
Citigroup	GBP	USD	24/08/18	115,723	156,000	(3)	-
Citigroup	KRW	USD	24/08/18	5,303,128,000	4,914,854	(125)	(0.07)
Citigroup	USD	BRL	24/08/18	1,162,411	4,416,000	(8)	-
Deutsche Bank	AUD	JPY	24/08/18	3,164,000	256,112,511	46	0.03

Aberdeen Target Return Bond Fund

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Deutsche Bank	CNH	USD	24/08/18	11,714,000	1,717,200	1	-
Deutsche Bank	EUR	USD	24/08/18	1,991,000	2,350,218	(13)	(0.01)
Deutsche Bank	GBP	EUR	24/08/18	1,771,448	2,008,000	(21)	(0.01)
Deutsche Bank	GBP	JPY	24/08/18	1,331,972	194,480,000	7	-
Deutsche Bank	GBP	NZD	24/08/18	880,166	1,685,000	7	-
Deutsche Bank	ILS	SEK	24/08/18	16,648,000	41,355,297	(133)	(0.08)
Deutsche Bank	JPY	AUD	24/08/18	482,179,010	5,806,000	(2)	-
Deutsche Bank	JPY	EUR	24/08/18	384,955,208	2,992,000	(48)	(0.03)
Deutsche Bank	PLN	GBP	24/08/18	6,932,000	1,413,201	31	0.02
Deutsche Bank	PLN	USD	24/08/18	6,538,000	1,760,244	22	0.01
Deutsche Bank	USD	EUR	24/08/18	4,492,346	3,809,000	21	0.01
Deutsche Bank	USD	EUR	24/08/18	3,508,868	2,992,000	1	-
Deutsche Bank	USD	ZAR	24/08/18	1,472,569	18,915,000	25	0.01
Goldman Sachs	AUD	GBP	24/08/18	257,000	143,165	2	-
Goldman Sachs	CAD	GBP	24/08/18	280,000	162,107	2	-
Goldman Sachs	GBP	SEK	24/08/18	443,185	5,166,000	(5)	-
Goldman Sachs	GBP	CAD	24/08/18	145,080	252,000	(2)	-
Goldman Sachs	USD	GBP	14/08/18	1,045,000	794,950	1	-
Goldman Sachs	USD	KRW	24/08/18	4,921,240	5,303,128,000	130	0.07
Goldman Sachs	USD	BRL	24/08/18	1,169,948	4,368,000	8	-
HSBC	AUD	GBP	24/08/18	352,000	199,203	-	-
HSBC	CAD	USD	24/08/18	5,801,000	4,502,082	(34)	(0.02)
HSBC	EUR	GBP	14/08/18	210,000	186,619	1	-
HSBC	EUR	SEK	24/08/18	5,059,726	52,262,000	(21)	(0.01)
HSBC	GBP	USD	14/08/18	23,859,124	31,622,000	(235)	(0.12)
HSBC	GBP	EUR	24/08/18	16,089,740	18,259,000	(209)	(0.11)
HSBC	GBP	PLN	24/08/18	3,396,667	16,626,000	(67)	(0.04)
HSBC	GBP	CAD	24/08/18	3,251,801	5,662,000	(62)	(0.04)
HSBC	GBP	AUD	24/08/18	492,559	893,000	(13)	(0.01)
HSBC	ZAR	GBP	24/08/18	4,750,000	262,030	13	0.01
JPM Chase	CAD	GBP	24/08/18	294,000	171,987	-	-
JPM Chase	EUR	GBP	24/08/18	167,000	146,707	2	-
JPM Chase	GBP	USD	14/08/18	23,859,718	31,622,000	(234)	(0.12)
JPM Chase	NZD	AUD	24/08/18	6,898,557	6,300,000	9	0.01
JPM Chase	SEK	PLN	24/08/18	38,772,958	16,205,000	(9)	(0.01)
JPM Chase	USD	GBP	14/08/18	126,000	95,892	-	-
JPM Chase	USD	ZAR	24/08/18	1,502,951	19,160,000	34	0.02
JPM Chase	USD	GBP	24/08/18	308,000	234,552	-	-
Merrill Lynch	EUR	GBP	24/08/18	1,012,000	885,705	18	0.01
Merrill Lynch	EUR	GBP	24/08/18	129,000	113,712	1	-
Merrill Lynch	GBP	ILS	24/08/18	3,420,885	16,635,000	(34)	(0.02)
Merrill Lynch	GBP	USD	24/08/18	2,651,623	3,520,000	(29)	(0.02)
Merrill Lynch	GBP	JPY	24/08/18	450,721	64,860,000	9	-
Merrill Lynch	GBP	USD	24/08/18	314,335	417,000	(3)	-
Merrill Lynch	GBP	CAD	24/08/18	177,320	310,000	(4)	-
Merrill Lynch	JPY	AUD	24/08/18	489,496,489	5,926,000	(20)	(0.01)
Merrill Lynch	NZD	GBP	24/08/18	13,327,000	6,764,236	146	0.08
Merrill Lynch	USD	GBP	24/08/18	15,852,000	11,671,673	400	0.24

Aberdeen Target Return Bond Fund

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Morgan Stanley	AUD	JPY	24/08/18	4,732,000	381,674,555	79	0.04
Morgan Stanley	CZK	PLN	24/08/18	102,794,541	17,127,000	15	0.01
Morgan Stanley	EUR	USD	24/08/18	2,017,000	2,358,405	4	-
Morgan Stanley	EUR	GBP	24/08/18	195,000	171,473	3	-
Morgan Stanley	EUR	GBP	24/08/18	122,000	106,843	2	-
Morgan Stanley	GBP	EUR	14/08/18	729,274	825,000	(7)	-
Morgan Stanley	GBP	USD	14/08/18	727,289	950,000	3	-
Morgan Stanley	GBP	USD	14/08/18	521,328	681,000	2	-
Morgan Stanley	GBP	USD	14/08/18	187,185	248,000	(2)	-
Morgan Stanley	GBP	JPY	24/08/18	2,983,057	443,262,000	(37)	(0.02)
Morgan Stanley	GBP	USD	24/08/18	241,316	322,000	(4)	-
Morgan Stanley	GBP	EUR	24/08/18	139,361	159,000	(3)	-
Morgan Stanley	GBP	EUR	24/08/18	97,072	110,000	(1)	-
Morgan Stanley	USD	GBP	14/08/18	1,137,000	857,577	9	-
Morgan Stanley	USD	GBP	24/08/18	311,000	232,174	5	-
Morgan Stanley	USD	GBP	24/08/18	295,000	220,761	4	-
Morgan Stanley	USD	GBP	24/08/18	179,000	133,544	3	-
Royal Bank of Canada	EUR	GBP	24/08/18	312,000	273,256	5	-
Royal Bank of Canada	EUR	GBP	24/08/18	137,000	122,421	-	-
Royal Bank of Canada	EUR	GBP	24/08/18	113,000	99,664	1	-
Royal Bank of Canada	GBP	EUR	24/08/18	193,300	220,000	(3)	-
Royal Bank of Canada	GBP	USD	24/08/18	95,683	127,000	(1)	-
Royal Bank of Canada	GBP	EUR	24/08/18	95,558	108,000	(1)	-
Royal Bank of Canada	USD	GBP	24/08/18	160,000	120,364	1	-
State Street	AUD	GBP	24/08/18	1,888,000	1,058,083	11	0.01
State Street	AUD	GBP	24/08/18	386,000	216,617	2	-
State Street	CAD	GBP	24/08/18	160,000	92,510	1	-
State Street	EUR	GBP	24/08/18	116,000	103,094	-	-
State Street	GBP	EUR	24/08/18	106,887	122,000	(2)	-
State Street	JPY	USD	24/08/18	494,070,000	4,525,860	(80)	(0.05)
State Street	USD	GBP	14/08/18	781,000	592,438	3	-
State Street	USD	GBP	14/08/18	727,000	549,385	5	-
State Street	USD	GBP	24/08/18	281,000	213,450	1	-
State Street	USD	GBP	24/08/18	220,000	164,850	3	-
UBS	CHF	CAD	24/08/18	4,609,384	6,066,000	3	-
UBS	EUR	GBP	24/08/18	1,994,000	1,771,079	9	0.01
UBS	EUR	GBP	24/08/18	129,000	115,170	-	-
UBS	GBP	USD	14/08/18	23,861,790	31,621,000	(231)	(0.12)
UBS	GBP	USD	14/08/18	878,925	1,153,000	-	-
UBS	GBP	AUD	14/08/18	562,781	1,006,000	(7)	-
UBS	GBP	EUR	24/08/18	295,859	339,000	(7)	-
UBS	GBP	USD	24/08/18	201,063	268,000	(3)	-
UBS	GBP	AUD	24/08/18	188,006	331,000	1	-
UBS	GBP	EUR	24/08/18	187,686	211,000	(1)	-
UBS	GBP	EUR	24/08/18	143,216	163,000	(2)	-
UBS	GBP	USD	24/08/18	89,178	117,000	-	-
UBS	SEK	GBP	24/08/18	91,437,000	7,825,905	114	0.06
Unrealised losses on forward currency exchange contracts						**(657)**	**(0.37)**

Aberdeen Target Return Bond Fund

Swaps (0.51%) (2017: (2.01%))

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) £'000	Total Net Assets %
Barclays Capital	EUR	20/06/22	5,000,000	1.0000	Itraxx Europe Series 27	(101)	(0.06)
Barclays Capital	EUR	20/06/22	1,600,000	Lynx	5.0000	188	0.11
Barclays Capital	EUR	29/06/22	50,180,000	EUR EONIA	0.2020	(68)	(0.04)
Barclays Capital	EUR	18/09/28	10,410,000	06 Month EUR Eibor	1.0260	50	0.03
Barclays Capital	GBP	07/06/20	2,250,000	0.8530	06 Month GBP Libor	9	0.01
Barclays Capital	GBP	07/12/22	1,730,000	1.0560	06 Month GBP Libor	20	0.01
Barclays Capital	GBP	07/12/22	1,650,000	1.0560	06 Month GBP Libor	19	0.01
Barclays Capital	GBP	01/05/23	20,310,000	1.3370	06 Month GBP Libor	26	0.02
Barclays Capital	GBP	15/07/23	14,780,000	UK RPI	3.3425	5	-
Barclays Capital	GBP	01/05/48	3,770,000	06 Month GBP Libor	1.6410	(35)	(0.02)
Barclays Capital	SEK	18/09/28	107,620,000	1.2825	03 Month SEK Stibo	(25)	(0.01)
Barclays Capital	USD	11/10/19	3,500,000	1.1470	03 Month USD Libor	50	0.03
Barclays Capital	USD	21/04/20	9,500,000	1.2910	03 Month USD Libor	189	0.11
Barclays Capital	USD	30/09/20	8,400,000	1.6620	03 Month USD Libor	166	0.09
Barclays Capital	USD	21/10/21	3,600,000	1.5550	03 Month USD Libor	117	0.07
Barclays Capital	USD	11/10/22	2,500,000	1.3470	03 Month USD Libor	122	0.07
Barclays Capital	USD	30/12/22	2,250,000	1.8540	03 Month USD Libor	79	0.05
Barclays Capital	USD	17/05/23	5,000,000	2.0020	03 Month USD Libor	165	0.09
Barclays Capital	USD	20/06/23	75,000,000	1.0000	Noth American Investment Grade Series 30	(1,073)	(0.61)
Barclays Capital	USD	19/09/23	15,800,000	1.9640	03 Month USD Libor	15	0.01
Barclays Capital	USD	17/05/24	2,400,000	2.0790	03 Month USD Libor	88	0.05
Barclays Capital	USD	20/06/28	13,780,000	03 Month USD Libor	2.8675	(170)	(0.10)
Citigroup	EUR	20/06/22	4,000,000	1.0000	Vodafone	(75)	(0.04)
Citigroup	EUR	20/06/23	31,060,000	1.0000	Itraxx Europe Series 29	(524)	(0.30)
Citigroup	EUR	15/04/27	10,580,000	EUR EXT CPI	1.3450	(347)	(0.20)
Citigroup	PLN	11/06/20	224,370,000	03 Month PLN Wibor	2.0120	5	-
Citigroup	USD	20/06/23	4,000,000	5.0000	North American High Yield Series 30	(214)	(0.12)
Deutsche Bank	AUD	17/12/19	63,250,000	03 Month AUD BBR	2.1110	16	0.01
Goldman Sachs	CAD	03/01/20	80,260,000	03 Month CAD BA	2.2680	(74)	(0.04)
Goldman Sachs	CAD	03/01/20	77,930,000	03 Month CAD BA	2.2680	(72)	(0.04)
Goldman Sachs	USD	30/06/19	7,000,000	1.5210	03 Month USD Libor	54	0.03
Goldman Sachs	USD	30/03/20	6,250,000	1.6150	03 Month USD Libor	94	0.05
Goldman Sachs	USD	30/03/21	5,250,000	1.7150	03 Month USD Libor	124	0.07
Goldman Sachs	USD	30/06/22	11,500,000	1.8180	03 Month USD Libor	369	0.21
Goldman Sachs	USD	10/08/22	20,000,000	03 Month USD Libor	1.9030	(613)	(0.35)
Goldman Sachs	USD	02/07/23	9,830,000	2.7440	03 Month USD Libor	78	0.04
Goldman Sachs	USD	10/08/27	20,620,000	2.2350	03 Month USD Libor	976	0.56
Goldman Sachs	USD	10/08/47	4,310,000	03 Month USD Libor	2.5310	(333)	(0.19)

Aberdeen Target Return Bond Fund

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) £'000	Total Net Assets %
UBS	AUD	05/10/23	33,260,000	06 Month AUD BBR	2.5100	(35)	(0.02)
UBS	CAD	26/07/20	77,930,000	03 Month CAD BA	2.5575	(20)	(0.01)
UBS	GBP	18/06/28	9,450,000	1.5675	06 Month GBP Libor	14	0.01
UBS	NZD	05/10/23	36,950,000	2.5940	03 Month NZD BBR	8	-
UBS	USD	23/05/20	104,110,000	03 Month USD Libor	2.8100	(66)	(0.04)
UBS	USD	10/08/22	4,170,000	03 Month USD Libor	1.9030	(128)	(0.07)
UBS	USD	04/09/23	25,670,000	03 Month USD Libor	2.8200	(150)	(0.09)
UBS	USD	10/08/27	2,700,000	2.2350	03 Month USD Libor	128	0.07
UBS	USD	04/09/28	13,800,000	2.9345	03 Month USD Libor	90	0.05
UBS	USD	10/08/47	430,000	03 Month USD Libor	2.5300	(33)	(0.02)
Unrealised losses on swap contracts						**(892)**	**(0.51)**
Unrealised losses on derivatives						**(1,705)**	**(0.97)**
Total investments[≠]						**168,562**	**96.07**
Other net assets						**6,893**	**3.93**
Total net assets						**175,455**	**100.00**

[†] Managed by subsidiaries of Standard Life Aberdeen plc.
[∞] A portion of this security is on loan at the year end.
[≠] Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen Target Return Bond Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	7,296	4.33	4.16

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Germany (Federal Republic of)	2,305	Government Bond	Investment grade	BNP Paribas
France (Government of)	1,957	Government Bond	Investment grade	BNP Paribas
Netherlands (Kingdom of)	1,541	Government Bond	Investment grade	BNP Paribas
UK Treasury	993	Government Bond	Investment grade	BNP Paribas
Sweden (Kingdom of)	542	Government Bond	Investment grade	BNP Paribas
Luxembourg (Grand Duchy of)	444	Government Bond	Investment grade	BNP Paribas
Australia (Commonwealth of)	128	Government Bond	Investment grade	BNP Paribas
Norway (Kingdom of)	54	Government Bond	Investment grade	BNP Paribas
Total collateral received	**7,964**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	7,964	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	128
EUR	6,789
GBP	993
NOK	54
Total collateral received	**7,964**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
JPM Chase	3,557	United States	Tri-party
BNP Paribas	2,610	France	Tri-party
Barclays	1,129	United Kingdom	Tri-party
Total market value of securities lending	**7,296**		

Aberdeen Target Return Bond Fund

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	201

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	7,763	-	**7,964**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	7,296	-	**7,296**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	21	125.00
Direct operational costs (securities lending agent costs)	(4)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(4)	(25.00)
Net return	**17**	**100.00**

Aberdeen Target Return Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(357)		1,278
Revenue	2	4,631		3,001	
Expenses	3	(713)		(681)	
Net revenue before taxation		3,918		2,320	
Taxation	4	(21)		(10)	
Net revenue after taxation			3,897		2,310
Total return before distributions			**3,540**		**3,588**
Distributions	5		(3,897)		(2,317)
Change in net assets attributable to shareholders from investment activities			**(357)**		**1,271**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**182,076**		**156,006**
Amounts receivable on issue of shares	75,077		49,893	
Amounts payable on cancellation of shares	(85,132)		(27,400)	
		(10,055)		22,493
Dilution adjustment		182		78
Change in net assets attributable to shareholders from investment activities		(357)		1,271
Retained distributions on accumulation shares		3,609		2,227
Unclaimed distributions > 6 years		-		1
Closing net assets attributable to shareholders		**175,455**		**182,076**

Aberdeen Target Return Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		175,227	180,821
Current assets:			
Debtors	6	4,788	3,191
Cash and bank balances	7	6,084	8,663
Total assets		**186,099**	**192,675**
Liabilities:			
Investment liabilities		6,665	8,532
Creditors:			
Amounts held at futures clearing houses and brokers		1,063	446
Bank overdrafts		-	1
Other creditors	8	2,888	1,568
Distribution payable		28	52
Total liabilities		**10,644**	**10,599**
Net assets attributable to shareholders		**175,455**	**182,076**

Aberdeen Target Return Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital (losses)/gains**

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(3,603)	4,821
Derivative contracts	3,335	(630)
Forward currency contracts losses	(242)	(3,105)
Other currency gains	153	180
Class actions	-	12
Net capital (losses)/gains	**(357)**	**1,278**

2. **Revenue**

	2018 £'000	2017 £'000
Interest on debt securities	5,919	4,388
Distributions from collective investment schemes:		
Offshore distributions - taxable	45	-
Stock lending commission	17	5
Bank interest	19	15
Derivative revenue:		
Interest on swap contracts	(1,369)	(1,407)
Total revenue	**4,631**	**3,001**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	442	470
Operating, administrative and servicing fees	260	208
	702	678
Other expenses:		
Interest payable and similar charges	11	3
	11	3
Total expenses	**713**	**681**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

Aberdeen Target Return Bond Fund

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	4	-
Double tax relief	(4)	-
Overseas withholding tax	21	10
Current tax charge	**21**	**10**
Total taxation	**21**	**10**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	3,918	2,320
Corporation tax at 20% (2017 - 20%)	784	464
Effects of:		
Tax deductible on interest distributions	(780)	(464)
Double tax relief	(4)	-
Irrecoverable overseas withholding tax	21	10
Total taxation	**21**	**10**

Factors that may affect future tax charges

There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
Interim	1,807	1,189
Final	1,865	1,159
	3,672	2,348
Add: Revenue deducted on cancellation of shares	444	88
Deduct: Revenue received on issue of shares	(219)	(119)
Distributions for the year	**3,897**	**2,317**
Total distributions	**3,897**	**2,317**

Details of the distribution per share are set out in the distribution tables on pages 903 to 904.

Aberdeen Target Return Bond Fund

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	3,897	2,310
Add:		
Undistributed revenue brought forward	-	7
Distributions	**3,897**	**2,317**

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	3,270	3,026
Amounts receivable for issue of shares	3	41
Overseas withholding tax reclaimable	-	5
Currency transactions awaiting settlement	1,515	115
Tax reclaimable	-	4
Total debtors	**4,788**	**3,191**

7. Cash and bank balances

	2018 £'000	2017 £'000
Amounts held at futures clearing houses and brokers	4,378	6,654
Cash and bank balances	1,706	2,009
Total cash and bank balances	**6,084**	**8,663**

8. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	30	68
Amounts payable for cancellation of shares	111	274
Purchases awaiting settlement	880	346
Swap interest payable	352	764
Currency transactions awaiting settlement	1,515	116
Total other creditors	**2,888**	**1,568**

9. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 891. £122,000 was due to the ACD (2017 - £281,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £3,101,000 (2017 - £2,522,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

Aberdeen Target Return Bond Fund

10. Material shareholders

Nortrust Nominees held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 64% of the Fund's shares in issue.

11. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.00%
Class 'I': 0.50%
Class 'I' Gross: 0.50%
Class 'K': 0.45%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 870 to 877. The distribution per share class is given in the distribution tables on pages 903 to 904. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	4,140,283	8,376	18,682,666	9,735,252
Creations during the year	264,200	-	1,076,900	332,100
Cancellations during the year	(3,170,900)	-	(11,764,400)	(6,876,600)
Shares converted during the year	(41)	-	(72,558)	-
Closing shares in issue	**1,233,542**	**8,376**	**7,922,608**	**3,190,752**

	I Gross Accumulation shares	I Gross Income shares	K Accumulation shares	Z Accumulation shares
Opening number of shares	58,428,503	167,903	25,429	59,233,225
Creations during the year	158,400	-	6,700	56,179,400
Cancellations during the year	(44,569,000)	(52,600)	(82,300)	(5,962,200)
Shares converted during the year	-	-	74,215	-
Closing shares in issue	**14,017,903**	**115,303**	**24,044**	**109,450,425**

12. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

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Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Barclays	1,129	1,202	Government Bond
BNP Paribas	2,610	3,005	Government Bond
JPM Chase	3,557	3,757	Government Bond
Total	**7,296**	**7,964**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	21	4	17

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
Barclays	448	499	Government Bond
JPM Chase	7,191	8,761	Government Bond
Total	**7,639**	**9,260**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	6	1	5

Aberdeen Target Return Bond Fund

13. Risk management policies and disclosures

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

Global Exposure

Based on the investment strategy, types of complexities of the derivatives and the proportion of the Fund comprising derivatives, the method of estimating the Fund's overall risk position (Global Exposure) is to the use the value at risk (VaR) techniques which estimate the probability of portfolio losses based on the statistical analysis of historical price trends and volatilities. The VaR is produced on a daily basis and the Fund's current VaR limit is detailed below.

Value at risk (VaR)

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

Model assumptions

System:	Advanced Portfolio Technologies (APT)
VaR methodology:	Parametric
Confidence level:	99%
Holding period:	1 week (5 days)
Decay factor for exponential smoothing of the historical market data:	Nil
Historical observation period:	180 weeks
VaR limit (absolute)	20%
VaR limit (relative)	200%

Reference portfolio for relative VaR

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	0.43%	0.46%
Maximum VaR	0.95%	0.76%
Average VaR	0.63%	0.60%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	0.03%	0.47%	-	0.19%	0.69%
31 July 2017	(0.02%)	0.34%	-	0.30%	0.61%

Aberdeen Target Return Bond Fund

Financial derivatives

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Swap contracts £'000	Total by counterparty £'000
Barclays	81	1,308	1,389
BNP Paribas	85	-	85
Citigroup	55	5	60
Deutsche Bank	161	16	177
Goldman Sachs	143	1,695	1,838
HSBC	14	-	14
JPM Chase	45	-	45
Merrill Lynch	574	-	574
Morgan Stanley	129	-	129
Royal Bank of Canada	7	-	7
State Street	26	-	26
UBS	127	240	367
Total exposure	**1,447**	**3,264**	**4,711**

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Swap contracts £'000	Total by counterparty £'000
Barclays	4	723	727
BNP Paribas	245	-	245
Citigroup	822	450	1,272
Goldman Sachs	100	50	150
HSBC	28	-	28
JPM Chase	395	75	470
Merrill Lynch	3	74	77
Morgan Stanley	320	-	320
Royal Bank of Canada	308	-	308
State Street	424	-	424
UBS	113	56	169
Total exposure	**2,762**	**1,428**	**4,190**

The Fund had cash of £810,000 held as collateral as at 31 July 2018 (2017 - £138,000) and the Fund had cash of £1,610,000 pledged as collateral as at 31 July 2018 (2017 - £3,987,000).

Aberdeen Target Return Bond Fund

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	2,509	3,028	1,128	6,665
Non-derivatives					
Amounts held at futures clearing houses and brokers	1,063	-	-	-	1,063
Other creditors	-	2,888	-	-	2,888
Distribution payable	-	28	-	-	28
Total financial liabilities	**1,063**	**5,425**	**3,028**	**1,128**	**10,644**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	3,436	4,625	471	8,532
Non-derivatives					
Amounts held at futures clearing houses and brokers	446	-	-	-	446
Bank overdrafts	1	-	-	-	1
Other creditors	-	1,568	-	-	1,568
Distribution payable	-	52	-	-	52
Total financial liabilities	**447**	**5,056**	**4,625**	**471**	**10,599**

Aberdeen Target Return Bond Fund

14. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Bonds	167,470	190,400	165,044	163,303
Collective Investment Schemes	86,251	12,124	85,672	9,602
Trades in the year before transactions costs	**253,721**	**202,524**	**250,716**	**172,905**
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**253,721**	**202,524**	**250,716**	**172,905**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities				
Taxes				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities				
Other expenses				
Bonds	-	-	-	-
Collective Investment Schemes	-	-	-	-
Equities				

Aberdeen Target Return Bond Fund

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £3,186,000 in the year (2017 - £3,609,000 (net sales)).

There were transaction costs in respect of derivatives of £6,000 for the year (2017 - £26,000). The transaction costs in respect of derivatives expressed as a percentage of net asset value is 0.00% (2017 - 0.02%).

The average portfolio dealing spread as at 31 July 2018 was 0.34% (2017 - 0.32%).

15. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	250	406	253	485
Level 2	174,977	6,259	180,568	8,047
Level 3	-	-	-	-
Total	**175,227**	**6,665**	**180,821**	**8,532**

Aberdeen Target Return Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.44886	-	0.44886	0.50863
Group 2	0.34603	0.10283	0.44886	0.50863
A Income shares				
Group 1	0.37029	-	0.37029	0.42263
Group 2	0.37029	-	0.37029	0.42263
I Accumulation shares				
Group 1	0.65270	-	0.65270	0.71639
Group 2	0.41515	0.23755	0.65270	0.71639
I Income shares				
Group 1	0.59651	-	0.59651	0.66278
Group 2	0.47428	0.12223	0.59651	0.66278
I Gross Accumulation shares				
Group 1	0.74864	-	0.74864	0.82322
Group 2	0.32110	0.42754	0.74864	0.82322
I Gross Income shares				
Group 1	0.59111	-	0.59111	0.65800
Group 2	0.59111	-	0.59111	0.65800
K Accumulation shares				
Group 1	0.66705	-	0.66705	0.85804
Group 2	0.49443	0.17262	0.66705	0.85804
Z Accumulation shares				
Group 1	1.13570	-	1.13570	1.17846
Group 2	0.75085	0.38485	1.13570	1.17846

Aberdeen Target Return Bond Fund

Final interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.73682	-	0.73682	0.34064
Group 2	0.43590	0.30092	0.73682	0.34064
A Income shares				
Group 1	0.60554	-	0.60554	0.28183
Group 2	0.35579	0.24975	0.60554	0.28183
I Accumulation shares				
Group 1	0.91891	-	0.91891	0.56603
Group 2	0.71919	0.19972	0.91891	0.56603
I Income shares				
Group 1	0.83469	-	0.83469	0.52011
Group 2	0.55171	0.28298	0.83469	0.52011
I Gross Accumulation shares				
Group 1	1.06045	-	1.06045	0.64888
Group 2	0.40150	0.65895	1.06045	0.64888
I Gross Income shares				
Group 1	0.83219	-	0.83219	0.51511
Group 2	0.83219	-	0.83219	0.51511
K Accumulation shares				
Group 1	0.93653	-	0.93653	0.57848
Group 2	0.69965	0.23688	0.93653	0.57848
Z Accumulation shares				
Group 1	1.46831	-	1.46831	1.02606
Group 2	1.17680	0.29151	1.46831	1.02606

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

Aberdeen UK Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The objective of the Fund is to provide capital growth through investment in companies registered in the United Kingdom, or companies which derive a significant proportion of their revenues or profits from the United Kingdom or have a significant proportion of their assets there.

Performance review

For the year ended 31 July 2018, the value of Aberdeen UK Equity Fund – A Income Shares increased by 8.66% compared to an increase of 9.15% in the benchmark, the FTSE All Share Index.

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

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

Market review

UK equities rose in the year under review that was characterised by two very distinct halves. In the initial six months, share prices rose in tandem with the broader market in a synchronised global economic upswing. In the latter half, however, property stocks suffered from bouts of volatility amid a raft of worries, ranging from apprehension over rising interest rates in the United States, inflation fears arising from accelerating energy prices after the US reneged on the Iran nuclear deal, but most of all, an escalating trade tussle triggered by the Trump administration's broadside of tariffs aimed at both friend and foe alike.

On the political front, continuing uncertainty surrounding Brexit negotiations curbed risk appetite. Prime Minister Theresa May failed in her attempt to unite a fractious cabinet, even as European negotiators grew increasingly impatient with the UK's disjointed approach to the talks with Brussels.

Portfolio review

A key contributor to the Fund's performance was UK engineering software developer Aveva, as the market continued to warm to the corporate combination with Schneider Software and the potential synergy benefits from the transaction. Also benefiting the Fund was Rotork, amid expectations of an improvement in its key end-markets, as well as the appointment of a new CEO. Last, Croda was also a contributor, which continued to deliver solid growth in its personal-care division as demand remained strong, as well as high margins from its array of speciality chemicals.

Capping gains were funeral company Dignity, which issued a profit warning and a new pricing strategy in an attempt to stem market-share declines precipitated by fierce competition in its core market. We exited the company in January. Also costing the Fund was a lack of exposure to Royal Dutch Shell, as its share price did well amid the rising oil price. Another key detractor was Provident Financial, whose shares suffered after it issued a profit warning last August when it faced operational issues associated with implementation of a new working model in the company's home-credit business. We had divested our holding in the company in the first half.

In addition to the portfolio changes already mentioned in the first-half review, we sold Aggreko, BHP Billiton, Dignity, GlaxoSmithKline, Inchcape, Inmarsat, Pearson, Rio Tinto, RPC, Royal Dutch Shell, Whitbread and Wood in favour of better opportunities elsewhere and to improve the overall quality of the portfolio.

Against this, we introduced online retailer boohoo.com, which we found compelling because of its low-cost, own-brand proposition and significant growth potential; and high-quality independent merchant bank Close Brothers for its conservative and disciplined lending practices that serve it well through economic cycles. It has an excellent track record that is underpinned by high standards of underwriting that generate good and consistent returns. We also initiated holdings in premium tonic maker Fever-Tree because of its compelling investment case: it has a solid first-mover advantage, high barriers to entry, and significant untapped growth opportunities, particularly as it focuses on its US expansion. Other new holdings included the London Stock Exchange at an attractive valuation, as its business has evolved into one with particularly high barriers of entry, particularly in its dominant clearing and data businesses; and Rentokil Initial for its strong business model and innovative product pipeline that presents an attractive growth and returns profile. We also like it for its predominant exposure to the stable, high-margin pest-control industry, where it dominates in the majority of its markets, coupled with its exposure to emerging markets. We also established a position in Britain's largest property portal, Rightmove, which has an unassailable market position, given the share of traffic it commands, and thus, benefits from network effects that result in pricing power and very high margins. Finally, we participated in Weir's equity placement to support its intended acquisition which we believe complements its already attractive business model.

Outlook

Looking ahead, the UK stock market is likely to continue to face a fair amount of volatility amid a raft of worries, including the fallout of the escalating US-China trade tussle, a faster pace of monetary policy normalisation by the Fed, as well as rising energy prices and its impact on inflationary pressures. However, we remain confident in our holdings. In the near term, financing conditions remain largely conducive to continued growth, with real rates still negative across developed markets, while unemployment levels are at record lows.

In the recent results season, earnings at an aggregate level have proven resilient against factors, such as rising input costs and heightened competition, while profit forecasts have been largely upbeat. We think this is a consequence of our holdings' pricing power, robust customer relationships and diversified earnings streams – both by geography and product. Meanwhile, companies should be able to absorb some of the cost pressures they might face in the months ahead. Overall, we believe that we hold some of the best quality names in Britain: they have good track records of being able to weather the more challenging times and ultimately, will prosper over the long term.

UK Equity Team **August 2018**

Aberdeen UK Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen UK Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	193.04	172.37	169.43
Return before operating charges*	20.35	23.61	5.45
Operating charges	(3.15)	(2.94)	(2.51)
Return after operating charges*	17.20	20.67	2.94
Distributions on accumulation shares	(2.03)	(2.94)	(3.12)
Retained distributions on accumulation shares	2.03	2.94	3.12
Closing net asset value per share	210.24	193.04	172.37
* after direct transaction costs of:	0.45	0.20	0.18
Performance			
Return after charges	8.91%	11.99%	1.74%
Other information			
Closing net asset value (£'000s)	90,261	95,821	94,094
Closing number of shares	42,932,985	49,638,662	54,589,673
Operating charges	1.60%	1.60%	1.60%
Direct transaction costs	0.23%	0.11%	0.11%
Prices			
Highest share price (pence)	212.18	200.20	174.18
Lowest share price (pence)	183.88	169.34	137.89

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

Aberdeen UK Equity Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	154.15	139.81	140.04
Return before operating charges*	16.21	19.10	4.41
Operating charges	(2.51)	(2.38)	(2.07)
Return after operating charges*	13.70	16.72	2.34
Distributions on income shares	(1.62)	(2.38)	(2.57)
Closing net asset value per share	166.23	154.15	139.81
* after direct transaction costs of:	0.36	0.16	0.15
Performance			
Return after charges	8.89%	11.96%	1.67%
Other information			
Closing net asset value (£'000s)	33,985	36,631	35,833
Closing number of shares	20,444,361	23,763,183	25,629,409
Operating charges	1.60%	1.60%	1.60%
Direct transaction costs	0.23%	0.11%	0.11%
Prices			
Highest share price (pence)	168.91	161.73	143.19
Lowest share price (pence)	146.37	137.33	113.34

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

Aberdeen UK Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	207.62	184.00	179.53
Return before operating charges*	22.00	25.29	5.89
Operating charges	(1.80)	(1.67)	(1.42)
Return after operating charges*	20.20	23.62	4.47
Distributions on accumulation shares	(3.79)	(4.63)	(4.56)
Retained distributions on accumulation shares	3.79	4.63	4.56
Closing net asset value per share	227.82	207.62	184.00
* after direct transaction costs of:	0.49	0.21	0.19
Performance			
Return after charges	9.73%	12.84%	2.49%
Other information			
Closing net asset value (£'000s)	83,232	76,753	75,089
Closing number of shares	36,533,621	36,967,786	40,808,907
Operating charges	0.85%	0.85%	0.85%
Direct transaction costs	0.23%	0.11%	0.11%
Prices			
Highest share price (pence)	229.90	215.06	185.92
Lowest share price (pence)	198.77	180.77	146.71

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

Aberdeen UK Equity Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	154.00	139.67	139.89
Return before operating charges*	16.23	19.07	4.41
Operating charges	(1.33)	(1.25)	(1.10)
Return after operating charges*	14.90	17.82	3.31
Distributions on income shares	(2.80)	(3.49)	(3.53)
Closing net asset value per share	166.10	154.00	139.67
* after direct transaction costs of:	0.36	0.16	0.15
Performance			
Return after charges	9.68%	12.76%	2.37%
Other information			
Closing net asset value (£'000s)	11,185	9,827	20,434
Closing number of shares	6,734,196	6,381,369	14,630,439
Operating charges	0.85%	0.85%	0.85%
Direct transaction costs	0.23%	0.11%	0.11%
Prices			
Highest share price (pence)	169.34	161.97	143.51
Lowest share price (pence)	146.42	137.20	113.22

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

Aberdeen UK Equity Fund

K Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	124.42	110.18	100.00[B]
Return before operating charges*	13.21	15.16	10.98
Operating charges	(1.00)	(0.92)	(0.80)
Return after operating charges*	12.21	14.24	10.18
Distributions on accumulation shares	(2.37)	(2.86)	(1.24)
Retained distributions on accumulation shares	2.37	2.86	1.24
Closing net asset value per share	136.63	124.42	110.18
* after direct transaction costs of:	0.29	0.13	0.12
Performance			
Return after charges	9.81%	12.92%	10.18%
Other information			
Closing net asset value (£'000s)	887	148	103
Closing number of shares	648,935	118,674	92,989
Operating charges	0.78%	0.78%	0.78%
Direct transaction costs	0.23%	0.11%	0.11%
Prices			
Highest share price (pence)	137.87	128.87	111.33
Lowest share price (pence)	119.18	108.25	96.74

[A]K Accumulation share class launched on 23 March 2016.
[B]The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen UK Equity Fund

L Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	111.69	100.00[B]
Return before operating charges*	11.85	11.81
Operating charges	(0.31)	(0.12)
Return after operating charges*	11.54	11.69
Distributions on accumulation shares	(2.66)	(2.33)
Retained distributions on accumulation shares	2.66	2.33
Closing net asset value per share	123.23	111.69
* after direct transaction costs of:	0.26	0.12
Performance		
Return after charges	10.33%	11.69%
Other information		
Closing net asset value (£'000s)	193	178
Closing number of shares	156,700	159,700
Operating charges	0.27%	0.13%
Direct transaction costs	0.23%	0.11%
Prices		
Highest share price (pence)	124.35	115.55
Lowest share price (pence)	107.43	97.07

[A]L Accumulation share class launched on 30 September 2016.
[B]The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen UK Equity Fund

L Income shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	109.34	100.00[B]
Return before operating charges*	11.50	11.78
Operating charges	(0.30)	(0.12)
Return after operating charges*	11.20	11.66
Distributions on income shares	(2.59)	(2.32)
Closing net asset value per share	117.95	109.34
* after direct transaction costs of:	0.25	0.12
Performance		
Return after charges	10.24%	11.66%
Other information		
Closing net asset value (£'000s)	44	363
Closing number of shares	37,300	331,600
Operating charges	0.27%	0.13%
Direct transaction costs	0.23%	0.11%
Prices		
Highest share price (pence)	120.43	115.25
Lowest share price (pence)	104.05	97.07

[A]L Income share class launched on 30 September 2016.
[B]The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen UK Equity Fund

Z Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	135.50	119.13	100.00[B]
Return before operating charges*	7.44	16.50	19.23
Operating charges	(0.11)	(0.13)	(0.10)
Return after operating charges*	7.33	16.37	19.13
Distributions on accumulation shares	(1.51)	(4.03)	-
Retained distributions on accumulation shares	1.51	4.03	-
Final cancellation price	(142.83)	-	-
Closing net asset value per share	-	135.50	119.13
* after direct transaction costs of:	0.31	0.14	0.12
Performance			
Return after charges	5.41%	13.74%	19.13%
Other information			
Closing net asset value (£'000s)	-	1	1
Closing number of shares	-	780	860
Operating charges	0.10%	0.10%	0.10%
Direct transaction costs	0.23%	0.11%	0.11%
Prices			
Highest share price (pence)	142.92	140.18	120.36
Lowest share price (pence)	130.43	117.04	94.62

[A]Z Accumulation share class launched on 3 February 2016 and closed on 11 May 2018.
[B]The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen UK Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 100.02% (2017: 94.40%)					
Equities 100.02% (2017: 94.40%)					
Basic Materials 3.47% (2017: 7.18%)					
Chemicals 3.47% (2017: 3.07%)					
Croda International			148,300	**7,623**	**3.47**
Mining nil (2017: 4.11%)					
Total Basic Materials				**7,623**	**3.47**
Consumer Goods 18.28% (2017: 15.23%)					
Beverages 7.37% (2017: 3.19%)					
Diageo			389,600	10,917	4.97
Fever-Tree			153,200	5,278	2.40
				16,195	**7.37**
Food Producers 2.01% (2017: 2.11%)					
Associated British Foods			179,800	**4,414**	**2.01**
Personal Goods 4.09% (2017: 4.69%)					
Unilever∞			206,200	**8,980**	**4.09**
Tobacco 4.81% (2017: 5.24%)					
British American Tobacco			251,900	**10,582**	**4.81**
Total Consumer Goods				**40,171**	**18.28**
Consumer Services 18.73% (2017: 13.79%)					
General Retailers 4.76% (2017: 4.00%)					
boohoo.com			2,126,561	4,279	1.95
Just Eat∞			779,800	6,183	2.81
				10,462	**4.76**
Media 7.07% (2017: 3.73%)					
Euromoney Institutional Investor			305,000	4,142	1.88
RELX			417,000	6,932	3.16
Rightmove			91,700	4,467	2.03
				15,541	**7.07**

Aberdeen UK Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Travel & Leisure 6.90% (2017: 6.06%)					
Compass			533,400	8,745	3.98
InterContinental Hotels			136,195	6,411	2.92
				15,156	**6.90**
Total Consumer Services				**41,159**	**18.73**
Financials 17.46% (2017: 13.20%)					
Banks 2.94% (2017: 3.15%)					
Standard Chartered[∞]			939,500	**6,464**	**2.94**
Equity Investment Instruments 2.38% (2017: 1.89%)					
Dunedin Smaller Companies Investment Trust[†]			1,748,400	**5,228**	**2.38**
Financial Services 8.07% (2017: 3.83%)					
Close Brothers			440,500	6,995	3.18
London Stock Exchange			147,200	6,472	2.94
Schroders (non voting)			180,200	4,280	1.95
				17,747	**8.07**
Life Insurance 4.07% (2017: 4.33%)					
Prudential			495,400	**8,942**	**4.07**
Total Financials				**38,381**	**17.46**
Health Care 12.26% (2017: 7.46%)					
Pharmaceuticals & Biotechnology 12.26% (2017: 7.46%)					
Abcam			478,000	7,065	3.21
AstraZeneca			71,500	4,193	1.91
BTG			681,300	3,618	1.65
Dechra Pharmaceuticals			159,234	4,755	2.16
Genus			255,000	7,313	3.33
				26,944	**12.26**
Total Health Care				**26,944**	**12.26**
Industrials 26.06% (2017: 26.51%)					
Aerospace & Defense 3.83% (2017: 4.95%)					
Rolls-Royce			465,000	4,608	2.10
Ultra Electronics			230,278	3,802	1.73
				8,410	**3.83**

Aberdeen UK Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
General Industrials nil (2017: 2.01%)					
Industrial Engineering 9.44% (2017: 6.43%)					
Bodycote			388,852	3,889	1.77
Rotork∞			1,448,100	5,212	2.37
Spirax-Sarco Engineering∞			84,700	5,882	2.68
Weir∞			295,917	5,766	2.62
				20,749	9.44
Industrial Transportation 1.89% (2017: 1.95%)					
BBA Aviation			1,187,200	4,155	1.89
Support Services 10.90% (2017: 11.17%)					
Experian			363,500	6,812	3.10
Intertek			129,700	7,626	3.47
Rentokil Initial			1,893,800	6,426	2.92
Smart Metering Systems∞			494,965	3,108	1.41
				23,972	10.90
Total Industrials				57,286	26.06
Oil & Gas nil (2017: 3.41%)					
Oil & Gas Producers nil (2017: 2.07%)					
Oil Equipment, Services & Distribution nil (2017: 1.34%)					
Technology 3.76% (2017: 5.25%)					
Software & Computer Services 3.76% (2017: 5.25%)					
Aveva∞			314,400	8,269	3.76
Total Technology				8,269	3.76
Telecommunications nil (2017: 2.37%)					
Mobile Telecommunications nil (2017: 2.37%)					
Total Equities				219,833	100.02
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				219,833	100.02
Other transferable securities and money market instruments nil (2017: nil)					
Equities nil (2017: nil)					
Financials nil (2017: nil)					
Equity Investment Instruments nil (2017: nil)					
Epic Brand Investments[Ω]			1,894,500	-	-
HIE Ventures[Ω]			6,075	-	-
				-	-

Aberdeen UK Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Real Estate Investment & Services nil (2017: nil)					
Newfound[Ω]			4,492,239	-	-
Total Other transferable securities and money market instruments				-	-
Open Ended Investment Funds nil (2017: 2.65%)					
Total Open Ended Investment Funds				-	-
Total investments				219,833	100.02
Other net liabilities				(46)	(0.02)
Total net assets				219,787	100.00

[†] Managed by subsidiaries of Standard Life Aberdeen plc.
[∞] A portion of this security is on loan at the year end.
[Ω] Unapproved/unquoted security.
Comparative figures are as at 31 July 2017.

Aberdeen UK Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	14,285	6.50	6.50

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
France (Government of)	3,466	Government Bond	Investment grade	BNP Paribas
Canada (Government of)	2,555	Government Bond	Investment grade	BNP Paribas
UK Treasury	2,126	Government Bond	Investment grade	BNP Paribas
Austria (Republic of)	1,756	Government Bond	Investment grade	BNP Paribas
Anheuser-Busch InBev	281	Equity	Main market listing	BNP Paribas
ING	275	Equity	Main market listing	BNP Paribas
EADS	235	Equity	Main market listing	BNP Paribas
Terumo	235	Equity	Main market listing	BNP Paribas
Tokyo Electron	234	Equity	Main market listing	BNP Paribas
Telefonica	227	Equity	Main market listing	BNP Paribas
Other Equity	4,140	Equity	Main market listing	BNP Paribas
Total collateral received	**15,530**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	15,530	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
CAD	2,555
CHF	118
EUR	7,625
GBP	3,212
JPY	1,977
SEK	43
Total collateral received	**15,530**

Aberdeen UK Equity Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Credit Suisse	9,239	Switzerland	Tri-party
NATIXIS	4,216	France	Tri-party
ABN Amro	830	Netherlands	Tri-party
Total market value of securities lending	**14,285**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	9,903	5,627	**15,530**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	14,285	**14,285**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	28	125.00
Direct operational costs (securities lending agent costs)	(6)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(6)	(25.00)
Net return	**22**	**100.00**

Aberdeen UK Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		16,167		21,318
Revenue	2	5,698		7,128	
Expenses	3	(2,759)		(2,881)	
Net revenue before taxation		2,939		4,247	
Taxation	4	(11)		(18)	
Net revenue after taxation			2,928		4,229
Total return before distributions			**19,095**		**25,547**
Distributions	5		(2,935)		(4,240)
Change in net assets attributable to shareholders from investment activities			**16,160**		**21,307**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**219,722**		**225,554**
Amounts receivable on issue of shares	3,720		2,612	
Amounts payable on cancellation of shares	(22,137)		(33,016)	
		(18,417)		(30,404)
Change in net assets attributable to shareholders from investment activities		16,160		21,307
Retained distributions on accumulation shares		2,299		3,236
Unclaimed distributions > 6 years		23		29
Closing net assets attributable to shareholders		**219,787**		**219,722**

Aberdeen UK Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		219,833	213,247
Current assets:			
Debtors	6	300	274
Cash and bank balances		1,964	7,309
Total assets		**222,097**	**220,830**
Liabilities:			
Creditors:			
Other creditors	7	1,964	526
Distribution payable		346	582
Total liabilities		**2,310**	**1,108**
Net assets attributable to shareholders		**219,787**	**219,722**

Aberdeen UK Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital gains**

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	16,165	21,054
Other currency gains	2	-
Class actions	-	264
Net capital gains	**16,167**	**21,318**

2. **Revenue**

	2018 £'000	2017 £'000
UK dividends	5,333	6,589
Distributions from collective investment schemes:		
UK franked investment revenue	93	138
Overseas dividends	126	136
Underwriting commission	-	4
Stock dividends	120	237
Stock lending commission	22	23
Bank interest	4	1
Total revenue	**5,698**	**7,128**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	2,544	2,659
Operating, administrative and servicing fees	215	222
Total expenses	**2,759**	**2,881**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

Aberdeen UK Equity Fund

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	11	18
Current tax charge	**11**	**18**
Total taxation	**11**	**18**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	2,939	4,247
Corporation tax at 20% (2017 - 20%)	588	849
Effects of:		
UK dividends*	(1,109)	(1,393)
Non-taxable overseas dividends*	(25)	(27)
Excess management expenses	546	571
Irrecoverable overseas withholding tax	11	18
Total taxation	**11**	**18**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £17,311,000 (2017 - £16,765,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

Aberdeen UK Equity Fund

5. **Distributions (including the movement between net revenue and distributions)**

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

	2018 £'000	2017 £'000
Interim	1,015	1,188
Final	1,815	2,846
	2,830	4,034
Add: Revenue deducted on cancellation of shares	120	222
Deduct: Revenue received on issue of shares	(15)	(16)
Distributions for the year	**2,935**	**4,240**
Total distributions	**2,935**	**4,240**

Details of the distribution per share are set out in the distribution tables on pages 932 to 933.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	2,928	4,229
Add:		
Undistributed revenue brought forward	-	10
Movement between share classes due to conversions	7	1
Distributions	**2,935**	**4,240**

6. **Debtors**

	2018 £'000	2017 £'000
Accrued revenue	259	220
Amounts receivable for issue of shares	41	43
Overseas withholding tax reclaimable	-	11
Total debtors	**300**	**274**

7. **Other creditors**

	2018 £'000	2017 £'000
Accrued expenses	238	245
Amounts payable for cancellation of shares	216	194
Purchases awaiting settlement	1,510	87
Total other creditors	**1,964**	**526**

Aberdeen UK Equity Fund

8. **Related parties**

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 921. £394,000 was due to the ACD (2017 - £377,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £5,228,000 (2017 - £9,996,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. **Material shareholders**

State Street Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 23% of the Fund's shares in issue.

10. **Shareholder funds**

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 0.75%
Class 'K': 0.675%
Class 'L': 0.50%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 907 to 914. The distribution per share class is given in the distribution tables on pages 932 to 933. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	49,638,662	23,763,183	36,967,786	6,381,369
Creations during the year	222,878	93,710	1,408,281	127,500
Cancellations during the year	(5,773,183)	(2,241,061)	(2,443,000)	(944,560)
Shares converted during the year	(1,155,372)	(1,171,471)	600,554	1,169,887
Closing shares in issue	**42,932,985**	**20,444,361**	**36,533,621**	**6,734,196**

	K Accumulation shares	L Accumulation shares	L Income shares	Z Accumulation shares
Opening number of shares	118,674	159,700	331,600	780
Creations during the year	500	-	-	-
Cancellations during the year	(255,200)	(3,000)	(294,300)	(780)
Shares converted during the year	784,961	-	-	-
Closing shares in issue	**648,935**	**156,700**	**37,300**	**-**

Aberdeen UK Equity Fund

11. **Securities on Loan**

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
ABN Amro	830	923	Equity
Credit Suisse	9,239	9,902	Government Bond
NATIXIS	4,216	4,705	Equity
Total	**14,285**	**15,530**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	28	6	22

Aberdeen UK Equity Fund

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
Abbey National	1,103	1,374	Equity
Abbey National	367	433	Government Bond
Bank of Nova Scotia	3,569	3,967	Equity
Morgan Stanley	1,704	1,873	Equity
NATIXIS	3,725	4,130	Equity
NATIXIS	2	2	Government Bond
Total	**10,470**	**11,779**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	29	6	23

12. Risk management policies and disclosures

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £10,992,000 (2017 - £10,662,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	1,964	-	-	1,964
Distribution payable	-	346	-	-	346
Total financial liabilities	**-**	**2,310**	**-**	**-**	**2,310**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	526	-	-	526
Distribution payable	-	582	-	-	582
Total financial liabilities	**-**	**1,108**	**-**	**-**	**1,108**

13. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Collective Investment Schemes	-	-	6,132	474
Equities	99,979	39,151	101,988	71,842
Trades in the year before transactions costs	**99,979**	**39,151**	**108,120**	**72,316**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	44	20	(41)	(26)
Total commissions	**44**	**20**	**(41)**	**(26)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	406	190	-	-
Total taxes	**406**	**190**	**-**	**-**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**450**	**210**	**(41)**	**(26)**
Total net trades in the year after transaction costs	**100,429**	**39,361**	**108,079**	**72,290**

Aberdeen UK Equity Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.04	0.05	0.04	0.04
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	0.41	0.49	-	-
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.02
Taxes	0.19	0.09
Other expenses	-	-
Total costs	**0.23**	**0.11**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £2,142,000 in the year (2017 - £106,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.13% (2017 - 0.10%).

Aberdeen UK Equity Fund

14. **Fair value**

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1

Quoted prices in active markets for identical securities.

Level 2

Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3

Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	219,833	-	207,415	-
Level 2	-	-	5,832	-
Level 3	-	-	-	-
Total	**219,833**	**-**	**213,247**	**-**

Aberdeen UK Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.61817	-	0.61817	0.73171
Group 2	-	0.61817	0.61817	0.73171
A Income shares				
Group 1	0.49363	-	0.49363	0.59354
Group 2	-	0.49363	0.49363	0.59354
I Accumulation shares				
Group 1	1.46279	-	1.46279	1.48788
Group 2	0.72543	0.73736	1.46279	1.48788
I Income shares				
Group 1	1.08500	-	1.08500	1.12941
Group 2	0.24383	0.84117	1.08500	1.12941
K Accumulation shares				
Group 1	0.92881	-	0.92881	0.93157
Group 2	0.92881	-	0.92881	0.93157
L Accumulation shares				
Group 1	1.21802	-	1.21802	0.26136
Group 2	1.21802	-	1.21802	0.26136
L Income shares				
Group 1	1.19239	-	1.19239	0.26136
Group 2	1.19239	-	1.19239	0.26136
Z Accumulation shares				
Group 1	1.50941	-	1.50941	1.45577
Group 2	1.50941	-	1.50941	1.45577

Aberdeen UK Equity Fund

Final dividend distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	1.41529	-	1.41529	2.21263
Group 2	0.35108	1.06421	1.41529	2.21263
A Income shares				
Group 1	1.12665	-	1.12665	1.78741
Group 2	-	1.12665	1.12665	1.78741
I Accumulation shares				
Group 1	2.32497	-	2.32497	3.13737
Group 2	0.90009	1.42488	2.32497	3.13737
I Income shares				
Group 1	1.71256	-	1.71256	2.36284
Group 2	0.34709	1.36547	1.71256	2.36284
K Accumulation shares				
Group 1	1.44005	-	1.44005	1.92674
Group 2	0.82005	0.62000	1.44005	1.92674
L Accumulation shares				
Group 1	1.44243	-	1.44243	2.06504
Group 2	1.44243	-	1.44243	2.06504
L Income shares				
Group 1	1.39703	-	1.39703	2.05969
Group 2	1.39703	-	1.39703	2.05969
Z Accumulation shares				
Group 1	-	-	-	2.57067
Group 2	-	-	-	2.57067

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

Aberdeen UK Equity Income Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund aims to achieve an attractive level of income combined with capital growth from a portfolio primarily consisting of UK Equity and Equity-Related Securities.

This Fund may invest in companies listed or incorporated anywhere in the world, as long as the companies' principal activities are in, or their main economic exposure is to, the UK.

This Fund may also invest in Equity and Equity-Related Securities of non-UK companies.

The Fund may also hold ancillary liquid assets and debt and debt-related securities.

Performance review

For the year ended 31 July 2018, the value of Aberdeen UK Equity Income Fund – A Accumulation Shares increased by 4.17% compared to an increase of 9.15% in the benchmark, the FTSE All Share Index.

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

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

Market review

UK equities rose in the year under review that was characterised by two very distinct halves. In the initial six months, share prices rose in tandem with the broader market in a synchronised global economic upswing. In the latter half, however, property stocks suffered from bouts of volatility amid a raft of worries, ranging from apprehension over rising interest rates in the United States, inflation fears arising from accelerating energy prices after the US reneged on the Iran nuclear deal, but most of all, an escalating trade tussle triggered by the Trump administration's broadside of tariffs aimed at both friend and foe alike.

On the political front, continuing uncertainty surrounding Brexit negotiations curbed risk appetite. Prime Minister Theresa May failed in her attempt to unite a fractious cabinet, even as European negotiators grew increasingly impatient with the UK's disjointed approach to the talks with Brussels.

Portfolio review

A key detractor was Provident Financial, whose shares suffered after it issued a profit warning last August when it faced operational issues associated with implementation of a new working model in the company's home-credit business. We had divested our holding in the company in the first half. Also costing the Fund was an underweight to Royal Dutch Shell, as its share price did well amid the rising oil price. Another detractor was our lack of exposure to Inmarsat, which saw its shares buoyed by news of potential takeover interest by rivals EchoStar and Eutelsat. This has since reverted after the company rejected the final bid by Eutelsat. We had exited the company during the year.

Mitigating these were contributions from UK engineering software developer Aveva, as the market continued to warm to the corporate combination with Schneider Software and the potential synergy benefits from the transaction. Also benefiting the Fund was Rotork, amid expectations of an improvement in its key end-markets, as well as the appointment of a new CEO. Last, a position in Dunedin Smaller Companies Investment Trust also added to performance.

In addition to the portfolio changes already mentioned in the first-half review, we sold Bunzl, Essentra, Inmarsat, Sage and Wood in favour of better opportunities elsewhere and to improve the overall quality of the portfolio.

Against this, we introduced Ashmore, which we like for its dominance in emerging markets and decent flow momentum that is underpinned by the strength of its manufacturing arm and investments made to develop its distribution across a broad range of clients and markets. Throughout the cycle, Ashmore's robust balance sheet has allowed it to pay out a decent dividend, as well as invest and acquire selectively to continue growing from an already well-established position. We also initiated a holding in technical products services distributor Diploma for its higher quality, well-managed business that generates good returns, backed by a robust balance sheet and an ability to add value through acquisitions; and online platform booking system Hostelworld, which we found appealing, given its network in a high-growth niche area of the travel market, supported by an attractive yield and solid balance sheet. Other new holdings included elevator and escalator company Kone, which has a robust service business and a market-leading position in China, backed up by a solid balance sheet; and RELX on share-price weakness despite the company having posted solid results recently. We like the company for its recurring revenues and good growth prospects. We established a position in global pest control company Rentokil Initial for its strong business model and innovative product pipeline that presents an attractive growth and returns profile. We also like it for its predominant exposure to the stable, high-margin industry, where it dominates in the majority of its markets, coupled with its exposure to emerging markets. We also introduced mining giant Rio Tinto for its attractive yield, robust balance sheet and reasonable valuation; travel-agency services provider SAGA, for its attractive dividend yield at a reasonable valuation; and multi-utility supplier Telecom Plus, as its high recurring revenue stream and well-established partnerships present an attractive business model at a reasonable valuation. Another new inclusion to the portfolio is market-leading Swiss industrial vacuum valves manufacturer VAT, given its exposure to long-term structural growth, is protected by high barriers to entry and has a growing dividend yield, which when taken together present a compelling investment case.

Outlook

Looking ahead, the UK stock market is likely to continue to face a fair amount of volatility amid a raft of worries, including the fallout of the escalating US-China trade tussle, a faster pace of monetary policy normalisation by the Fed, as well as rising energy prices and its impact on inflationary pressures. However, we remain confident in our holdings. In the near term, financing conditions remain largely conducive to continued growth, with real rates still negative across developed markets, while unemployment levels are at record lows.

In the recent results season, earnings at an aggregate level have proven resilient against factors, such as rising input costs and heightened competition, while profit forecasts have been largely upbeat. We think this is a consequence of our holdings' pricing power, robust customer relationships and diversified earnings streams – both by geography and product. Meanwhile, companies should be able to absorb some of the cost pressures they might face in the months ahead. Overall, we believe that we hold some of the best quality names in Britain: they have good track records of being able to weather the more challenging times and ultimately, will prosper over the long term.

UK Equity Team **August 2018**

Aberdeen UK Equity Income Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen UK Equity Income Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	1,188.73	1,081.81	1,051.76
Return before operating charges*	72.29	125.55	46.05
Operating charges	(19.07)	(18.63)	(16.00)
Return after operating charges*	53.22	106.92	30.05
Distributions on accumulation shares	(45.73)	(45.07)	(41.83)
Retained distributions on accumulation shares	45.73	45.07	41.83
Closing net asset value per share	1,241.95	1,188.73	1,081.81
* after direct transaction costs of:	1.17	0.64	1.00
Performance			
Return after charges	4.48%	9.88%	2.86%
Other information			
Closing net asset value (£'000s)	61,988	66,961	67,384
Closing number of shares	4,991,225	5,632,976	6,228,829
Operating charges	1.61%	1.62%	1.62%
Direct transaction costs	0.10%	0.06%	0.10%
Prices			
Highest share price (pence)	1,241.95	1,254.14	1,091.58
Lowest share price (pence)	1,102.34	1,062.49	879.28

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

Aberdeen UK Equity Income Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	378.91	358.66	363.27
Return before operating charges*	22.82	41.18	15.17
Operating charges	(6.04)	(6.13)	(5.48)
Return after operating charges*	16.78	35.05	9.69
Distributions on income shares	(14.45)	(14.80)	(14.30)
Closing net asset value per share	381.24	378.91	358.66
* after direct transaction costs of:	0.37	0.21	0.34
Performance			
Return after charges	4.43%	9.77%	2.67%
Other information			
Closing net asset value (£'000s)	64,833	71,648	72,724
Closing number of shares	17,005,887	18,908,698	20,276,719
Operating charges	1.61%	1.62%	1.62%
Direct transaction costs	0.10%	0.06%	0.10%
Prices			
Highest share price (pence)	392.25	409.73	370.71
Lowest share price (pence)	346.58	352.25	298.62

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

Aberdeen UK Equity Income Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	1,296.25	1,170.85	1,129.69
Return before operating charges*	79.43	136.27	50.41
Operating charges	(11.15)	(10.87)	(9.25)
Return after operating charges*	68.28	125.40	41.16
Distributions on accumulation shares	(50.05)	(48.96)	(45.22)
Retained distributions on accumulation shares	50.05	48.96	45.22
Closing net asset value per share	1,364.53	1,296.25	1,170.85
* after direct transaction costs of:	1.28	0.69	1.08
Performance			
Return after charges	5.27%	10.71%	3.64%
Other information			
Closing net asset value (£'000s)	18,651	18,346	18,288
Closing number of shares	1,366,818	1,415,297	1,561,992
Operating charges	0.86%	0.87%	0.87%
Direct transaction costs	0.10%	0.06%	0.10%
Prices			
Highest share price (pence)	1,364.53	1,365.92	1,181.35
Lowest share price (pence)	1,207.94	1,152.88	948.23

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

Aberdeen UK Equity Income Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	415.44	390.25	392.28
Return before operating charges*	25.20	44.96	16.69
Operating charges	(3.55)	(3.60)	(3.18)
Return after operating charges*	21.65	41.36	13.51
Distributions on income shares	(15.90)	(16.17)	(15.54)
Closing net asset value per share	421.19	415.44	390.25
* after direct transaction costs of:	0.41	0.23	0.37
Performance			
Return after charges	5.21%	10.60%	3.44%
Other information			
Closing net asset value (£'000s)	16,579	16,529	16,894
Closing number of shares	3,936,318	3,978,616	4,328,974
Operating charges	0.86%	0.87%	0.87%
Direct transaction costs	0.10%	0.06%	0.10%
Prices			
Highest share price (pence)	431.54	448.65	403.32
Lowest share price (pence)	381.87	384.26	323.78

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

Aberdeen UK Equity Income Fund

K Income shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	114.96	108.46	100.00[B]
Return before operating charges*	7.37	12.73	11.09
Operating charges	(0.90)	(0.89)	(0.83)
Return after operating charges*	6.47	11.84	10.26
Distributions on income shares	(4.40)	(5.34)	(1.80)
Closing net asset value per share	117.03	114.96	108.46
* after direct transaction costs of:	0.11	0.06	0.11
Performance			
Return after charges	5.63%	10.92%	10.26%
Other information			
Closing net asset value (£'000s)	22	1	33
Closing number of shares	18,404	1,259	30,705
Operating charges	0.79%	0.80%	0.80%
Direct transaction costs	0.10%	0.06%	0.10%
Prices			
Highest share price (pence)	119.85	124.18	111.23
Lowest share price (pence)	106.08	106.80	96.59

[A] K Accumulation share class launched on 23 March 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen UK Equity Income Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	1,422.73	1,275.83	1,221.56
Return before operating charges*	87.73	148.52	55.66
Operating charges	(1.56)	(1.62)	(1.39)
Return after operating charges*	86.17	146.90	54.27
Distributions on accumulation shares	(55.26)	(53.62)	(49.50)
Retained distributions on accumulation shares	55.26	53.62	49.50
Closing net asset value per share	1,508.90	1,422.73	1,275.83
* after direct transaction costs of:	1.41	0.75	1.17
Performance			
Return after charges	6.06%	11.51%	4.44%
Other information			
Closing net asset value (£'000s)	2	185	487
Closing number of shares	132	13,032	38,132
Operating charges	0.11%	0.12%	0.12%
Direct transaction costs	0.10%	0.06%	0.10%
Prices			
Highest share price (pence)	1,508.90	1,497.38	1,286.88
Lowest share price (pence)	1,332.31	1,259.17	1,029.42

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

Aberdeen UK Equity Income Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 98.75% (2017: 98.75%)					
Equities 98.75% (2017: 98.75%)					
Basic Materials 7.82% (2017: 3.92%)					
Chemicals 2.63% (2017: 1.73%)					
Croda International			83,000	**4,266**	**2.63**
Mining 5.19% (2017: 2.19%)					
BHP Billiton∞			276,100	4,844	2.99
Rio Tinto			84,800	3,559	2.20
				8,403	**5.19**
Total Basic Materials				**12,669**	**7.82**
Consumer Goods 16.77% (2017: 17.41%)					
Beverages 3.17% (2017: 2.24%)					
Diageo			183,400	**5,139**	**3.17**
Food Producers 2.98% (2017: 3.03%)					
Associated British Foods			63,000	1,547	0.95
Nestle			52,900	3,287	2.03
				4,834	**2.98**
Personal Goods 3.82% (2017: 4.70%)					
Unilever			142,000	**6,184**	**3.82**
Tobacco 6.80% (2017: 7.44%)					
British American Tobacco			179,000	7,520	4.63
Imperial Brands			63,100	1,844	1.14
Scandinavian Tobacco			134,000	1,662	1.03
				11,026	**6.80**
Total Consumer Goods				**27,183**	**16.77**
Consumer Services 7.43% (2017: 6.70%)					
General Retailers 0.68% (2017: 1.41%)					
Saga			882,000	**1,095**	**0.68**
Media 3.39% (2017: 2.05%)					
Euromoney Institutional Investor			166,400	2,260	1.39
RELX			195,000	3,242	2.00
				5,502	**3.39**

Aberdeen UK Equity Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Travel & Leisure 3.36% (2017: 3.24%)					
Compass			295,715	4,848	3.00
Hostelworld			203,000	591	0.36
				5,439	**3.36**
Total Consumer Services				**12,036**	**7.43**
Financials 24.97% (2017: 24.62%)					
Banks 5.52% (2017: 6.10%)					
HSBC			478,000	3,492	2.15
Nordea Bank			343,500	2,794	1.72
Standard Chartered			388,000	2,669	1.65
				8,955	**5.52**
Equity Investment Instruments 4.06% (2017: 2.98%)					
Dunedin Smaller Companies Investment Trust†			2,199,000	**6,575**	**4.06**
Financial Services 4.00% (2017: 7.15%)					
Ashmore			2,507	9	0.01
Close Brothers			182,400	2,897	1.79
Schroders (non voting)			150,700	3,579	2.20
				6,485	**4.00**
Life Insurance 4.79% (2017: 3.64%)					
Chesnara			397,000	1,594	0.98
Prudential			341,700	6,168	3.81
				7,762	**4.79**
Real Estate Investment Trusts 6.60% (2017: 4.75%)					
Assura (REIT)			4,430,990	2,508	1.55
Big Yellow (REIT)			230,000	2,188	1.35
Hansteen (REIT)			1,121,050	1,233	0.76
LondonMetric Property (REIT)			961,024	1,809	1.12
Unibail-Rodamco-Westfield (REIT)			17,600	2,967	1.82
				10,705	**6.60**
Total Financials				**40,482**	**24.97**
Health Care 10.64% (2017: 12.66%)					
Pharmaceuticals & Biotechnology 10.64% (2017: 12.66%)					
AstraZeneca			101,700	5,965	3.68
GlaxoSmithKline			298,500	4,721	2.91
Novo Nordisk 'B'			68,500	2,623	1.62
Roche			21,000	3,930	2.43
				17,239	**10.64**

Aberdeen UK Equity Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Total Health Care				**17,239**	**10.64**
Industrials 16.63% (2017: 14.76%)					
Aerospace & Defense 3.01% (2017: 3.84%)					
Rolls-Royce			235,500	2,334	1.44
Ultra Electronics			154,409	2,549	1.57
				4,883	**3.01**
Industrial Engineering 7.74% (2017: 3.85%)					
Bodycote			136,219	1,362	0.84
GIMA TT∞			95,600	1,137	0.70
Kone			54,000	2,262	1.40
Rotork∞			950,000	3,420	2.11
VAT∞			10,500	1,053	0.65
Weir			169,985	3,312	2.04
				12,546	**7.74**
Industrial Transportation 2.53% (2017: 2.51%)					
BBA Aviation			1,171,200	**4,099**	**2.53**
Support Services 3.35% (2017: 4.56%)					
Diploma			64,000	842	0.52
Experian			153,000	2,868	1.77
Rentokil Initial			505,000	1,713	1.06
				5,423	**3.35**
Total Industrials				**26,951**	**16.63**
Oil & Gas 5.80% (2017: 6.57%)					
Oil & Gas Producers 5.80% (2017: 5.20%)					
BP			610,800	3,502	2.16
Royal Dutch Shell 'B'			220,900	5,901	3.64
				9,403	**5.80**
Oil Equipment, Services & Distribution nil (2017: 1.37%)					
Total Oil & Gas				**9,403**	**5.80**
Technology 2.79% (2017: 4.41%)					
Software & Computer Services 2.79% (2017: 4.41%)					
Aveva			171,900	**4,521**	**2.79**
Total Technology				**4,521**	**2.79**

Aberdeen UK Equity Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Telecommunications 4.49% (2017: 6.52%)					
Fixed Line Telecommunications 1.40% (2017: 0.44%)					
Manx Telecom			467,609	828	0.51
Telecom Plus			140,000	1,444	0.89
				2,272	1.40
Mobile Telecommunications 3.09% (2017: 6.08%)					
Vodafone			2,692,000	5,008	3.09
Total Telecommunications				7,280	4.49
Utilities 1.41% (2017: 1.18%)					
Gas, Water & Multi-utilities 1.41% (2017: 1.18%)					
National Grid			280,262	2,279	1.41
Total Utilities				2,279	1.41
Total Equities				160,043	98.75
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				160,043	98.75
Open Ended Investment Funds nil (2017: 0.54%)					
Total Open Ended Investment Funds				-	-
Derivatives nil (2017: (0.03%))					
Options nil (2017: (0.03%))					
Unrealised gains on derivatives				-	-
Total investments				160,043	98.75
Other net assets				2,032	1.25
Total net assets				162,075	100.00

† Managed by subsidiaries of Standard Life Aberdeen plc.
∞ A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen UK Equity Income Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	7,728	4.83	4.77

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
UK Treasury	627	Government Bond	Investment grade	BNP Paribas
US Treasury	542	Government Bond	Investment grade	BNP Paribas
Roche	335	Equity	Main market listing	BNP Paribas
Vinci	326	Equity	Main market listing	BNP Paribas
ING	251	Equity	Main market listing	BNP Paribas
BP	251	Equity	Main market listing	BNP Paribas
Anglo American	251	Equity	Main market listing	BNP Paribas
Swiss Re	251	Equity	Main market listing	BNP Paribas
Anheuser-Busch InBev	251	Equity	Main market listing	BNP Paribas
AXA	248	Equity	Main market listing	BNP Paribas
Other Equity	5,612	Equity	Main market listing	BNP Paribas
Other Government Bond	188	Government Bond	Investment grade	BNP Paribas
Total collateral received	**9,133**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	9,133	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	17
CAD	37
CHF	989
DKK	12
EUR	3,055
GBP	3,145
JPY	126
SEK	245
USD	1,507
Total collateral received	**9,133**

Aberdeen UK Equity Income Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
ABN Amro	4,520	Netherlands	Tri-party
BNP Paribas	1,520	France	Tri-party
Morgan Stanley	887	United States	Tri-party
Citigroup	402	United States	Tri-party
JPM Chase	399	United States	Tri-party
Total market value of securities lending	**7,728**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	12	1,345	7,776	**9,133**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	7,728	**7,728**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	19	125.00
Direct operational costs (securities lending agent costs)	(4)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(4)	(25.00)
Net return	**15**	**100.00**

Aberdeen UK Equity Income Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		3,013		12,474
Revenue	2	6,710		7,359	
Expenses	3	(2,394)		(2,618)	
Net revenue before taxation		4,316		4,741	
Taxation	4	(138)		(159)	
Net revenue after taxation			4,178		4,582
Total return before distributions			**7,191**		**17,056**
Distributions	5		(6,354)		(6,973)
Change in net assets attributable to shareholders from investment activities			**837**		**10,083**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**173,670**		**175,810**
Amounts receivable on issue of shares	2,940		2,722	
Amounts payable on cancellation of shares	(18,436)		(18,288)	
		(15,496)		(15,566)
Change in net assets attributable to shareholders from investment activities		837		10,083
Retained distributions on accumulation shares		3,029		3,303
Unclaimed distributions > 6 years		35		40
Closing net assets attributable to shareholders		**162,075**		**173,670**

Aberdeen UK Equity Income Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		160,043	172,429
Current assets:			
Debtors	6	570	1,664
Cash and bank balances	7	4,316	2,242
Total assets		**164,929**	**176,335**
Liabilities:			
Investment liabilities		-	48
Creditors:			
Other creditors	8	889	419
Distribution payable		1,965	2,198
Total liabilities		**2,854**	**2,665**
Net assets attributable to shareholders		**162,075**	**173,670**

Aberdeen UK Equity Income Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	2,978	12,172
Derivative contracts	48	4
Other currency (losses)/gains	(13)	4
Class actions	-	294
Net capital gains	**3,013**	**12,474**

2. Revenue

	2018 £'000	2017 £'000
UK dividends	5,043	6,012
Distributions from collective investment schemes:		
Offshore distributions - taxable	1	2
UK REITs PID Income	182	59
UK REITs non PID Income	47	39
Overseas dividends	1,103	636
Stock dividends	202	379
Stock lending commission	15	22
Bank interest	3	-
Derivative revenue:		
Option premiums	114	210
Total revenue	**6,710**	**7,359**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	2,209	2,404
Operating, administrative and servicing fees	185	214
Total expenses	**2,394**	**2,618**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

Aberdeen UK Equity Income Fund

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	138	159
Current tax charge	**138**	**159**
Total taxation	**138**	**159**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	4,316	4,741
Corporation tax at 20% (2017 - 20%)	863	948
Effects of:		
UK dividends*	(1,051)	(1,286)
Non-taxable overseas dividends*	(220)	(127)
Excess management expenses	408	465
Irrecoverable overseas withholding tax	138	159
Total taxation	**138**	**159**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £17,661,000 (2017 - £17,253,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
Interim	2,303	2,523
Final	3,865	4,276
	6,168	6,799
Add: Revenue deducted on cancellation of shares	219	208
Deduct: Revenue received on issue of shares	(33)	(34)
Distributions for the year	**6,354**	**6,973**
Total distributions	**6,354**	**6,973**

Details of the distribution per share are set out in the distribution tables on pages 959 to 960.

Aberdeen UK Equity Income Fund

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	4,178	4,582
Add:		
Undistributed revenue brought forward	-	4
Authorised Corporate Director's periodic charge paid from capital	2,209	2,404
Deduct:		
Tax relief on capital expenses	(33)	(17)
Distributions	**6,354**	**6,973**

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	516	417
Amounts receivable for issue of shares	1	24
Overseas withholding tax reclaimable	48	17
Sales awaiting settlement	-	1,192
Merger debtor	-	13
Tax reclaimable	5	1
Total debtors	**570**	**1,664**

7. Cash and bank balances

	2018 £'000	2017 £'000
Amounts held at futures clearing houses and brokers	255	150
Cash and bank balances	4,061	2,092
Total cash and bank balances	**4,316**	**2,242**

8. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	198	223
Amounts payable for cancellation of shares	416	196
Purchases awaiting settlement	275	-
Total other creditors	**889**	**419**

9. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 948. £599,000 was due to the ACD (2017 - £378,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £6,575,000 (2017 - £6,119,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

Aberdeen UK Equity Income Fund

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 0.75%
Class 'K': 0.675%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 936 to 941. The distribution per share class is given in the distribution tables on pages 959 to 960. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	5,632,976	18,908,698	1,415,297	3,978,616
Creations during the year	12,833	453,300	47,300	119,105
Cancellations during the year	(493,100)	(1,901,524)	(241,165)	(577,200)
Shares converted during the year	(161,484)	(454,587)	145,386	415,797
Closing shares in issue	**4,991,225**	**17,005,887**	**1,366,818**	**3,936,318**

	K Income shares	Z Accumulation shares
Opening number of shares	1,259	13,032
Creations during the year	1,400	-
Cancellations during the year	(3,200)	(12,900)
Shares converted during the year	18,945	-
Closing shares in issue	**18,404**	**132**

11. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Aberdeen UK Equity Income Fund

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
ABN Amro	4,520	5,024	Equity
BNP Paribas	1,520	1,673	Equity
Citigroup	346	384	Equity
Citigroup	56	59	Government Bond
JPM Chase	366	410	Equity
JPM Chase	33	35	Government Bond
Morgan Stanley	157	285	Equity
Morgan Stanley	730	1,263	Government Bond
Total	**7,728**	**9,133**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	19	4	15

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
Bank of Nova Scotia	11	12	Equity
JPM Chase	1,860	2,065	Equity
NATIXIS	8,580	9,508	Equity
NATIXIS	4	5	Government Bond
Total	**10,455**	**11,590**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	27	5	22

12. **Risk management policies and disclosures**

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Danish Krone	47	4,285	4,332
Euro	4	6,367	6,371
Pound Sterling	1,964	138,327	140,291
Swedish Krona	-	2,794	2,794
Swiss Franc	17	8,270	8,287
Net assets	**2,032**	**160,043**	**162,075**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Danish Krone	16	5,406	5,422
Euro	4	4,064	4,068
Pound Sterling	1,265	150,982	152,247
Swedish Krona	-	3,279	3,279
Swiss Franc	4	8,650	8,654
Net assets	**1,289**	**172,381**	**173,670**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £2,178,000 (2017 - £2,142,000).

Interest rate risk profile of financial assets and financial liabilities

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £8,002,000 (2017 - £8,621,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Aberdeen UK Equity Income Fund

Financial derivatives
The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	889	-	-	889
Distribution payable	-	1,965	-	-	1,965
Total financial liabilities	**-**	**2,854**	**-**	**-**	**2,854**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Derivatives					
Investment liabilities	-	48	-	-	48
Non-derivatives					
Other creditors	-	419	-	-	419
Distribution payable	-	2,198	-	-	2,198
Total financial liabilities	**-**	**2,665**	**-**	**-**	**2,665**

Aberdeen UK Equity Income Fund

13. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Collective Investment Schemes	-	2,864	940	3,159
Equities	31,041	27,281	42,941	44,919
Trades in the year before transactions costs	**31,041**	**30,145**	**43,881**	**48,078**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	18	15	(15)	(19)
Total commissions	**18**	**15**	**(15)**	**(19)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	130	63	-	-
Total taxes	**130**	**63**	**-**	**-**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	1	-	-
Total other expenses	**-**	**1**	**-**	**-**
Total transaction costs	**148**	**79**	**(15)**	**(19)**
Total net trades in the year after transaction costs	**31,189**	**30,224**	**43,866**	**48,059**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.06	0.05	0.03	0.04
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	0.42	0.23	-	-
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.02	0.02
Taxes	0.08	0.03
Other expenses	-	-
Total costs	**0.10**	**0.05**

Aberdeen UK Equity Income Fund

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions of £2,890,000 (net sales) in the year (2017 - £256,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - £1,000).

The average portfolio dealing spread as at 31 July 2018 was 0.14% (2017 - 0.10%).

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	160,043	-	171,489	48
Level 2	-	-	940	-
Level 3	-	-	-	-
Total	**160,043**	**-**	**172,429**	**48**

Aberdeen UK Equity Income Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	16.45144	-	16.45144	16.15310
Group 2	7.01790	9.43354	16.45144	16.15310
A Income shares				
Group 1	5.24399	-	5.24399	5.35527
Group 2	2.01345	3.23054	5.24399	5.35527
I Accumulation shares				
Group 1	17.95837	-	17.95837	17.49654
Group 2	8.85271	9.10566	17.95837	17.49654
I Income shares				
Group 1	5.75552	-	5.75552	5.83160
Group 2	1.72544	4.03008	5.75552	5.83160
K Income shares				
Group 1	1.58309	-	1.58309	2.45350
Group 2	0.61372	0.96937	1.58309	2.45350
Z Accumulation shares				
Group 1	19.90537	-	19.90537	19.16783
Group 2	19.90537	-	19.90537	19.16783

Aberdeen UK Equity Income Fund

Final dividend distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	29.27407	-	29.27407	28.91647
Group 2	14.71872	14.55535	29.27407	28.91647
A Income shares				
Group 1	9.20308	-	9.20308	9.44705
Group 2	2.82849	6.37459	9.20308	9.44705
I Accumulation shares				
Group 1	32.09057	-	32.09057	31.46201
Group 2	15.26515	16.82542	32.09057	31.46201
I Income shares				
Group 1	10.14401	-	10.14401	10.33405
Group 2	3.91131	6.23270	10.14401	10.33405
K Income shares				
Group 1	2.81869	-	2.81869	2.88895
Group 2	1.08550	1.73319	2.81869	2.88895
Z Accumulation shares				
Group 1	35.35277	-	35.35277	34.45026
Group 2	35.35277	-	35.35277	34.45026

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

Aberdeen UK Mid-Cap Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund's objective is to maximise total return from capital investment predominantly in the companies of the FTSE 250 Index (excluding investment trusts), though other UK listed equities may be held where the ACD deems this appropriate.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Performance review

For the year ended 31 July 2018, the value of Aberdeen UK Mid-Cap Equity Fund – A Accumulation Shares increased by 9.12% compared to an increase of 8.39% in the benchmark, the FTSE 250 ex Investment Trusts Index.

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

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

Market review

Mid-cap UK equities rose in the year under review that was characterised by two very distinct halves. In the initial six months, share prices rose in tandem with the broader market in a synchronised global economic upswing. In the latter half, however, property stocks suffered from bouts of volatility amid a raft of worries, ranging from apprehension over rising interest rates in the United States, inflation fears arising from accelerating energy prices after the US reneged on the Iran nuclear deal, but most of all, an escalating trade tussle triggered by the Trump administration's broadside of tariffs aimed at both friend and foe alike.

On the political front, continuing uncertainty surrounding Brexit negotiations curbed risk appetite. Prime Minister Theresa May failed in her attempt to unite a fractious cabinet, even as European negotiators grew increasingly impatient with the UK's disjointed approach to the talks with Brussels.

Portfolio review

A key contributor to the Fund's outperformance was UK engineering software developer Aveva, as the market continued to warm to the corporate combination with Schneider Software and the potential synergy benefits from the transaction. Also benefiting the Fund was Victrex, which did well after posting good results on the back of good volume growth, and particular strength in Electronics and Oil & Gas, as well as gentle upgrades. Last, Burford Capital, whose share price was buoyed by good full-year results, which demonstrated continuing portfolio growth, strong unrealised gains and increasingly diverse sources of capital.

Capping gains was Provident Financial, whose shares suffered after it issued a profit warning last August when it faced operational issues associated with implementation of a new working model in the company's home-credit business. We had divested our holding in the company in the first half. Also costing the Fund was funeral company Dignity, which issued a profit warning and a new pricing strategy in an attempt to stem market-share declines precipitated by fierce competition in its core market. We exited the company in January. Another detractor was our lack of exposure to Ocado, with its shares buoyed by continued global deal momentum on licenses.

In addition to the portfolio changes already mentioned in the first-half review, we sold some less favoured names in the portfolio because of redemption, along with Aggreko, Devro, Dignity, Essentra, Inmarsat, Oxford Instruments and PZ Cussons in favour of better opportunities elsewhere and to improve the overall quality of the portfolio.

Against this, we introduced meat-packing business Hilton Food, whose global positioning and increased focus on food provenance has consistently enabled it to deliver above-market growth rates and returns; online-booking platform Hostelworld, recognising its attractive business model, solid industry growth and potential to benefit from further marketing efficiencies; online travel agency specialising in short- and medium-haul holidays, On the Beach, a low cost operator, with brand strength, taking market share from legacy tour operators; as well as multi-utility supplier Telecom Plus, as its high recurring revenue stream and well-established partnerships present an attractive business model at a reasonable valuation.

Outlook

Looking ahead, the UK stock market is likely to continue to face a fair amount of volatility amid a raft of worries, including the fallout of the escalating US-China trade tussle, a faster pace of monetary policy normalisation by the US Federal Reserve, as well as rising energy prices and its impact on inflationary pressures. However, we remain confident in our holdings. In the near term, financing conditions remain largely conducive to continued growth, with real rates still negative across developed markets, while unemployment levels are at record lows.

In the recent results season, earnings at an aggregate level have proven resilient against factors, such as rising input costs and heightened competition, while profit forecasts have been largely upbeat. We think this is a consequence of our holdings' pricing power, robust customer relationships and diversified earnings streams – both by geography and product. Meanwhile, companies should be able to absorb some of the cost pressures they might face in the months ahead. Overall, we believe that we hold some of the best quality names in Britain: they have good track records of being able to weather the more challenging times and ultimately, will prosper over the long term.

Small Cap Equity Team **August 2018**

Aberdeen UK Mid-Cap Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risk of investing in this Fund:
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen UK Mid-Cap Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	221.81	186.48	185.45
Return before operating charges*	24.98	38.63	3.86
Operating charges	(3.65)	(3.30)	(2.83)
Return after operating charges*	21.33	35.33	1.03
Distributions on accumulation shares	(1.81)	(1.43)	(1.91)
Retained distributions on accumulation shares	1.81	1.43	1.91
Closing net asset value per share	243.14	221.81	186.48
* after direct transaction costs of:	0.13	0.11	0.18
Performance			
Return after charges	9.62%	18.95%	0.56%
Other information			
Closing net asset value (£'000s)	19,254	22,846	20,598
Closing number of shares	7,918,817	10,299,881	11,045,353
Operating charges	1.61%	1.61%	1.61%
Direct transaction costs	0.06%	0.05%	0.10%
Prices			
Highest share price (pence)	244.43	228.07	188.58
Lowest share price (pence)	216.23	182.62	155.69

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

Aberdeen UK Mid-Cap Equity Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	189.28	160.19	161.02
Return before operating charges*	21.32	33.14	3.27
Operating charges	(3.12)	(2.82)	(2.45)
Return after operating charges*	18.20	30.32	0.82
Distributions on income shares	(1.54)	(1.23)	(1.65)
Closing net asset value per share	205.94	189.28	160.19
* after direct transaction costs of:	0.11	0.09	0.16
Performance			
Return after charges	9.62%	18.93%	0.51%
Other information			
Closing net asset value (£'000s)	4,405	5,350	5,384
Closing number of shares	2,138,881	2,826,344	3,360,681
Operating charges	1.61%	1.61%	1.61%
Direct transaction costs	0.06%	0.05%	0.10%
Prices			
Highest share price (pence)	208.44	195.63	163.16
Lowest share price (pence)	184.52	156.87	134.69

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

Aberdeen UK Mid-Cap Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	179.40	149.70	147.77
Return before operating charges*	20.33	31.12	3.13
Operating charges	(1.59)	(1.42)	(1.20)
Return after operating charges*	18.74	29.70	1.93
Distributions on accumulation shares	(2.86)	(2.40)	(2.57)
Retained distributions on accumulation shares	2.86	2.40	2.57
Closing net asset value per share	198.14	179.40	149.70
* after direct transaction costs of:	0.11	0.09	0.15
Performance			
Return after charges	10.45%	19.84%	1.31%
Other information			
Closing net asset value (£'000s)	8,394	7,354	6,510
Closing number of shares	4,236,678	4,099,326	4,348,980
Operating charges	0.86%	0.86%	0.86%
Direct transaction costs	0.06%	0.05%	0.10%
Prices			
Highest share price (pence)	199.14	184.24	151.38
Lowest share price (pence)	174.99	146.61	124.56

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

Aberdeen UK Mid-Cap Equity Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	164.26	139.00	139.72
Return before operating charges*	18.55	28.79	2.84
Operating charges	(1.45)	(1.31)	(1.14)
Return after operating charges*	17.10	27.48	1.70
Distributions on income shares	(2.61)	(2.22)	(2.42)
Closing net asset value per share	178.75	164.26	139.00
* after direct transaction costs of:	0.10	0.08	0.14
Performance			
Return after charges	10.41%	19.77%	1.22%
Other information			
Closing net asset value (£'000s)	1,349	1,332	1,254
Closing number of shares	754,874	811,099	902,041
Operating charges	0.86%	0.86%	0.86%
Direct transaction costs	0.06%	0.05%	0.10%
Prices			
Highest share price (pence)	181.52	170.18	142.04
Lowest share price (pence)	160.17	136.11	116.88

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

Aberdeen UK Mid-Cap Equity Fund

K Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	127.59	106.38	100.00[B]
Return before operating charges*	14.48	22.14	7.18
Operating charges	(1.04)	(0.93)	(0.80)
Return after operating charges*	13.44	21.21	6.38
Distributions on accumulation shares	(2.14)	(1.74)	(0.98)
Retained distributions on accumulation shares	2.14	1.74	0.98
Closing net asset value per share	141.03	127.59	106.38
* after direct transaction costs of:	0.08	0.06	0.10
Performance			
Return after charges	10.53%	19.94%	6.38%
Other information			
Closing net asset value (£'000s)	11	8	13
Closing number of shares	7,958	5,958	12,658
Operating charges	0.79%	0.79%	0.79%
Direct transaction costs	0.06%	0.05%	0.10%
Prices			
Highest share price (pence)	141.74	131.01	107.57
Lowest share price (pence)	124.46	104.18	94.24

[A] K Accumulation share class launched on 23 March 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen UK Mid-Cap Equity Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	260.84	216.04	211.66
Return before operating charges*	29.70	45.06	4.60
Operating charges	(0.29)	(0.26)	(0.22)
Return after operating charges*	29.41	44.80	4.38
Distributions on accumulation shares	(6.18)	(5.26)	(5.20)
Retained distributions on accumulation shares	6.18	5.26	5.20
Closing net asset value per share	290.25	260.84	216.04
* after direct transaction costs of:	0.16	0.13	0.21
Performance			
Return after charges	11.28%	20.74%	2.07%
Other information			
Closing net asset value (£'000s)	5,639	12,117	27,453
Closing number of shares	1,942,876	4,645,576	12,707,476
Operating charges	0.11%	0.11%	0.11%
Direct transaction costs	0.06%	0.05%	0.10%
Prices			
Highest share price (pence)	291.64	267.55	218.44
Lowest share price (pence)	254.59	211.58	179.13

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

Aberdeen UK Mid-Cap Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 99.24% (2017: 98.69%)					
Equities 99.24% (2017: 98.69%)					
Basic Materials 7.73% (2017: 6.68%)					
Chemicals 7.73% (2017: 6.68%)					
Croda International			17,500	900	2.30
Elementis			226,100	588	1.51
Victrex			48,600	1,533	3.92
				3,021	**7.73**
Total Basic Materials				**3,021**	**7.73**
Consumer Goods 5.46% (2017: 7.89%)					
Beverages 1.67% (2017: 2.17%)					
A.G. Barr			96,300	**652**	**1.67**
Food Producers 1.17% (2017: 1.53%)					
Hilton Food			47,786	**457**	**1.17**
Household Goods & Home Construction 2.62% (2017: 2.38%)					
Cairn Homes			675,000	**1,023**	**2.62**
Personal Goods nil (2017: 1.81%)					
Total Consumer Goods				**2,132**	**5.46**
Consumer Services 17.04% (2017: 19.52%)					
General Retailers 4.67% (2017: 8.18%)					
Inchcape			70,900	500	1.28
Just Eat			167,000	1,325	3.39
				1,825	**4.67**
Media 9.39% (2017: 7.63%)					
Auto Trader∞			236,400	1,005	2.57
Euromoney Institutional Investor			95,600	1,298	3.32
Rightmove			28,000	1,364	3.50
				3,667	**9.39**
Travel & Leisure 2.98% (2017: 3.71%)					
Fuller Smith & Turner			42,800	419	1.07
Hostelworld			106,000	308	0.79
On the Beach			98,000	436	1.12
				1,163	**2.98**
Total Consumer Services				**6,655**	**17.04**

Aberdeen UK Mid-Cap Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Financials 20.02% (2017: 16.58%)					
Equity Investment Instruments 3.20% (2017: 2.46%)					
Burford Capital			68,000	**1,250**	**3.20**
Financial Services 4.36% (2017: 6.66%)					
Close Brothers			56,100	891	2.28
Rathbone Brothers			33,000	810	2.08
				1,701	**4.36**
Nonlife Insurance 2.45% (2017: 2.13%)					
Hiscox			59,900	**957**	**2.45**
Real Estate Investment & Services 2.89% (2017: 2.16%)					
UNITE			128,856	**1,129**	**2.89**
Real Estate Investment Trusts 7.12% (2017: 3.17%)					
Assura (REIT)			1,434,000	812	2.08
Big Yellow (REIT)			107,000	1,018	2.61
Workspace (REIT)			87,500	950	2.43
				2,780	**7.12**
Total Financials				**7,817**	**20.02**
Health Care 14.82% (2017: 9.39%)					
Pharmaceuticals & Biotechnology 14.82% (2017: 9.39%)					
Abcam			118,000	1,744	4.46
BTG			138,800	737	1.89
Dechra Pharmaceuticals			56,957	1,701	4.36
Genus∞			56,000	1,606	4.11
				5,788	**14.82**
Total Health Care				**5,788**	**14.82**
Industrials 24.90% (2017: 31.79%)					
Aerospace & Defense 4.64% (2017: 5.07%)					
Meggitt			167,000	952	2.44
Ultra Electronics			52,000	859	2.20
				1,811	**4.64**
Electronic & Electrical Equipment 1.55% (2017: 4.43%)					
Spectris			26,200	**607**	**1.55**
General Industrials 2.09% (2017: 2.45%)					
RPC			100,000	**815**	**2.09**
Industrial Engineering 10.00% (2017: 9.22%)					
Melrose Industries			335,000	723	1.85
Rotork∞			450,300	1,620	4.15

Aberdeen UK Mid-Cap Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Spirax-Sarco Engineering			22,500	1,563	4.00
				3,906	**10.00**
Industrial Transportation 4.06% (2017: 4.41%)					
BBA Aviation			231,700	811	2.08
James Fisher & Sons			42,900	773	1.98
				1,584	**4.06**
Support Services 2.56% (2017: 6.21%)					
Smart Metering Systems			158,939	**998**	**2.56**
Total Industrials				**9,721**	**24.90**
Oil & Gas 2.17% (2017: 1.72%)					
Oil Equipment, Services & Distribution 2.17% (2017: 1.72%)					
John Wood Group			130,500	**848**	**2.17**
Total Oil & Gas				**848**	**2.17**
Technology 5.69% (2017: 2.81%)					
Software & Computer Services 5.69% (2017: 2.81%)					
Aveva			84,500	**2,222**	**5.69**
Total Technology				**2,222**	**5.69**
Telecommunications 1.41% (2017: 2.31%)					
Fixed Line Telecommunications 1.41% (2017: nil)					
Telecom Plus			53,500	**552**	**1.41**
Mobile Telecommunications nil (2017: 2.31%)					
Total Telecommunications				**552**	**1.41**
Total Equities				**38,756**	**99.24**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**38,756**	**99.24**
Open Ended Investment Funds 0.24% (2017: 1.01%)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1[†]			94	**94**	**0.24**
Total Open Ended Investment Funds				**94**	**0.24**
Total investments				**38,850**	**99.48**
Other net assets				**202**	**0.52**
Total net assets				**39,052**	**100.00**

[†] Managed by subsidiaries of Standard Life Aberdeen plc.
[∞] A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen UK Mid-Cap Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	3,529	9.08	9.04

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
EADS	197	Equity	Main market listing	BNP Paribas
Anheuser-Busch InBev	197	Equity	Main market listing	BNP Paribas
Terumo	196	Equity	Main market listing	BNP Paribas
Tokyo Electron	196	Equity	Main market listing	BNP Paribas
ING	191	Equity	Main market listing	BNP Paribas
Telefonica	190	Equity	Main market listing	BNP Paribas
Atos	182	Equity	Main market listing	BNP Paribas
Accor	180	Equity	Main market listing	BNP Paribas
SAP	170	Equity	Main market listing	BNP Paribas
Concordia Financial	170	Equity	Main market listing	BNP Paribas
Other Equity	2,068	Equity	Main market listing	BNP Paribas
Total collateral received	**3,937**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	3,937	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
EUR	1,705
GBP	577
JPY	1,655
Total collateral received	**3,937**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
NATIXIS	3,529	France	Tri-party
Total market value of securities lending	**3,529**		

Aberdeen UK Mid-Cap Equity Fund

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	-	3,937	**3,937**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	3,529	**3,529**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	11	125.00
Direct operational costs (securities lending agent costs)	(2)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(2)	(25.00)
Net return	**9**	**100.00**

Aberdeen UK Mid-Cap Equity Fund

Statement of total return
For the year ended 31 July 2018

		2018		2017	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital gains	1		3,339		9,659
Revenue	2	1,035		1,298	
Expenses	3	(519)		(529)	
Net revenue before taxation		516		769	
Taxation	4	-		-	
Net revenue after taxation			516		769
Total return before distributions			**3,855**		**10,428**
Distributions	5		(518)		(770)
Change in net assets attributable to shareholders from investment activities			**3,337**		**9,658**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018		2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		**49,007**		**61,212**
Amounts receivable on issue of shares	1,587		1,324	
Amounts payable on cancellation of shares	(15,288)		(23,854)	
		(13,701)		(22,530)
Dilution adjustment		20		39
Change in net assets attributable to shareholders from investment activities		3,337		9,658
Retained distributions on accumulation shares		388		627
Unclaimed distributions > 6 years		1		1
Closing net assets attributable to shareholders		**39,052**		**49,007**

Aberdeen UK Mid-Cap Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		38,850	48,858
Current assets:			
Debtors	6	107	64
Cash and bank balances		288	205
Total assets		**39,245**	**49,127**
Creditors:			
Other creditors	7	149	81
Distribution payable		44	39
Total liabilities		**193**	**120**
Net assets attributable to shareholders		**39,052**	**49,007**

Aberdeen UK Mid-Cap Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	3,338	9,664
Other currency gains/(losses)	1	(5)
Net capital gains	**3,339**	**9,659**

2. Revenue

	2018 £'000	2017 £'000
UK dividends	863	1,184
Distributions from collective investment schemes:		
Offshore distributions - taxable	2	-
UK REITs PID Income	82	38
UK REITs non PID Income	24	11
Overseas dividends	36	36
Underwriting commission	-	24
Stock dividends	19	-
Stock lending commission	9	5
Total revenue	**1,035**	**1,298**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	473	466
Operating, administrative and servicing fees	46	63
Total expenses	**519**	**529**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	-	-
Current tax charge	**-**	**-**
Total taxation	**-**	**-**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	516	769
Corporation tax at 20% (2017 - 20%)	103	154
Effects of:		
UK dividends*	(180)	(239)
Non-taxable overseas dividends*	(7)	(7)
Excess management expenses	84	92
Total taxation	**-**	**-**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £5,248,000 (2017 - £5,164,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**

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

	2018 £'000	2017 £'000
Interim	105	309
Final	337	371
	442	680
Add: Revenue deducted on cancellation of shares	83	96
Deduct: Revenue received on issue of shares	(7)	(6)
Distributions for the year	**518**	**770**
Total distributions	**518**	**770**

Details of the distribution per share are set out in the distribution tables on page 984.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	516	769
Add:		
Undistributed revenue brought forward	1	1
Movement between share classes due to conversions	1	1
Deduct:		
Undistributed revenue carried forward	-	(1)
Distributions	**518**	**770**

Aberdeen UK Mid-Cap Equity Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	53	38
Amounts receivable for issue of shares	51	5
Sales awaiting settlement	-	19
Tax reclaimable	3	2
Total debtors	**107**	**64**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	40	46
Amounts payable for cancellation of shares	109	35
Total other creditors	**149**	**81**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 974. £95,000 was due to the ACD (2017 - £72,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £94,000 (2017 - £495,000) that were managed by subsidiaries of Standard Life Aberdeen plc.

9. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 0.75%
Class 'K': 0.675%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 963 to 968. The distribution per share class is given in the distribution tables on page 984. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	10,299,881	2,826,344	4,099,326	811,099
Creations during the year	230,600	26,500	276,800	81,300
Cancellations during the year	(2,301,100)	(672,800)	(522,100)	(184,900)
Shares converted during the year	(310,564)	(41,163)	382,652	47,375
Closing shares in issue	**7,918,817**	**2,138,881**	**4,236,678**	**754,874**

Aberdeen UK Mid-Cap Equity Fund

	K Accumulation shares	Z Accumulation shares
Opening number of shares	5,958	4,645,576
Creations during the year	2,000	142,100
Cancellations during the year	-	(2,844,800)
Shares converted during the year	-	-
Closing shares in issue	**7,958**	**1,942,876**

10. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a "per Approved Borrower" basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
NATIXIS	3,529	3,937	Equity
Total	**3,529**	**3,937**	

Aberdeen UK Mid-Cap Equity Fund

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	11	2	9

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
Bank of Nova Scotia	1,267	1,410	Equity
Citigroup	74	85	Equity
Citigroup	20	22	Government Bond
JPM Chase	721	801	Equity
NATIXIS	808	897	Equity
Societe Generale	1,040	1,148	Equity
Societe Generale	52	55	Government Bond
Total	**3,982**	**4,418**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	6	1	5

11. Risk management policies and disclosures

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £1,943,000 (2017 - £2,443,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	149	-	-	149
Distribution payable	-	44	-	-	44
Total financial liabilities	**-**	**193**	**-**	**-**	**193**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	81	-	-	81
Distribution payable	-	39	-	-	39
Total financial liabilities	**-**	**120**	**-**	**-**	**120**

12. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Collective Investment Schemes	11,335	1,242	11,736	747
Equities	6,709	11,758	19,177	34,224
Trades in the year before transactions costs	**18,044**	**13,000**	**30,913**	**34,971**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	4	5	(11)	(15)
Total commissions	**4**	**5**	**(11)**	**(15)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	30	50	-	-
Total taxes	**30**	**50**	**-**	**-**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**34**	**55**	**(11)**	**(15)**
Total net trades in the year after transaction costs	**18,078**	**13,055**	**30,902**	**34,956**

Aberdeen UK Mid-Cap Equity Fund

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.06	0.04	0.06	0.04
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	0.45	0.43	-	-
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.03
Taxes	0.07	0.09
Other expenses	-	-
Total costs	**0.11**	**0.12**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £541,000 in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.19% (2017 - 0.29%).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Aberdeen UK Mid-Cap Equity Fund

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	38,756	-	48,363	-
Level 2	94	-	495	-
Level 3	-	-	-	-
Total	**38,850**	**-**	**48,858**	**-**

Aberdeen UK Mid-Cap Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.17228	-	0.17228	0.28596
Group 2	-	0.17228	0.17228	0.28596
A Income shares				
Group 1	0.14703	-	0.14703	0.24565
Group 2	-	0.14703	0.14703	0.24565
I Accumulation shares				
Group 1	0.82654	-	0.82654	0.82486
Group 2	0.15872	0.66782	0.82654	0.82486
I Income shares				
Group 1	0.75677	-	0.75677	0.76589
Group 2	0.05957	0.69720	0.75677	0.76589
K Accumulation shares				
Group 1	0.64170	-	0.64170	0.57024
Group 2	0.64170	-	0.64170	0.57024
Z Accumulation shares				
Group 1	2.19919	-	2.19919	2.03354
Group 2	0.88079	1.31840	2.19919	2.03354

Final dividend distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	1.63334	-	1.63334	1.14173
Group 2	0.91769	0.71565	1.63334	1.14173
A Income shares				
Group 1	1.39281	-	1.39281	0.97936
Group 2	-	1.39281	1.39281	0.97936
I Accumulation shares				
Group 1	2.02874	-	2.02874	1.57083
Group 2	0.84285	1.18589	2.02874	1.57083
I Income shares				
Group 1	1.84919	-	1.84919	1.45098
Group 2	0.89922	0.94997	1.84919	1.45098
K Accumulation shares				
Group 1	1.49883	-	1.49883	1.17296
Group 2	-	1.49883	1.49883	1.17296
Z Accumulation shares				
Group 1	3.98411	-	3.98411	3.22379
Group 2	1.69785	2.28626	3.98411	3.22379

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

Aberdeen UK Smaller Companies Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The investment objective of Aberdeen UK Smaller Companies Equity Fund is to provide capital growth, whilst not excluding the occurrence of income, from investment in smaller UK companies being companies which are not included within the 200 largest UK companies at the time of purchase, in terms of market capitalisation.

Performance review

For the year ended 31 July 2018, the value of Aberdeen UK Smaller Companies Equity Fund – A Accumulation Shares increased by 12.92% compared to an increase of 2.14% in the benchmark, the FTSE Small Cap ex Investment Trusts Index.

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

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

Market review

Small-cap UK equities rose in the year under review that was characterised by two very distinct halves. In the initial six months, share prices rose in tandem with the broader market in a synchronised global economic upswing. In the latter half, however, property stocks suffered from bouts of volatility amid a raft of worries, ranging from apprehension over rising interest rates in the United States, inflation fears arising from accelerating energy prices after the US reneged on the Iran nuclear deal, but most of all, an escalating trade tussle triggered by the Trump administration's broadside of tariffs aimed at both friend and foe alike.

On the political front, continuing uncertainty surrounding Brexit negotiations curbed risk appetite. Prime Minister Theresa May failed in her attempt to unite a fractious cabinet, even as European negotiators grew increasingly impatient with the UK's disjointed approach to the talks with Brussels.

Portfolio review

A key contributor to the Fund's outperformance was UK engineering software developer Aveva, as the market continued to warm to the corporate combination with Schneider Software and the potential synergy benefits from the transaction. Also benefiting the Fund was Dechra, which had a good start to the year, benefiting from continued strong growth in demand for pharmaceuticals for the small animal pet market and a positive. In addition the group continued to make complementary acquisitions. Also benefiting the Fund was Victrex, which did well after posting good results on the back of good volume growth, and particular strength in Electronics and Oil & Gas, as well as gentle upgrades.

Capping gains were funeral company Dignity, which issued a profit warning and a new pricing strategy in an attempt to stem market-share declines precipitated by fierce competition in its core market. We exited the company in January. Also costing the Fund was Mothercare, which continued to suffer from a challenging trading environment while also announcing that its Chairman would be stepping down, just weeks after the CEO announced his departure. Another key detractor was our lack of exposure to Premier Oil, which saw its shares buoyed by the higher oil price.

In addition to the portfolio changes already mentioned in the first-half review, we sold Dignity and Wilmington in favour of better opportunities elsewhere and to improve the overall quality of the portfolio.

Against this, we introduced meat-packing business Hilton Food, whose global positioning and increased focus on food provenance has consistently enabled it to deliver above-market growth rates and returns; online-booking platform Hostelworld, recognising its attractive business model, solid industry growth and potential to benefit from further marketing efficiencies; and multi-utility supplier Telecom Plus, as its high recurring revenue stream and well-established partnerships present an attractive business model at a reasonable valuation.

Outlook

Looking ahead, the UK stock market is likely to continue to face a fair amount of volatility amid a raft of worries, including the fallout of the escalating US-China trade tussle, a faster pace of monetary policy normalisation by the Federal Reserve, as well as rising energy prices and its impact on inflationary pressures. However, we remain confident in our holdings. In the near term, financing conditions remain largely conducive to continued growth, with real rates still negative across developed markets, while unemployment levels are at record lows.

In the recent results season, earnings at an aggregate level have proven resilient against factors, such as rising input costs and heightened competition, while profit forecasts have been largely upbeat. We think this is a consequence of our holdings' pricing power, robust customer relationships and diversified earnings streams – both by geography and product. Meanwhile, companies should be able to absorb some of the cost pressures they might face in the months ahead. Overall, we believe that we hold some of the best quality names in Britain: they have good track records of being able to weather the more challenging times and ultimately, will prosper over the long term.

Small Cap Equity Team **August 2018**

Aberdeen UK Smaller Companies Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Smaller companies: Shares of smaller companies may be more difficult to buy and sell than those of larger companies. This means that the Investment Manager may not be able to buy and sell at the best time or may suffer losses. This could reduce your returns.
- Specialist sector: The Fund invests in a specialist sector and it will not perform in line with funds that have a broader investment policy.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen UK Smaller Companies Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	362.57	288.14	303.44
Return before operating charges*	51.79	79.52	(10.77)
Operating charges	(6.19)	(5.09)	(4.53)
Return after operating charges*	45.60	74.43	(15.30)
Distributions on accumulation shares	(4.16)	(3.08)	(4.12)
Retained distributions on accumulation shares	4.16	3.08	4.12
Closing net asset value per share	408.17	362.57	288.14
* after direct transaction costs of:	-	0.09	0.36
Performance			
Return after charges	12.58%	25.83%	(5.04%)
Other information			
Closing net asset value (£'000s)	64,695	105,934	218,884
Closing number of shares	15,849,870	29,217,880	75,965,018
Operating charges	1.60%	1.60%	1.60%
Direct transaction costs	-	0.03%	0.13%
Prices			
Highest share price (pence)	421.10	362.49	306.01
Lowest share price (pence)	361.68	284.72	258.78

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

Aberdeen UK Smaller Companies Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	189.48	149.45	156.22
Return before operating charges*	27.19	41.45	(5.53)
Operating charges	(1.74)	(1.42)	(1.24)
Return after operating charges*	25.45	40.03	(6.77)
Distributions on accumulation shares	(3.73)	(2.87)	(3.22)
Retained distributions on accumulation shares	3.73	2.87	3.22
Closing net asset value per share	214.93	189.48	149.45
* after direct transaction costs of:	-	0.05	0.19
Performance			
Return after charges	13.43%	26.78%	(4.33%)
Other information			
Closing net asset value (£'000s)	23,378	18,088	14,704
Closing number of shares	10,877,142	9,546,438	9,838,745
Operating charges	0.85%	0.85%	0.85%
Direct transaction costs	-	0.03%	0.13%
Prices			
Highest share price (pence)	221.53	189.44	157.58
Lowest share price (pence)	189.05	147.68	133.77

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

Aberdeen UK Smaller Companies Equity Fund

K Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	130.08	102.53	100.00[B]
Return before operating charges*	18.71	28.45	3.31
Operating charges	(1.11)	(0.90)	(0.78)
Return after operating charges*	17.60	27.55	2.53
Distributions on accumulation shares	(2.68)	(2.05)	(1.34)
Retained distributions on accumulation shares	2.68	2.05	1.34
Closing net asset value per share	147.68	130.08	102.53
* after direct transaction costs of:	-	0.03	0.13
Performance			
Return after charges	13.53%	26.87%	2.53%
Other information			
Closing net asset value (£'000s)	601	10	6
Closing number of shares	406,762	7,600	6,000
Operating charges	0.78%	0.78%	0.78%
Direct transaction costs	-	0.03%	0.13%
Prices			
Highest share price (pence)	152.20	130.06	103.50
Lowest share price (pence)	129.80	101.32	93.69

[A] K Accumulation share class launched on 23 March 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen UK Smaller Companies Equity Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	429.36	336.12	348.70
Return before operating charges*	61.79	93.61	(12.25)
Operating charges	(0.46)	(0.37)	(0.33)
Return after operating charges*	61.33	93.24	(12.58)
Distributions on accumulation shares	(11.97)	(9.31)	(9.70)
Retained distributions on accumulation shares	11.97	9.31	9.70
Closing net asset value per share	490.69	429.36	336.12
* after direct transaction costs of:	-	0.11	0.42
Performance			
Return after charges	14.28%	27.74%	(3.61%)
Other information			
Closing net asset value (£'000s)	17,380	25,767	57,336
Closing number of shares	3,542,069	6,001,269	17,058,090
Operating charges	0.10%	0.10%	0.10%
Direct transaction costs	-	0.03%	0.13%
Prices			
Highest share price (pence)	505.28	429.26	351.82
Lowest share price (pence)	428.49	332.16	299.78

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

Aberdeen UK Smaller Companies Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 99.08% (2017: 97.36%)					
Equities 99.08% (2017: 97.36%)					
Basic Materials 5.02% (2017: 4.65%)					
Chemicals 5.02% (2017: 4.65%)					
Elementis			681,500	1,773	1.67
Victrex			112,600	3,552	3.35
				5,325	**5.02**
Total Basic Materials				**5,325**	**5.02**
Consumer Goods 16.13% (2017: 9.84%)					
Beverages 4.38% (2017: 3.96%)					
A.G. Barr			374,300	2,534	2.39
Stock Spirits			975,478	2,107	1.99
				4,641	**4.38**
Food Producers 5.41% (2017: 1.84%)					
Devro			1,056,800	2,080	1.96
Hilton Food			382,692	3,658	3.45
				5,738	**5.41**
Household Goods & Home Construction 6.34% (2017: 4.04%)					
Cairn Homes			2,134,400	3,237	3.05
Victoria[∞]			422,150	3,487	3.29
				6,724	**6.34**
Total Consumer Goods				**17,103**	**16.13**
Consumer Services 11.60% (2017: 14.23%)					
General Retailers nil (2017: 4.66%)					
Media 4.31% (2017: 6.94%)					
Euromoney Institutional Investor			336,800	**4,574**	**4.31**
Travel & Leisure 7.29% (2017: 2.63%)					
Fuller Smith & Turner			272,000	2,666	2.51
Hostelworld			717,300	2,087	1.97
Patisserie			687,400	2,976	2.81
				7,729	**7.29**
Total Consumer Services				**12,303**	**11.60**
Financials 16.62% (2017: 18.16%)					
Equity Investment Instruments 2.96% (2017: 2.76%)					
Burford Capital			170,700	**3,137**	**2.96**

Aberdeen UK Smaller Companies Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Financial Services 2.26% (2017: 2.85%)					
Rathbone Brothers			97,800	**2,402**	**2.26**
Life Insurance 2.60% (2017: 2.45%)					
Chesnara			687,400	**2,760**	**2.60**
Real Estate Investment & Services 4.87% (2017: 4.86%)					
Helical Bar			383,015	1,226	1.16
Savills			215,300	1,908	1.80
U & I			913,600	2,023	1.91
				5,157	**4.87**
Real Estate Investment Trusts 3.93% (2017: 5.24%)					
Assura (REIT)			5,019,200	2,841	2.68
Hansteen (REIT)			1,207,900	1,329	1.25
				4,170	**3.93**
Total Financials				**17,626**	**16.62**
Health Care 10.63% (2017: 7.65%)					
Pharmaceuticals & Biotechnology 10.63% (2017: 7.65%)					
Abcam			215,300	3,182	3.00
Dechra Pharmaceuticals			128,700	3,843	3.62
Genus			148,200	4,250	4.01
				11,275	**10.63**
Total Health Care				**11,275**	**10.63**
Industrials 31.77% (2017: 37.40%)					
Aerospace & Defense 2.78% (2017: 3.07%)					
Ultra Electronics			178,800	**2,952**	**2.78**
Construction & Materials 4.46% (2017: 4.50%)					
Keller			185,600	2,001	1.89
Morgan Sindall			193,600	2,730	2.57
				4,731	**4.46**
Electronic & Electrical Equipment 8.32% (2017: 9.12%)					
Oxford Instruments			297,300	2,836	2.67
TT Electronics			446,400	1,031	0.97
Xaar			572,900	1,449	1.37
XP Power			97,800	3,511	3.31
				8,827	**8.32**
General Industrials 1.80% (2017: 2.74%)					
RPC			234,100	**1,907**	**1.80**

Aberdeen UK Smaller Companies Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Industrial Engineering nil (2017: 2.68%)					
Industrial Transportation 4.85% (2017: 4.63%)					
BBA Aviation			594,600	2,081	1.96
James Fisher & Sons			170,056	3,065	2.89
				5,146	**4.85**
Support Services 9.56% (2017: 10.66%)					
Acal			854,300	3,511	3.31
Robert Walters			405,900	3,036	2.86
Smart Metering Systems∞			570,900	3,585	3.39
				10,132	**9.56**
Total Industrials				**33,695**	**31.77**
Oil & Gas nil (2017: 1.07%)					
Oil & Gas Producers nil (2017: 1.07%)					
Technology 4.04% (2017: 2.81%)					
Software & Computer Services 4.04% (2017: 2.81%)					
Aveva			115,500	3,038	2.87
Gresham Technologies			763,827	1,245	1.17
				4,283	**4.04**
Total Technology				**4,283**	**4.04**
Telecommunications 3.27% (2017: 1.55%)					
Fixed Line Telecommunications 3.27% (2017: 1.55%)					
Manx Telecom			1,038,100	1,837	1.73
Telecom Plus			158,000	1,631	1.54
				3,468	**3.27**
Total Telecommunications				**3,468**	**3.27**
Total Equities				**105,078**	**99.08**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**105,078**	**99.08**
Other transferable securities and money market instruments nil (2017: nil)					
Equities nil (2017: nil)					
Financials nil (2017: nil)					
Equity Investment Instruments nil (2017: nil)					
HIE Ventures$^{\Omega}$			18,769	-	-
Total Financials				-	-

Aberdeen UK Smaller Companies Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Total Equities				-	-
Total Other transferable securities and money market instruments				-	-
Open Ended Investment Funds nil (2017: 1.35%)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1†			1	1	-
Total Open Ended Investment Funds				1	-
Total investments				105,079	99.08
Other net assets				975	0.92
Total net assets				106,054	100.00

† Managed by subsidiaries of Standard Life Aberdeen plc.
∞ A portion of this security is on loan at the year end.
Ω Unapproved/unquoted security.
Comparative figures are as at 31 July 2017.

Aberdeen UK Smaller Companies Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	2,333	2.22	2.20

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
UK Treasury	1,497	Government Bond	Investment grade	BNP Paribas
US Treasury	1,372	Government Bond	Investment grade	BNP Paribas
France (Government of)	329	Government Bond	Investment grade	BNP Paribas
British Sky Broadcasting	210	Equity	Main market listing	BNP Paribas
Royal Bank of Scotland	205	Equity	Main market listing	BNP Paribas
Lloyds Banking	159	Equity	Main market listing	BNP Paribas
AT&T	55	Equity	Main market listing	BNP Paribas
S&P Global	54	Equity	Main market listing	BNP Paribas
Corning	42	Equity	Main market listing	BNP Paribas
British American Tobacco	5	Equity	Main market listing	BNP Paribas
Other Equity	90	Equity	Main market listing	BNP Paribas
Total collateral received	**4,018**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	4,018	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
EUR	347
GBP	2,126
JPY	22
USD	1,523
Total collateral received	**4,018**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
Morgan Stanley	2,245	United States	Tri-party
Societe Generale	88	France	Tri-party
Total market value of securities lending	**2,333**		

Aberdeen UK Smaller Companies Equity Fund

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	3,198	820	**4,018**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	2,333	**2,333**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	16	125.00
Direct operational costs (securities lending agent costs)	(3)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(3)	(25.00)
Net return	**13**	**100.00**

Aberdeen UK Smaller Companies Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		13,276		64,284
Revenue	2	3,197		7,542	
Expenses	3	(1,513)		(3,591)	
Net revenue before taxation		1,684		3,951	
Taxation	4	-		-	
Net revenue after taxation			1,684		3,951
Total return before distributions			**14,960**		**68,235**
Distributions	5		(1,690)		(3,951)
Change in net assets attributable to shareholders from investment activities			**13,270**		**64,284**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**149,799**		**290,930**
Amounts receivable on issue of shares	7,571		4,461	
Amounts payable on cancellation of shares	(66,349)		(177,516)	
Amounts payable on in specie transfers[A]	-		(34,867)	
		(58,778)		(207,922)
Dilution adjustment		211		102
Change in net assets attributable to shareholders from investment activities		13,270		64,284
Retained distributions on accumulation shares		1,552		2,405
Closing net assets attributable to shareholders		**106,054**		**149,799**

[A] Relating to an in specie transfer to HSBC Global Custody Nominee (UK) Limited 844003 on 7 June 2017.

Aberdeen UK Smaller Companies Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		105,079	147,874
Current assets:			
Debtors	6	128	433
Cash and bank balances		1,157	1,766
Total assets		**106,364**	**150,073**
Creditors:			
Other creditors	7	310	274
Total liabilities		**310**	**274**
Net assets attributable to shareholders		**106,054**	**149,799**

Aberdeen UK Smaller Companies Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital gains**

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	13,266	64,303
Other currency gains/(losses)	10	(19)
Net capital gains	**13,276**	**64,284**

2. **Revenue**

	2018 £'000	2017 £'000
UK dividends	2,646	6,130
Distributions from collective investment schemes:		
Offshore distributions - taxable	4	1
UK REITs PID Income	150	321
UK REITs non PID Income	74	283
Overseas dividends	269	738
Underwriting commission	-	23
Stock dividends	39	29
Stock lending commission	13	16
Bank interest	2	1
Total revenue	**3,197**	**7,542**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,388	3,308
Operating, administrative and servicing fees	125	283
Total expenses	**1,513**	**3,591**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. **Taxation**

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	-	-
Current tax charge	**-**	**-**
Total taxation	**-**	**-**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	1,684	3,951
Corporation tax at 20% (2017 - 20%)	337	790
Effects of:		
UK dividends*	(552)	(1,288)
Non-taxable overseas dividends*	(54)	(148)
Excess management expenses	269	646
Total taxation	**-**	**-**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £6,157,000 (2017 - £5,888,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**

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

	2018 £'000	2017 £'000
Interim	341	1,190
Final	1,211	1,215
	1,552	2,405
Add: Revenue deducted on cancellation of shares	179	1,571
Deduct: Revenue received on issue of shares	(41)	(25)
Distributions for the year	**1,690**	**3,951**
Total distributions	**1,690**	**3,951**

Details of the distribution per share are set out in the distribution tables on page 1006.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	1,684	3,951
Add:		
Movement between share classes due to conversions	6	-
Distributions	**1,690**	**3,951**

Aberdeen UK Smaller Companies Equity Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	105	120
Amounts receivable for issue of shares	23	313
Total debtors	**128**	**433**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	108	154
Amounts payable for cancellation of shares	202	120
Total other creditors	**310**	**274**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 997. £278,000 was due to the ACD (2017 - £388,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £1,000 (2017 - £2,018,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 0.75%
Class 'K': 0.675%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 987 to 990. The distribution per share class is given in the distribution tables on page 1006. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	I Accumulation shares	K Accumulation shares	Z Accumulation shares
Opening number of shares	29,217,880	9,546,438	7,600	6,001,269
Creations during the year	366,500	2,666,200	435,000	9,200
Cancellations during the year	(12,940,900)	(2,837,900)	(54,400)	(2,468,400)
Shares converted during the year	(793,610)	1,502,404	18,562	-
Closing shares in issue	**15,849,870**	**10,877,142**	**406,762**	**3,542,069**

Aberdeen UK Smaller Companies Equity Fund

10. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a "per Approved Borrower" basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Morgan Stanley	396	721	Equity
Morgan Stanley	1,849	3,198	Government Bond
Societe Generale	88	99	Equity
Total	**2,333**	**4,018**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	16	3	13

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
JPM Chase	600	666	Equity
Merrill Lynch	606	679	Equity
Merrill Lynch	69	73	Government Bond
NATIXIS	3,570	3,956	Equity
NATIXIS	2	2	Government Bond
Total	**4,847**	**5,376**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	20	4	16

11. Risk management policies and disclosures

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

Foreign currency risk

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

Interest rate risk profile of financial assets and financial liabilities

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £5,254,000 (2017 - £7,394,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives

The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	310	-	-	310
Total financial liabilities	**-**	**310**	**-**	**-**	**310**

Aberdeen UK Smaller Companies Equity Fund

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	274	-	-	274
Total financial liabilities	**-**	**274**	**-**	**-**	**274**

12. Portfolio transaction costs

	Purchases		Sales	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trades in the year				
Collective Investment Schemes	30,332	11,914	32,349	9,896
Equities	19,574	32,424	67,662	66,122
Trades in the year before transactions costs	**49,906**	**44,338**	**100,011**	**76,018**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	12	18	(41)	(43)
Total commissions	**12**	**18**	**(41)**	**(43)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	72	122	-	-
Total taxes	**72**	**122**	**-**	**-**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**84**	**140**	**(41)**	**(43)**
Total net trades in the year after transaction costs	**49,990**	**44,478**	**99,970**	**75,975**

	Purchases		Sales	
	2018 %	2017 %	2018 %	2017 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.06	0.06	0.06	0.07
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	0.37	0.38	-	-
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	-	-

Aberdeen UK Smaller Companies Equity Fund

	2018 %	2017 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.02
Taxes	0.06	0.04
Other expenses	-	-
Total costs	**0.10**	**0.06**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - £171,161,000). There were corporate actions (net sales) of £6,119,000 in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.50% (2017 - 0.79%).

13. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	105,078	-	145,856	-
Level 2	1	-	2,018	-
Level 3	-	-	-	-
Total	**105,079**	**-**	**147,874**	**-**

Aberdeen UK Smaller Companies Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.31940	-	0.31940	0.72709
Group 2	-	0.31940	0.31940	0.72709
I Accumulation shares				
Group 1	0.92639	-	0.92639	0.97294
Group 2	0.21841	0.70798	0.92639	0.97294
K Accumulation shares				
Group 1	0.69566	-	0.69566	0.70480
Group 2	0.12757	0.56809	0.69566	0.70480
Z Accumulation shares				
Group 1	3.80883	-	3.80883	3.53058
Group 2	0.32883	3.48000	3.80883	3.53058

Final dividend distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	3.84111	-	3.84111	2.35161
Group 2	1.26571	2.57540	3.84111	2.35161
I Accumulation shares				
Group 1	2.80278	-	2.80278	1.89877
Group 2	1.28710	1.51568	2.80278	1.89877
K Accumulation shares				
Group 1	1.97941	-	1.97941	1.34618
Group 2	0.94516	1.03425	1.97941	1.34618
Z Accumulation shares				
Group 1	8.16187	-	8.16187	5.78021
Group 2	5.65189	2.50998	8.16187	5.78021

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

Aberdeen World Equity Fund

For the year ended 31 July 2018

Investment objective and policy

The investment objective of Aberdeen World Equity Fund is to provide long term total return from an internationally diversified portfolio of equities.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Performance review

For the year ended 31 July 2018, the value of Aberdeen World Equity Fund – A Income Shares increased by 6.19% compared to an increase of 13.05% in the benchmark, the MSCI World Index.

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

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

Market review

The year under review was one of two halves. In the first, low volatility, a depreciating US dollar and positive corporate earnings in the US supported developed market equities, with price-earnings multiples rising to historical highs. Companies with significant US operations benefited from the Republican tax cuts. Separately, the Federal Reserve appointed Jay Powell as its next chair, signalling a continuity in the gradual normalisation of monetary policy. In Europe, optimism over economic recovery outweighed an unresolved Brexit, protracted talks to form a coalition government in Germany, and political turmoil in Spain in the wake of Catalonia's push for independence. Japan rose on brighter business prospects, in tandem with improvements in the global economy. The incumbent Prime Minister Shinzo Abe's snap election victory, along with the Bank of Japan maintaining monetary stimulus, and the finalisation of its free trade deal with Brussels, also contributed to the positive mood.

Investment sentiment became downbeat in the second half. The initial optimism towards global growth turned into concern that rising inflation could compel more aggressive monetary policy. Investors were also worried about a flare-up in trade tensions. US-China trade relations, which appeared to improve initially, quickly deteriorated amid rounds of brinkmanship. Other major trading partners also retaliated with import duties of their own against Trump's steel and aluminum tariffs.

Portfolio review

At the stock level, not holding Amazon hurt the Fund as it surged in the period, with investors appearing to pay little heed to valuation in the search for growth. We prefer other technology stocks such as Google's parent Alphabet and software firm Oracle. Vodafone was another detractor, declining after sales softened due to competitive pressures in Italy and Spain, and its warning of slower growth ahead. German chemicals firm Henkel was also pressured by weak sales, and concerns that its expansion would moderate after 2018.

Conversely, Japanese medical equipment supplier Sysmex was a key contributor to performance. Its shares rallied due to continued optimism that inventory correction in its Chinese business was reaching an end, while conviction grew in its clinical testing devices. In the US, Visa climbed on better-than-expected results and its higher target for full-year earnings, while oil exploration firm EOG advanced on the back of rising oil prices.

In portfolio activity, we initiated positions in a number of companies:

- Global alcoholic beverages producer Diageo, which has scope for operational efficiencies and is generating healthy cash flows.
- Well-capitalised Singapore bank OCBC, which has an attractive dividend yield and good growth opportunities, both in the region as well as in wealth management.
- Yum China, a leading restaurant-chain operator that has a number of brands with attractive prospects in China.
- Google's parent Alphabet, which has a world-leading digital advertising platform with wide competitive moat and a cash-rich balance sheet. It is also gaining scale in its cloud offering.
- Infineon Technologies, a high-quality business with a net-cash balance sheet that is well-established in automotive end-markets, and also serves the industrial automation market.
- Chinese internet giant Tencent, as the business offers good long-term growth opportunities and brings further diversification to the portfolio.
- US derivatives exchange CME for its attractive fundamentals, including a wide range of products and an established network. It enjoys pricing power and stable cash flows, and has a history of returning excess cash to shareholders. We believe it will benefit from increased market volatility.

Against these, we exited a few holdings:

- City Developments, as we felt it was trading at full valuation following a robust recovery in its share price.
- CVS Health, on concerns about the increased uncertainty and complexity arising from the Aetna deal, and because of its challenging operational environment.
- Hong Kong rail and property firm MTR Corporation, whose valuation has captured many of the positives within the business, but not some of the risks associated with expanding the rail franchise beyond its core geographical areas.
- Tenaris, as it was fully valued.
- Perrigo, as it faced potential litigation as well as challenges at its Omega Pharma division.
- Whitbread, following its plans to split the business.

Aberdeen World Equity Fund

Outlook

Global markets are expected to remain on tenterhooks, given geopolitical uncertainties and shifts in monetary policy over the next few months. Trade tensions between the US and its major trading partners, as well as political uncertainty in Europe, will weigh on investors' minds. They will also be keeping a close watch on how major central banks will manage liquidity and currency fluctuations. The outlook for emerging markets is cloudy too: the US' reduction of its balance sheet and its borrowing binge through a substantial increase in US Treasuries are affecting dollar funding for these markets.

Even amid these uncertainties, our approach remains the same. We focus on understanding the risks - including corporate earnings, escalating trade tensions, strong US dollar, political risk and a flattening yield curve - and positioning the portfolio to be relatively resilient should those risks materialise. From a portfolio construction perspective we use diversification as our main tool in managing them. However, our primary focus before we consider these macro elements is the business itself: we look for companies with structural growth drivers, a sustainable competitive advantage, and a strong market position. We believe that these fundamental factors give companies the resilience to navigate more difficult times should macroeconomic risks materialise. It also gives us the confidence to make use of periods of volatility when share prices are low to build our positions, given our long-term investment horizon.

Global Equity Team **August 2018**

Aberdeen World Equity Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risk of investing in this Fund:
- Exchange rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen World Equity Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	240.22	209.82	182.49
Return before operating charges*	20.29	34.13	30.24
Operating charges	(3.98)	(3.73)	(2.91)
Return after operating charges*	16.31	30.40	27.33
Distributions on accumulation shares	(0.80)	(0.73)	(1.64)
Retained distributions on accumulation shares	0.80	0.73	1.64
Closing net asset value per share	256.53	240.22	209.82
* after direct transaction costs of:	0.10	0.09	0.13
Performance			
Return after charges	6.79%	14.49%	14.98%
Other information			
Closing net asset value (£'000s)	125,381	161,133	159,504
Closing number of shares	48,875,780	67,076,032	76,019,348
Operating charges	1.63%	1.64%	1.64%
Direct transaction costs	0.04%	0.04%	0.07%
Prices			
Highest share price (pence)	257.62	246.14	212.14
Lowest share price (pence)	230.18	206.95	160.52

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

Aberdeen World Equity Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	205.38	179.93	157.78
Return before operating charges*	17.34	29.28	26.08
Operating charges	(3.40)	(3.20)	(2.51)
Return after operating charges*	13.94	26.08	23.57
Distributions on income shares	(0.69)	(0.63)	(1.42)
Closing net asset value per share	218.63	205.38	179.93
* after direct transaction costs of:	0.09	0.07	0.11
Performance			
Return after charges	6.79%	14.49%	14.94%
Other information			
Closing net asset value (£'000s)	30,456	30,575	28,614
Closing number of shares	13,930,661	14,886,904	15,902,929
Operating charges	1.63%	1.64%	1.64%
Direct transaction costs	0.04%	0.04%	0.07%
Prices			
Highest share price (pence)	220.24	211.08	183.07
Lowest share price (pence)	196.78	177.46	138.51

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

Aberdeen World Equity Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	251.42	218.51	189.10
Return before operating charges*	21.27	35.61	31.52
Operating charges	(2.90)	(2.70)	(2.11)
Return after operating charges*	18.37	32.91	29.41
Distributions on accumulation shares	(2.14)	(1.95)	(2.64)
Retained distributions on accumulation shares	2.14	1.95	2.64
Closing net asset value per share	269.79	251.42	218.51
* after direct transaction costs of:	0.10	0.09	0.14
Performance			
Return after charges	7.31%	15.06%	15.55%
Other information			
Closing net asset value (£'000s)	174,699	201,509	224,052
Closing number of shares	64,754,759	80,146,843	102,536,357
Operating charges	1.13%	1.14%	1.14%
Direct transaction costs	0.04%	0.04%	0.07%
Prices			
Highest share price (pence)	270.91	257.47	220.91
Lowest share price (pence)	241.70	215.53	166.78

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

Aberdeen World Equity Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	144.30	126.40	110.81
Return before operating charges*	12.19	20.59	18.36
Operating charges	(1.66)	(1.56)	(1.23)
Return after operating charges*	10.53	19.03	17.13
Distributions on income shares	(1.22)	(1.13)	(1.54)
Closing net asset value per share	153.61	144.30	126.40
* after direct transaction costs of:	0.06	0.05	0.08
Performance			
Return after charges	7.30%	15.06%	15.46%
Other information			
Closing net asset value (£'000s)	9,250	8,944	9,259
Closing number of shares	6,021,439	6,198,311	7,325,051
Operating charges	1.13%	1.14%	1.14%
Direct transaction costs	0.04%	0.04%	0.07%
Prices			
Highest share price (pence)	155.28	148.66	128.89
Lowest share price (pence)	138.56	124.68	97.29

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

Aberdeen World Equity Fund

L Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	112.65	100.00[B]
Return before operating charges*	9.58	13.41
Operating charges	(0.97)	(0.76)
Return after operating charges*	8.61	12.65
Distributions on accumulation shares	(1.30)	(1.06)
Retained distributions on accumulation shares	1.30	1.06
Closing net asset value per share	121.26	112.65
* after direct transaction costs of:	0.05	0.04
Performance		
Return after charges	7.64%	12.65%
Other information		
Closing net asset value (£'000s)	22	29
Closing number of shares	18,200	26,000
Operating charges	0.84%	0.82%
Direct transaction costs	0.04%	0.04%
Prices		
Highest share price (pence)	121.76	115.32
Lowest share price (pence)	108.52	98.10

[A] L Accumulation share class launched on 30 September 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen World Equity Fund

L Income shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	111.57	100.00[B]
Return before operating charges*	9.47	13.40
Operating charges	(0.96)	(0.77)
Return after operating charges*	8.51	12.63
Distributions on income shares	(1.28)	(1.06)
Closing net asset value per share	118.80	111.57
* after direct transaction costs of:	0.05	0.04
Performance		
Return after charges	7.63%	12.63%
Other information		
Closing net asset value (£'000s)	1,455	1,179
Closing number of shares	1,224,900	1,057,000
Operating charges	0.84%	0.82%
Direct transaction costs	0.04%	0.04%
Prices		
Highest share price (pence)	120.24	115.10
Lowest share price (pence)	107.18	98.10

[A] L Income share class launched on 30 September 2016.
[B] The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen World Equity Fund

Z Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	280.17	241.06	206.54
Return before operating charges*	8.97	39.46	34.80
Operating charges	(0.29)	(0.35)	(0.28)
Return after operating charges*	8.68	39.11	34.52
Distributions on accumulation shares	(1.98)	(5.27)	(4.93)
Retained distributions on accumulation shares	1.98	5.27	4.93
Final cancellation price	(288.85)	-	-
Closing net asset value per share	-	280.17	241.06
* after direct transaction costs of:	0.12	0.09	0.15
Performance			
Return after charges	3.10%	16.22%	16.71%
Other information			
Closing net asset value (£'000s)	-	1	8,142
Closing number of shares	-	421	3,377,621
Operating charges	0.13%	0.14%	0.14%
Direct transaction costs	0.04%	0.04%	0.07%
Prices			
Highest share price (pence)	300.97	286.61	243.69
Lowest share price (pence)	271.26	237.78	183.14

[A] Z Accumulation share class closed on 11 May 2018.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen World Equity Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 98.45% (2017: 97.44%)					
Equities 98.45% (2017: 97.44%)					
Asia Pacific 17.77% (2017: 16.33%)					
China 0.97% (2017: nil)					
Tencent			95,700	**3,300**	**0.97**
Hong Kong 4.60% (2017: 5.51%)					
AIA			1,037,000	6,902	2.01
Jardine Matheson			102,600	5,274	1.55
Swire Pacific 'A'∞			431,500	3,561	1.04
				15,737	**4.60**
India 3.59% (2017: 3.01%)					
Housing Development Finance			308,700	6,824	2.00
ITC			1,643,200	5,435	1.59
				12,259	**3.59**
Singapore 1.42% (2017: 1.04%)					
Oversea-Chinese Banking			745,800	**4,832**	**1.42**
South Korea 2.52% (2017: 2.14%)					
Samsung Electronics (PREF)			330,000	**8,602**	**2.52**
Taiwan 2.58% (2017: 3.06%)					
TSMC			1,437,705	**8,789**	**2.58**
Thailand 2.09% (2017: 1.57%)					
Kasikornbank (Alien)			1,387,400	**7,121**	**2.09**
Total Asia Pacific				**60,640**	**17.77**
Europe, Middle East & Africa (ex United Kingdom) 20.87% (2017: 19.62%)					
Germany 5.41% (2017: 3.92%)					
Fresenius Medical Care∞			89,700	6,700	1.96
Henkel (non voting) (PREF)			88,400	8,473	2.49
Infineon Technologies∞			162,000	3,286	0.96
				18,459	**5.41**
Ireland 1.47% (2017: 1.47%)					
Experian			267,000	**5,004**	**1.47**
Israel 1.99% (2017: 1.91%)					
Check Point Software Technologies			79,000	**6,785**	**1.99**

Aberdeen World Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Netherlands 1.47% (2017: 1.40%)					
Royal Dutch Shell 'B'			188,100	**5,025**	**1.47**
South Africa 1.01% (2017: 0.90%)					
MTN			516,300	**3,433**	**1.01**
Sweden 2.52% (2017: 1.46%)					
Atlas Copco∞			235,000	5,147	1.51
Epiroc∞			377,500	3,440	1.01
				8,587	**2.52**
Switzerland 7.00% (2017: 8.56%)					
Nestle			109,400	6,799	1.99
Novartis			160,200	10,268	3.00
Roche			36,600	6,850	2.01
				23,917	**7.00**
Total Europe, Middle East & Africa (ex United Kingdom)				**71,210**	**20.87**
Japan 11.12% (2017: 10.74%)					
Daito Trust Construction Co			42,000	5,337	1.56
FANUC Corp			34,300	5,120	1.50
Japan Tobacco Inc			334,300	7,228	2.12
Keyence Corp			15,600	6,249	1.83
Shin-Etsu Chemical Co			96,500	7,404	2.17
Sysmex Corp			92,000	6,623	1.94
				37,961	**11.12**
Total Japan				**37,961**	**11.12**
Latin America 4.39% (2017: 6.20%)					
Agentina nil (2017: 6.20%)					
Brazil 2.38% (2017: 2.83%)					
Banco Bradesco (ADR)			1,321,850	**8,132**	**2.38**
Mexico 2.01% (2017: 2.11%)					
FEMSA (ADR)			91,600	**6,852**	**2.01**
Total Latin America				**14,984**	**4.39**
North America 34.38% (2017: 33.93%)					
Canada 1.51% (2017: 1.61%)					
Nutrien			125,120	**5,167**	**1.51**
United States 32.87% (2017: 32.32%)					
Alphabet			5,500	5,145	1.51
Amdocs			132,000	6,799	1.99

Aberdeen World Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
CME			26,700	3,239	0.95
Cognizant Technology Solutions 'A'			82,100	5,101	1.49
Comcast 'A'∞			189,700	5,174	1.52
EOG Resources			86,300	8,482	2.49
Intercontinental Exchange			88,600	4,991	1.46
Johnson & Johnson			50,900	5,142	1.51
M&T Bank			76,600	10,123	2.97
Oracle			278,800	10,134	2.97
PepsiCo			78,550	6,886	2.02
Philip Morris International			42,900	2,822	0.83
Praxair			54,300	6,933	2.03
Schlumberger			132,700	6,828	2.00
TJX			77,400	5,738	1.68
Visa 'A'∞			113,000	11,778	3.44
Yum China			248,800	6,843	2.01
				112,158	**32.87**
Total North America				**117,325**	**34.38**
United Kingdom 9.92% (2017: 10.62%)					
BHP Billiton			198,000	3,474	1.02
British American Tobacco			164,300	6,902	2.02
Diageo			181,300	5,080	1.49
Rolls-Royce			516,800	5,121	1.50
Standard Chartered			706,000	4,857	1.42
Vodafone			4,520,000	8,408	2.47
				33,842	**9.92**
Total United Kingdom				**33,842**	**9.92**
Total Equities				**335,962**	**98.45**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**335,962**	**98.45**
Other transferable securities and money market instruments nil (2017: nil)					
Equities nil (2017: nil)					
United Kingdom nil (2017: nil)					
Sinclair Research			1,500	-	-
Total United Kingdom				-	-
Total Equities				-	-
Total Other transferable securities and money market instruments				-	-

Aberdeen World Equity Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Open Ended Investment Funds 0.84% (2017: 2.39%)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1[†]			2,881	2,881	0.84
Total Open Ended Investment Funds				2,881	0.84
Total investments				338,843	99.29
Other net assets				2,420	0.71
Total net assets				341,263	100.00

[†] Managed by subsidiaries of Standard Life Aberdeen plc.
[∞] A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen World Equity Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	17,113	5.05	5.01

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Nestle	605	Equity	Main market listing	BNP Paribas
Intesa Sanpaolo	530	Equity	Main market listing	BNP Paribas
Eni	530	Equity	Main market listing	BNP Paribas
Credit Agricole	496	Equity	Main market listing	BNP Paribas
British Sky Broadcasting	495	Equity	Main market listing	BNP Paribas
UBS	461	Equity	Main market listing	BNP Paribas
Cie Financiere Richemont	461	Equity	Main market listing	BNP Paribas
Orange	461	Equity	Main market listing	BNP Paribas
Roche	461	Equity	Main market listing	BNP Paribas
Vinci	457	Equity	Main market listing	BNP Paribas
Other Equity	13,345	Equity	Main market listing	BNP Paribas
Other Government Bond	592	Government Bond	Investment grade	BNP Paribas
Total collateral received	**18,894**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	18,894	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	137
CAD	366
CHF	2,066
DKK	124
EUR	8,000
GBP	1,502
JPY	1,832
SEK	126
USD	4,741
Total collateral received	**18,894**

Aberdeen World Equity Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
BNP Paribas	9,536	France	Tri-party
Citigroup	4,265	United States	Tri-party
NATIXIS	3,312	France	Tri-party
Total market value of securities lending	**17,113**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	127	465	18,302	**18,894**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	17,113	**17,113**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	25	125.00
Direct operational costs (securities lending agent costs)	(5)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(5)	(25.00)
Net return	**20**	**100.00**

Aberdeen World Equity Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital gains	1		22,102		55,586
Revenue	2	8,164		9,680	
Expenses	3	(5,088)		(5,697)	
Net revenue before taxation		3,076		3,983	
Taxation	4	(873)		(1,526)	
Net revenue after taxation			2,203		2,457
Total return before distributions			**24,305**		**58,043**
Distributions	5		(2,207)		(2,474)
Change in net assets attributable to shareholders from investment activities			**22,098**		**55,569**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**403,370**		**429,571**
Amounts receivable on issue of shares	2,630		4,761	
Amounts payable on cancellation of shares	(88,652)		(88,634)	
		(86,022)		(83,873)
Change in net assets attributable to shareholders from investment activities		22,098		55,569
Retained distributions on accumulation shares		1,813		2,099
Unclaimed distributions > 6 years		4		4
Closing net assets attributable to shareholders		**341,263**		**403,370**

Aberdeen World Equity Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		338,843	402,701
Current assets:			
Debtors	6	7,598	885
Cash and bank balances		1,856	1,087
Total assets		**348,297**	**404,673**
Liabilities:			
Creditors:			
Other creditors	7	6,865	1,146
Distribution payable		169	157
Total liabilities		**7,034**	**1,303**
Net assets attributable to shareholders		**341,263**	**403,370**

Aberdeen World Equity Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital gains

	2018 £'000	2017 £'000
The net capital gains on investments during the year comprise:		
Non-derivative securities gains	22,232	55,594
Other currency losses	(130)	(100)
Class actions	-	92
Net capital gains	**22,102**	**55,586**

2. Revenue

	2018 £'000	2017 £'000
UK dividends	1,753	1,763
Distributions from collective investment schemes:		
Offshore distributions - taxable	17	5
Overseas dividends	6,372	7,875
Stock lending commission	20	35
Bank interest	2	2
Total revenue	**8,164**	**9,680**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	4,594	5,112
Operating, administrative and servicing fees	494	585
Total expenses	**5,088**	**5,697**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	873	1,526
Current tax charge	**873**	**1,526**
Total taxation	**873**	**1,526**

Factors affecting current tax charge for year

The tax charge for the year is higher (2017 - higher) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	3,076	3,983
Corporation tax at 20% (2017 - 20%)	615	797
Effects of:		
UK dividends*	(351)	(353)
Non-taxable overseas dividends*	(1,205)	(1,496)
Excess management expenses	951	1,064
Tax effect of expensed double taxation relief	(10)	(12)
Irrecoverable overseas withholding tax	873	1,526
Total taxation	**873**	**1,526**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £10,199,000 (2017 - £9,248,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**

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

	2018 £'000	2017 £'000
Interim	281	412
Final	1,716	1,861
	1,997	2,273
Add: Revenue deducted on cancellation of shares	213	209
Deduct: Revenue received on issue of shares	(3)	(8)
Distributions for the year	**2,207**	**2,474**
Total distributions	**2,207**	**2,474**

Details of the distribution per share are set out in the distribution tables on pages 1034 to 1035.

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	2,203	2,457
Add:		
Undistributed revenue brought forward	-	15
Movement between share classes due to conversions	4	2
Distributions	**2,207**	**2,474**

Aberdeen World Equity Fund

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	723	821
Amounts receivable for issue of shares	6	-
Overseas withholding tax reclaimable	84	46
Sales awaiting settlement	3,828	-
Merger debtor	-	14
Currency transactions awaiting settlement	2,952	-
Other debtor	5	4
Total debtors	**7,598**	**885**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	395	478
Amounts payable for cancellation of shares	3,517	668
Currency transactions awaiting settlement	2,953	-
Total other creditors	**6,865**	**1,146**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 1023. £3,871,000 was due to the ACD (2017 - £1,097,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £2,881,000 (2017 - £9,652,000) that were managed by subsidiaries of Standard Life Aberdeen plc, and these are identified in the Portfolio Statement. Purchases and sales of such investments are reflected in the Portfolio transactions costs note. Investment income arising from such holdings is reflected in note 2.

9. Material shareholders

Dorset Nominee Ltd held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 28% of the Fund's shares in issue.

10. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.50%
Class 'I': 1.00%
Class 'L': 0.75%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 1010 to 1016. The distribution per share class is given in the distribution tables on pages 1034 to 1035. All share classes have the same rights on winding up.

Aberdeen World Equity Fund

Share reconciliation
As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	67,076,032	14,886,904	80,146,843	6,198,311
Creations during the year	728,800	34,718	19,200	309,290
Cancellations during the year	(17,996,853)	(666,200)	(16,277,299)	(986,900)
Shares converted during the year	(932,199)	(324,761)	866,015	500,738
Closing shares in issue	**48,875,780**	**13,930,661**	**64,754,759**	**6,021,439**

	L Accumulation shares	L Income shares	Z Accumulation shares
Opening number of shares	26,000	1,057,000	421
Creations during the year	-	261,400	-
Cancellations during the year	(7,800)	(93,500)	(421)
Shares converted during the year	-	-	-
Closing shares in issue	**18,200**	**1,224,900**	**-**

11. Contingent asset

The Fund is party to certain claims and proceedings to recover tax suffered in respect of overseas income. These claims and proceedings are considered a contingent asset of the Fund but have not been recognised in these Financial Statements as the outcome of the claims is dependent on continued litigation and tax filing requirements and as such is not sufficiently certain.

12. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Aberdeen World Equity Fund

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
BNP Paribas	9,536	10,503	Equity
Citigroup	3,702	4,103	Equity
Citigroup	563	592	Government Bond
NATIXIS	3,312	3,696	Equity
Total	**17,113**	**18,894**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	25	5	20

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
BNP Paribas	9,602	10,602	Equity
BNP Paribas	96	102	Government Bond
NATIXIS	18,556	20,565	Equity
NATIXIS	9	10	Government Bond
Total	**28,263**	**31,279**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	44	9	35

Aberdeen World Equity Fund

13. **Risk management policies and disclosures**

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Canadian Dollar	-	5,167	5,167
Euro	232	18,459	18,691
Hong Kong Dollar	-	13,762	13,762
Indian Rupee	96	12,259	12,355
Japanese Yen	156	37,961	38,117
Korean Won	62	8,602	8,664
New Taiwan Dollar	43	8,789	8,832
Pound Sterling	1,702	46,752	48,454
Singapore Dollar	-	4,832	4,832
South African Rand	82	3,433	3,515
Swedish Krona	-	8,587	8,587
Swiss Franc	-	23,917	23,917
Thai Baht	-	7,121	7,121
US Dollar	47	139,202	139,249
Net assets	**2,420**	**338,843**	**341,263**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Canadian Dollar	33	6,503	6,536
Euro	45	15,796	15,841
Hong Kong Dollar	-	16,561	16,561
Indian Rupee	101	12,158	12,259
Japanese Yen	151	43,342	43,493
Korean Won	24	8,634	8,658
New Taiwan Dollar	13	12,327	12,340
Pound Sterling	193	64,066	64,259
Singapore Dollar	-	4,205	4,205
South African Rand	-	3,628	3,628
Swedish Krona	-	5,871	5,871
Swiss Franc	-	34,563	34,563
Thai Baht	-	6,315	6,315
US Dollar	109	168,732	168,841
Net assets	**669**	**402,701**	**403,370**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £29,287,000 (2017 - £33,911,000).

Aberdeen World Equity Fund

Interest rate risk profile of financial assets and financial liabilities
The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £16,942,000 (2017 - £20,135,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives
The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	6,865	-	-	6,865
Distribution payable	-	169	-	-	169
Total financial liabilities	**-**	**7,034**	**-**	**-**	**7,034**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	1,146	-	-	1,146
Distribution payable	-	157	-	-	157
Total financial liabilities	**-**	**1,303**	**-**	**-**	**1,303**

Aberdeen World Equity Fund

14. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Collective Investment Schemes	77,560	27,641	84,331	17,989
Equities	60,409	35,621	139,732	125,453
Trades in the year before transactions costs	**137,969**	**63,262**	**224,063**	**143,442**
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	30	32	(48)	(56)
Total commissions	**30**	**32**	**(48)**	**(56)**
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	40	21	(22)	(44)
Total taxes	**40**	**21**	**(22)**	**(44)**
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	2	-	(10)	(5)
Total other expenses	**2**	**-**	**(10)**	**(5)**
Total transaction costs	**72**	**53**	**(80)**	**(105)**
Total net trades in the year after transaction costs	**138,041**	**63,315**	**223,983**	**143,337**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective Investment Schemes	-	-	-	-
Equities	0.05	0.09	0.03	0.04
Taxes				
Collective Investment Schemes	-	-	-	-
Equities	0.07	0.06	0.02	0.04
Other expenses				
Collective Investment Schemes	-	-	-	-
Equities	-	-	0.01	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.02	0.02
Taxes	0.02	0.02
Other expenses	-	-
Total costs	**0.04**	**0.04**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £148,000 in the year (2017 - £95,000 (net sales)).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.07% (2017 - 0.07%).

15. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	335,962	-	393,049	-
Level 2	2,881	-	9,652	-
Level 3	-	-	-	-
Total	**338,843**	**-**	**402,701**	**-**

Aberdeen World Equity Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
A Income shares				
Group 1	-	-	-	-
Group 2	-	-	-	-
I Accumulation shares				
Group 1	0.35121	-	0.35121	0.43656
Group 2	0.15315	0.19806	0.35121	0.43656
I Income shares				
Group 1	0.20157	-	0.20157	0.25254
Group 2	0.09709	0.10448	0.20157	0.25254
L Accumulation shares				
Group 1	0.34530	-	0.34530	0.19475
Group 2	0.34530	-	0.34530	0.19475
L Income shares				
Group 1	0.34199	-	0.34199	0.19475
Group 2	0.07199	0.27000	0.34199	0.19475
Z Accumulation shares				
Group 1	1.97902	-	1.97902	2.16411
Group 2	1.97902	-	1.97902	2.16411

Aberdeen World Equity Fund

Final dividend distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	0.80198	-	0.80198	0.73241
Group 2	0.59593	0.20605	0.80198	0.73241
A Income shares				
Group 1	0.68563	-	0.68563	0.62809
Group 2	0.57301	0.11262	0.68563	0.62809
I Accumulation shares				
Group 1	1.78475	-	1.78475	1.51276
Group 2	0.99702	0.78773	1.78475	1.51276
I Income shares				
Group 1	1.02296	-	1.02296	0.87347
Group 2	0.25413	0.76883	1.02296	0.87347
L Accumulation shares				
Group 1	0.95118	-	0.95118	0.86750
Group 2	0.95118	-	0.95118	0.86750
L Income shares				
Group 1	0.93926	-	0.93926	0.86586
Group 2	0.93926	-	0.93926	0.86586
Z Accumulation shares				
Group 1	-	-	-	3.10616
Group 2	-	-	-	3.10616

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

Aberdeen World Equity Income Fund

For the year ended 31 July 2018

Investment objective and policy

To provide income and capital appreciation for investors over the long term in companies worldwide.

The investment policy is to invest primarily in Equity and Equity-Related securities of companies worldwide which offer attractive yields and sustainable dividends. The Fund may also invest up to 10% of its assets in fixed income securities including non-Investment grade debt. The Fund may also invest in derivatives, including credit default swaps, money market instruments, cash, near cash, deposits and shares in collective investment schemes.

Performance review

For the year ended 31 July 2018, the value of Aberdeen World Equity Income Fund – A Income Shares increased 0.92% compared to an increase of 13.05% in the benchmark, the MSCI World Index.

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

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

Market review

The year under review was one of two halves. In the first, low volatility, a depreciating US dollar and positive corporate earnings in the US supported developed market equities, with price-earning multiples rising to historical highs. Companies with significant US operations benefited from the Republican tax cuts. Separately, the Federal Reserve appointed Jay Powell as its next chair, signalling a continuity in the gradual normalisation of monetary policy. In Europe, optimism over economic recovery outweighed an unresolved Brexit, protracted talks to form a coalition government in Germany, and political turmoil in Spain in the wake of Catalonia's push for independence. Japan rose on brighter business prospects, in tandem with improvements in the global economy. The incumbent Prime Minister Shinzo Abe's snap election victory, along with the Bank of Japan maintaining monetary stimulus, and the finalisation of its free trade deal with Brussels, also contributed to the positive mood.

Investment sentiment became downbeat in the second half. The initial optimism towards global growth turned into concern that rising inflation could compel more aggressive monetary policy. Investors were also worried about a flare-up in trade tensions. US-China trade relations, which appeared to improve initially, quickly deteriorated amid rounds of brinkmanship. Other major trading partners also retaliated with import duties of their own against Trump's steel and aluminum tariffs.

Portfolio review

At the stock level, Telefonica Brasil was a key detractor. It fell in line with the broader market which was pressured by economic growth concerns following truckers' strikes, despite healthy earnings. Philip Morris, which makes Marlboro cigarettes, reported disappointing revenues as growth in its smokeless tobacco devices slowed, and cigarette demand continued to decline. Similarly, mobile service provider SingTel declined after posting weak results, as price wars in Indonesia and India depressed earnings of its regional associates. However, we continue to like the Singapore telco's steady and diversified cash flows, as well as its growing digital presence.

Conversely, derivatives exchange CME Group helped lift relative returns. Its shares were boosted after it began trading Bitcoin futures, which enjoyed a bull run during the review period. Potash and lithium miner SQM was buoyed by expectations that the lithium prices would improve as demand for electric vehicles increases. Energy giants Total and Royal Dutch Shell climbed on the back of rising oil prices.

In portfolio activity, we initiated positions in Ultrapar, for its attractive valuations and potential for dividend growth. We also introduced Bank Pekao, a solid Polish franchise with a history of conservative lending and balance sheet management. Another entrant to the portfolio was OCBC, a well-capitalised Singapore bank which has an attractive dividend yield and good growth opportunities, both in the region as well as in wealth management.

Against these, we exited Femsa due to its disappointing dividend growth. The company has used excess cash for expansion rather than returning it to shareholders. We also sold Tenaris, as we consider it fully valued following its dividend payment.

Outlook

Global markets are expected to remain on tenterhooks, given geopolitical uncertainties and shifts in monetary policy over the next few months. Trade tensions between the US and its major trading partners, as well as political uncertainty in Europe, will weigh on investors' minds. They will also be keeping a close watch on how major central banks will manage liquidity and currency fluctuations. The outlook for emerging markets is cloudy too: the US' reduction of its balance sheet and its borrowing binge through a substantial increase in US Treasuries are affecting dollar funding for these markets.

Amid these uncertainties, our approach remains the same. We focus on understanding the risks - including corporate earnings, escalating trade tensions, strong US dollar, political risk and a flattening yield curve - and positioning the portfolio to be relatively resilient should those risks materialise. From a portfolio construction perspective we use diversification as our main tool in managing them. However, our primary focus before we consider these macro elements is the business itself: we look for companies with structural growth drivers, a sustainable competitive advantage, and a strong market position. We believe that these fundamental factors give companies the resilience to navigate more difficult times should macroeconomic risks materialise. It also gives us the confidence to make use of periods of volatility when share prices are low to build our positions, given our long-term investment horizon.

Global Equity Team **August 2018**

Aberdeen World Equity Income Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risk of investing in this Fund:
- Exchange rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen World Equity Income Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	140.07	125.99	108.41
Return before operating charges*	4.20	16.29	19.32
Operating charges	(2.31)	(2.21)	(1.74)
Return after operating charges*	1.89	14.08	17.58
Distributions on accumulation shares	(5.27)	(5.06)	(4.83)
Retained distributions on accumulation shares	5.27	5.06	4.83
Closing net asset value per share	141.96	140.07	125.99
* after direct transaction costs of:	0.03	0.05	0.06
Performance			
Return after charges	1.35%	11.18%	16.22%
Other information			
Closing net asset value (£'000s)	4,295	4,566	4,585
Closing number of shares	3,025,883	3,259,856	3,639,426
Operating charges	1.64%	1.65%	1.65%
Direct transaction costs	0.02%	0.04%	0.06%
Prices			
Highest share price (pence)	149.21	142.06	128.18
Lowest share price (pence)	131.92	123.47	93.98

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

Aberdeen World Equity Income Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	66.63	62.22	55.94
Return before operating charges*	1.98	7.97	9.61
Operating charges	(1.09)	(1.09)	(0.88)
Return after operating charges*	0.89	6.88	8.73
Distributions on income shares	(2.47)	(2.47)	(2.45)
Closing net asset value per share	65.05	66.63	62.22
* after direct transaction costs of:	0.01	0.03	0.03
Performance			
Return after charges	1.34%	11.06%	15.61%
Other information			
Closing net asset value (£'000s)	32,124	30,344	12,330
Closing number of shares	49,382,956	45,537,796	19,817,166
Operating charges	1.64%	1.65%	1.65%
Direct transaction costs	0.02%	0.04%	0.06%
Prices			
Highest share price (pence)	70.40	68.47	64.10
Lowest share price (pence)	61.82	60.52	48.00

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

Aberdeen World Equity Income Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	135.15	120.97	103.54
Return before operating charges*	4.06	15.66	18.59
Operating charges	(1.56)	(1.48)	(1.16)
Return after operating charges*	2.50	14.18	17.43
Distributions on accumulation shares	(5.11)	(4.87)	(4.66)
Retained distributions on accumulation shares	5.11	4.87	4.66
Closing net asset value per share	137.65	135.15	120.97
* after direct transaction costs of:	0.02	0.05	0.06
Performance			
Return after charges	1.85%	11.72%	16.83%
Other information			
Closing net asset value (£'000s)	2,508	3,071	4,402
Closing number of shares	1,821,803	2,272,599	3,638,830
Operating charges	1.14%	1.15%	1.15%
Direct transaction costs	0.02%	0.04%	0.06%
Prices			
Highest share price (pence)	144.28	137.00	123.05
Lowest share price (pence)	127.70	118.62	90.01

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

Aberdeen World Equity Income Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	69.30	64.39	57.60
Return before operating charges*	2.06	8.25	9.97
Operating charges	(0.79)	(0.78)	(0.63)
Return after operating charges*	1.27	7.47	9.34
Distributions on income shares	(2.58)	(2.56)	(2.55)
Closing net asset value per share	67.99	69.30	64.39
* after direct transaction costs of:	0.01	0.03	0.03
Performance			
Return after charges	1.83%	11.60%	16.22%
Other information			
Closing net asset value (£'000s)	44,243	54,419	61,403
Closing number of shares	65,068,025	78,522,778	95,354,690
Operating charges	1.14%	1.15%	1.15%
Direct transaction costs	0.02%	0.04%	0.06%
Prices			
Highest share price (pence)	73.38	71.08	66.33
Lowest share price (pence)	64.50	62.75	49.58

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

Aberdeen World Equity Income Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 100.33% (2017: 99.07%)					
Equities 100.33% (2017: 99.07%)					
Asia Pacific 25.41% (2017: 25.83%)					
Australia 1.50% (2017: 1.25%)					
Coca-Cola Amatil			231,000	**1,246**	**1.50**
Hong Kong 3.04% (2017: 2.85%)					
MTR			389,500	1,663	2.00
Swire Pacific 'A'			105,000	867	1.04
				2,530	**3.04**
Indonesia 3.10% (2017: 3.51%)					
Indocement Tunggal Prakarsa			1,290,700	964	1.16
Unilever Indonesia			705,800	1,612	1.94
				2,576	**3.10**
Malaysia 1.63% (2017: 1.79%)					
British American Tobacco Malaysia			211,800	**1,356**	**1.63**
New Zealand 2.04% (2017: 2.09%)					
Auckland International Airport			489,600	**1,696**	**2.04**
Singapore 3.89% (2017: 4.41%)					
Oversea-Chinese Banking			135,200	876	1.05
Singapore Telecommunications			1,316,900	2,360	2.84
				3,236	**3.89**
Taiwan 6.85% (2017: 6.94%)					
Taiwan Mobile			976,000	2,564	3.08
TSMC (ADR)			100,000	3,138	3.77
				5,702	**6.85**
Thailand 3.36% (2017: 2.99%)					
Siam Commercial Bank (Alien)			573,000	1,832	2.20
Tesco Lotus Retail Growth Freehold & Leasehold Property Fund			2,247,600	963	1.16
				2,795	**3.36**
Total Asia Pacific				**21,137**	**25.41**

Aberdeen World Equity Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Europe, Middle East & Africa (ex United Kingdom) 20.07% (2017: 15.85%)					
France 4.34% (2017: 3.72%)					
Engie			112,200	1,382	1.66
TOTAL			44,800	2,228	2.68
				3,610	**4.34**
Germany 1.05% (2017: 0.98%)					
Bayer			10,326	**877**	**1.05**
Netherlands 3.34% (2017: 2.90%)					
Royal Dutch Shell 'B'			104,100	**2,781**	**3.34**
Poland 1.38% (2017: nil)					
Bank Pekao∞			49,200	**1,144**	**1.38**
South Africa 1.92% (2017: 1.77%)					
MTN			240,200	**1,597**	**1.92**
Sweden 3.13% (2017: 1.80%)					
Atlas Copco 'B'			83,400	1,675	2.01
Epiroc			116,300	930	1.12
				2,605	**3.13**
Switzerland 4.91% (2017: 4.68%)					
Novartis			28,300	1,814	2.18
Roche			12,100	2,264	2.73
				4,078	**4.91**
Total Europe, Middle East & Africa (ex United Kingdom)				**16,692**	**20.07**
Japan 6.41% (2017: 6.71%)					
Daito Trust Construction Co			22,800	2,898	3.49
Japan Tobacco Inc			112,400	2,430	2.92
				5,328	**6.41**
Total Japan				**5,328**	**6.41**
Latin America 13.97% (2017: 16.72%)					
Argentina nil (2017: 1.21%)					
Brazil 8.41% (2017: 8.64%)					
Banco Bradesco (ADR)			550,750	3,389	4.08
Telefonica Brasil (ADR)			259,400	2,182	2.62

Aberdeen World Equity Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Ultrapar Participacoes (ADR)			53,100	444	0.53
Wilson Sons (BDR)			109,500	981	1.18
				6,996	**8.41**
Chile 3.91% (2017: 4.07%)					
Sociedad Quimica y Minera de Chile (ADR) (PREF)			88,300	**3,249**	**3.91**
Mexico 1.65% (2017: 2.80%)					
Kimberly-Clark de Mexico			981,000	**1,372**	**1.65**
Total Latin America				**11,617**	**13.97**
North America 19.66% (2017: 19.92%)					
Canada 4.56% (2017: 4.46%)					
Nutrien			50,600	2,090	2.51
TELUS (Toronto Listing)			61,400	1,705	2.05
				3,795	**4.56**
United States 15.10% (2017: 15.46%)					
CME			29,300	3,554	4.27
Intel			31,700	1,163	1.40
Johnson & Johnson			8,600	869	1.04
PepsiCo			19,900	1,744	2.10
Philip Morris International			33,700	2,217	2.67
Verizon Communications			76,500	3,010	3.62
				12,557	**15.10**
Total North America				**16,352**	**19.66**
United Kingdom 14.81% (2017: 14.04%)					
BHP Billiton			101,400	1,779	2.14
British American Tobacco			51,700	2,172	2.61
HSBC			345,000	2,521	3.03
Inmarsat∞			325,500	1,854	2.23
Standard Chartered			226,566	1,559	1.87
Vodafone			1,308,300	2,433	2.93
				12,318	**14.81**

Aberdeen World Equity Income Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Total United Kingdom				12,318	14.81
Total Equities				83,444	100.33
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				83,444	100.33
Total investments				83,444	100.33
Other net liabilities				(274)	(0.33)
Total net assets				83,170	100.00

∞ A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2017.

Aberdeen World Equity Income Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	1,097	1.31%	1.32%

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
UK Treasury	406	Government Bond	Investment grade	BNP Paribas
US Treasury	325	Government Bond	Investment grade	BNP Paribas
France (Government of)	78	Government Bond	Investment grade	BNP Paribas
Royal Bank of Scotland	49	Equity	Main market listing	BNP Paribas
British Sky Broadcasting	49	Equity	Main market listing	BNP Paribas
Lloyds Banking	38	Equity	Main market listing	BNP Paribas
Intesa Sanpaolo	32	Equity	Main market listing	BNP Paribas
Banco Bilbao Vizcaya Argentaria	28	Equity	Main market listing	BNP Paribas
Mitsubishi UFJ Financial	28	Equity	Main market listing	BNP Paribas
Toyota Motor	27	Equity	Main market listing	BNP Paribas
Other Equity	500	Equity	Main market listing	BNP Paribas
Total collateral received	**1,560**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	1,560	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	24
EUR	333
GBP	560
JPY	172
USD	471
Total collateral received	**1,560**

Aberdeen World Equity Income Fund

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
JPM Chase	564	United States	Tri-party
Morgan Stanley	533	United States	Tri-party
Total market value of securities lending	**1,097**		

Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	-

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	809	751	**1,560**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	-	1,097	**1,097**

The lending and collateral transactions can be recalled on demand.

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

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	17	125.00
Direct operational costs (securities lending agent costs)	(3)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(3)	(25.00)
Net return	**14**	**100.00**

Aberdeen World Equity Income Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital (losses)/gains	1		(819)		6,799
Revenue	2	3,712		3,675	
Expenses	3	(1,185)		(1,104)	
Net revenue before taxation		2,527		2,571	
Taxation	4	(268)		(293)	
Net revenue after taxation			2,259		2,278
Total return before distributions			**1,440**		**9,077**
Distributions	5		(3,304)		(3,246)
Change in net assets attributable to shareholders from investment activities			**(1,864)**		**5,831**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**92,400**		**82,720**
Amounts receivable on issue of shares	6,534		20,686	
Amounts payable on cancellation of shares	(14,165)		(17,133)	
		(7,631)		3,553
Change in net assets attributable to shareholders from investment activities		(1,864)		5,831
Retained distributions on accumulation shares		263		294
Unclaimed distributions > 6 years		2		2
Closing net assets attributable to shareholders		**83,170**		**92,400**

Aberdeen World Equity Income Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		83,444	91,539
Current assets:			
Debtors	6	782	871
Cash and bank balances		204	1,065
Total assets		**84,430**	**93,475**
Creditors:			
Other creditors	7	310	186
Distribution payable		950	889
Total liabilities		**1,260**	**1,075**
Net assets attributable to shareholders		**83,170**	**92,400**

Aberdeen World Equity Income Fund

Notes to the financial statements
For the year ended 31 July 2018

1. Net capital (losses)/gains

	2018 £'000	2017 £'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities (losses)/gains	(837)	6,765
Other currency gains/(losses)	18	(31)
Class actions	-	65
Net capital (losses)/gains	**(819)**	**6,799**

2. Revenue

	2018 £'000	2017 £'000
UK dividends	740	667
Overseas dividends	2,956	3,000
Stock lending commission	14	7
Bank interest	2	1
Total revenue	**3,712**	**3,675**

3. Expenses

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,062	975
Operating, administrative and servicing fees	122	129
	1,184	1,104
Other expenses:		
Interest payable and similar charges	1	-
	1	-
Total expenses	**1,185**	**1,104**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £6,300 (2017 - £6,150).

4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Overseas withholding tax	268	293
Current tax charge	**268**	**293**
Total taxation	**268**	**293**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	2,527	2,571
Corporation tax at 20% (2017 - 20%)	505	514
Effects of:		
UK dividends*	(148)	(134)
Non-taxable overseas dividends*	(546)	(559)
Excess management expenses	195	185
Tax effect of expensed double taxation relief	(6)	(6)
Irrecoverable overseas withholding tax	268	293
Total taxation	**268**	**293**

*As an authorised OEIC these items are not subject to corporation tax.

Factors that may affect future tax charges

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £2,290,000 (2017 - £2,095,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. **Distributions (including the movement between net revenue and distributions)**

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

	2018 £'000	2017 £'000
First interim	751	723
Second interim	615	613
Third interim	864	976
Final	1,033	968
	3,263	3,280
Add: Revenue deducted on cancellation of shares	67	74
Deduct: Revenue received on issue of shares	(26)	(108)
Distributions for the year	**3,304**	**3,246**
Total distributions	**3,304**	**3,246**

Details of the distribution per share are set out in the distribution tables on page 1059.

Aberdeen World Equity Income Fund

Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	2,259	2,278
Add:		
Undistributed revenue brought forward	-	3
Authorised Corporate Director's periodic charge paid from capital	1,062	975
Deduct:		
Tax relief on capital expenses	(17)	(10)
Distributions	**3,304**	**3,246**

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	588	515
Amounts receivable for issue of shares	121	301
Overseas withholding tax reclaimable	71	53
Other debtor	2	2
Total debtors	**782**	**871**

7. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	93	106
Amounts payable for cancellation of shares	217	80
Total other creditors	**310**	**186**

8. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 1048. £181,000 was due to the ACD (2017 - £128,000) at the year end.

The Investment Adviser

As at the year end the Fund held no investments that were managed by subsidiaries of Standard Life Aberdeen plc (2017 - nil).

9. Material shareholders

BNY (OCS) Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 24% of the Fund's shares in issue.

10. Shareholder funds

The annual management charge on each share class is as follows:
Class 'A': 1.50%
Class 'I': 1.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 1038 to 1041. The distribution per share class is given in the distribution tables on page 1059. All share classes have the same rights on winding up.

Aberdeen World Equity Income Fund

Share reconciliation
As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	3,259,856	45,537,796	2,272,599	78,522,778
Creations during the year	418,900	5,342,900	254,100	3,062,200
Cancellations during the year	(643,400)	(1,152,000)	(714,700)	(16,849,100)
Shares converted during the year	(9,473)	(345,740)	9,804	332,147
Closing shares in issue	**3,025,883**	**49,382,956**	**1,821,803**	**65,068,025**

11. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a "per Approved Borrower" basis: 108% minimum margin. Borrowers' own stock is not acceptable.

Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Aberdeen World Equity Income Fund

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
JPM Chase	517	580	Equity
JPM Chase	47	50	Government Bond
Morgan Stanley	94	171	Equity
Morgan Stanley	439	759	Government Bond
Total	**1,097**	**1,560**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	17	3	14

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
BNP Paribas	424	473	Equity
BNP Paribas	63	66	Government Bond
NATIXIS	2,327	2,578	Equity
NATIXIS	1	1	Government Bond
Total	**2,815**	**3,118**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	9	2	7

12. Risk management policies and disclosures

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

Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

The following tables detail the net exposure to the principal foreign currencies that the fund is exposed to including any instruments used to hedge against foreign currencies, if applicable.

Aberdeen World Equity Income Fund

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2018			
Australian Dollar	-	1,246	1,246
Brazilian Dollar	-	981	981
Canadian Dollar	-	3,795	3,795
Euro	3	4,487	4,490
Hong Kong Dollar	-	2,530	2,530
Indonesian Rupiah	-	2,576	2,576
Japanese Yen	52	5,328	5,380
Malaysian Ringgit	-	1,356	1,356
Mexican Nuevo Peso	-	1,372	1,372
New Taiwan Dollar	138	2,564	2,702
New Zealand Dollar	-	1,696	1,696
Polish Zloty	7	1,144	1,151
Pound Sterling	(762)	15,098	14,336
Singapore Dollar	79	3,236	3,315
South African Rand	-	1,597	1,597
Swedish Krona	-	2,605	2,605
Swiss Franc	-	4,079	4,079
Thai Baht	11	2,795	2,806
US Dollar	198	24,959	25,157
Net assets	**(274)**	**83,444**	**83,170**

Currency	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2017			
Australian Dollar	-	1,153	1,153
Brazilian Dollar	-	935	935
Canadian Dollar	11	4,125	4,136
Euro	3	4,348	4,351
Hong Kong Dollar	-	2,633	2,633
Indonesian Rupiah	-	3,243	3,243
Japanese Yen	51	6,201	6,252
Malaysian Ringgit	-	1,651	1,651
Mexican Nuevo Peso	-	1,666	1,666
New Taiwan Dollar	159	3,359	3,518
New Zealand Dollar	-	1,935	1,935
Pound Sterling	456	15,657	16,113
Singapore Dollar	-	4,076	4,076
South African Rand	-	1,636	1,636
Swedish Krona	-	1,667	1,667
Swiss Franc	-	4,316	4,316
Thai Baht	10	2,764	2,774
US Dollar	170	30,175	30,345
Net assets	**860**	**91,540**	**92,400**

At 31 July 2018, if the value of Sterling increased or decreased by 10% against all other currencies, with all other variables remaining constant, then the net assets attributable to the shareholders will increase or decrease by approximately £6,883,000 (2017 - £7,629,000).

Aberdeen World Equity Income Fund

Interest rate risk profile of financial assets and financial liabilities
The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

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

As at 31 July 2018, if the prices of investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £4,172,000 (2017 - £4,577,000).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance sheet, and their fair values.

Financial derivatives
The Fund had no exposure to derivatives as at 31 July 2018 (2017 - nil).

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Non-derivatives					
Other creditors	-	310	-	-	310
Distribution payable	-	950	-	-	950
Total financial liabilities	**-**	**1,260**	**-**	**-**	**1,260**

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2017					
Non-derivatives					
Other creditors	-	186	-	-	186
Distribution payable	-	889	-	-	889
Total financial liabilities	**-**	**1,075**	**-**	**-**	**1,075**

Aberdeen World Equity Income Fund

13. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Equities	5,614	17,373	12,804	15,079
Trades in the year before transactions costs	**5,614**	**17,373**	**12,804**	**15,079**
Commissions				
Equities	4	10	(5)	(6)
Total commissions	**4**	**10**	**(5)**	**(6)**
Taxes				
Equities	4	16	(2)	-
Total taxes	**4**	**16**	**(2)**	**-**
Other expenses				
Equities	-	2	(1)	(1)
Total other expenses	**-**	**2**	**(1)**	**(1)**
Total transaction costs	**8**	**28**	**(8)**	**(7)**
Total net trades in the year after transaction costs	**5,622**	**17,401**	**12,796**	**15,072**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.07	0.06	0.04	0.04
Taxes				
Equities	0.07	0.09	0.02	-
Other expenses				
Equities	-	0.01	0.01	0.01

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.01	0.02
Taxes	0.01	0.02
Other expenses	-	-
Total costs	**0.02**	**0.04**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions (net sales) of £69,000 in the year (2017 - nil).

There were no transaction costs in respect of derivatives in the year (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.23% (2017 - 0.14%).

Aberdeen World Equity Income Fund

14. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1

Quoted prices in active markets for identical securities.

Level 2

Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3

Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets £'000	Investment liabilities £'000	Investment assets £'000	Investment liabilities £'000
Level 1	83,444	-	91,539	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total	**83,444**	**-**	**91,539**	**-**

Aberdeen World Equity Income Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

First interim dividend distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 October 2017

	Revenue	Equalisation	Distribution paid 31/01/18	Distribution paid 31/01/17
A Accumulation shares				
Group 1	1.17835	-	1.17835	1.14587
Group 2	0.47360	0.70475	1.17835	1.14587
A Income shares				
Group 1	0.56056	-	0.56056	0.56589
Group 2	0.06372	0.49684	0.56056	0.56589
I Accumulation shares				
Group 1	1.13745	-	1.13745	1.09529
Group 2	0.52951	0.60794	1.13745	1.09529
I Income shares				
Group 1	0.58328	-	0.58328	0.58304
Group 2	0.19639	0.38689	0.58328	0.58304

Second interim dividend distribution
Group 1: Shares purchased prior to 1 November 2017
Group 2: Shares purchased 1 November 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	0.98350	-	0.98350	0.98382
Group 2	0.53549	0.44801	0.98350	0.98382
A Income shares				
Group 1	0.46405	-	0.46405	0.48175
Group 2	0.06855	0.39550	0.46405	0.48175
I Accumulation shares				
Group 1	0.95103	-	0.95103	0.95031
Group 2	0.27933	0.67170	0.95103	0.95031
I Income shares				
Group 1	0.48369	-	0.48369	0.50162
Group 2	0.15849	0.32520	0.48369	0.50162

Aberdeen World Equity Income Fund

Third interim dividend distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 30 April 2018

	Revenue	Equalisation	Distribution paid 31/07/18	Distribution paid 31/07/17
A Accumulation shares				
Group 1	1.36921	-	1.36921	1.47061
Group 2	0.51686	0.85235	1.36921	1.47061
A Income shares				
Group 1	0.64162	-	0.64162	0.71476
Group 2	0.49790	0.14372	0.64162	0.71476
I Accumulation shares				
Group 1	1.32548	-	1.32548	1.42898
Group 2	0.97330	0.35218	1.32548	1.42898
I Income shares				
Group 1	0.66954	-	0.66954	0.74867
Group 2	0.34627	0.32327	0.66954	0.74867

Final dividend distribution
Group 1: Shares purchased prior to 1 May 2018
Group 2: Shares purchased 1 May 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	1.74222	-	1.74222	1.46349
Group 2	0.95027	0.79195	1.74222	1.46349
A Income shares				
Group 1	0.80827	-	0.80827	0.70357
Group 2	0.15499	0.65328	0.80827	0.70357
I Accumulation shares				
Group 1	1.69200	-	1.69200	1.39790
Group 2	1.12809	0.56391	1.69200	1.39790
I Income shares				
Group 1	0.84617	-	0.84617	0.72434
Group 2	0.41632	0.42985	0.84617	0.72434

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

Aberdeen World Opportunistic Bond Fund

For the year ended 31 July 2018

Investment objective and policy

The Fund's investment objective is long-term total return to be achieved by investing primarily in a diversified portfolio of global investment and sub-investment grade debt and debt related securities issued by companies, governments, government related bodies and supranational institutions.

Additionally, the Fund may invest in other transferable securities and units in collective investments schemes, including those managed by the ACD or companies affiliated with the ACD.

The Fund's assets will primarily be either denominated in Sterling or denominated in currencies other than Sterling and hedged back to Sterling.

The Fund may use financial derivative instruments for investment purposes or efficient portfolio management including hedging where appropriate.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Performance review

For the year ended 31 July 2018, the value of Aberdeen World Opportunistic Bond Fund – A Accumulation Shares decreased by 1.66% compared to a decrease of 0.77% in the benchmark, the Bloomberg Barclays Global Aggregate Credit (Hedged GBP 100%) Index.

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

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

Market review

Global corporate bond markets rallied throughout the first half of the review period. This was despite ongoing geopolitical concerns and tightening monetary conditions. Stronger data was supportive of corporate bond fundamentals, combined with investor appetite for income and underwrote demand in a period characterised by strong supply.

This rally continued at the beginning of 2018 as corporate earnings and economic activity maintained their strong trajectories. However, fears surrounding a more-rapid policy tightening in the US, talks of trade wars and equity market volatility dampened investor sentiment as the quarter progressed. This resulted in a volatile end to the reporting period in Q4 2018, with spreads continuing to push wider. A weak end to the quarter rounded off what has been a disappointing first half of the year for global credit investors. The volatility left credit spreads wider and total returns finished in negative territory. The increasing risk of a trade war with the US, as well as growing risk in Italian politics were two of the major drivers of the weakness.

The US Federal Reserve (Fed) hiked interest rates during the period under review bringing it to a range of 1.75%-2%, and signalled two more hikes for 2018. The biggest talking point was the deterioration in trade relations between the US and China, after each announced a series of new tariffs. Jerome Powell took over as Chairman of the Fed from Janet Yellen in February. US congress passed a tax reform bill which features $1.5 trillion worth of cuts over the next decade. The administration of President Donald Trump announced that it would impose tariffs on imported steel and aluminium from Canada, Mexico, and member nations of the European Union, which were effective from 1st June.

In Europe, political risk returned to the fore following a deal agreed between anti-establishment parties M5S and Northern League to form a coalition government, which included fiscal stimulus plans at odds with the European Union budgetary framework. The European Central Bank announced it would end its quantitative easing programme by the end of 2018, and signalled rates would stay at current levels until the at least the end of summer 2019.

Portfolio review

Portfolio credit returns were driven entirely by strong security selection, highlighting the volatile spread action in global credit markets in the last twelve months. Our overweight credit risk generated neutral performance reflecting a combination of risk on and risk off price action.

The Fund performed well into the close of 2017 with outperformance despite some widening in peripheral names in the aftermath of the Catalan independence referendum, the Fund's financial holdings generated strong performance. Spreads from issuers lower down the capital structure tightened more relative to senior bonds. In the first quarter of 2018, financials outperformed early in the quarter, however, this reversed in February and March as higher quality bonds outperformed lower quality bonds in the periodic sell-off, and senior bonds outperformed subordinated bonds. Security selection was positive within consumer non-cyclicals and overweight energy exposure with oil prices over $60 per barrel. Our overweight position within telecommunications was negative, with our holding in WPP hit by an announcement of a poor outlook for 2018; however, there was better news for our overweight position in AT&T after a good set of results and the blocking of its merger with Time Warner Cable.

Weak risk sentiment weighed on credit valuations as we entered Q2 2017/8 as the market digested the continued negative posturing between the US and their global trading partners and on-going political risk in Europe. Corporations with significant US consumer bases, such as European auto manufacturers were most affected during the period as the prospect of tariffs loomed over future earnings and profitability. Peripheral issuers were also notable underperformers, while corporate hybrid bonds and subordinated financials also struggled in the 'risk off' environment. Towards the end of the period, subordinated paper enjoyed a recovery after a weak couple of months, such as AT1's from Nordea 5.5% which rallied 125bp. In the US it was another strong earnings season for US banks which had positive impact on our JP Morgan and long dated Morgan Stanley exposure. We also saw strong tightening from some higher beta issues in insurance that weakened over the prior few months, such as long dated BrightHouse and Allianz perps.

Aberdeen World Opportunistic Bond Fund

Outlook

We continue to see value in global investment-grade credit. This is due to the sizeable market correction in the first half of the year, strong fundamental backdrop for corporates in Europe and the US as well as continued improvements in the banking sector. The phasing out of the European Central Bank's purchase programme after September, while well flagged, reduces some of the technical support for the market, with September also being a seasonally high month in terms of supply. The Italian budget proposal has the potential to spark more volatility in Italian assets.

The effect of the tariffs announced between the US and China so far will have only a small negative impact on global growth (circa 0.2%). However, it is increasingly likely that the situation will escalate and the fact that the Trump administration is trying to fight a trade war on multiple fronts (China, Europe, and NAFTA) to strike better deals is clearly alarming. Ultimately, we expect compromises to be reached and a full-blown trade war to be avoided, but the timing of this is hard to predict.

Fundamentally the global growth backdrop remains supportive for credit, which is reflected in the first quarter earnings season. We take comfort from the continued growth in the US and that recent softening in European GDP and inflation data comes from a relatively high base given the strong growth momentum of 2018.

Global Aggregate Team **August 2018**

Aberdeen World Opportunistic Bond Fund

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

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

Risk and reward indicator table as at 31 July 2018.

- This Fund is ranked at 3 because funds of this type have experienced low to medium rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bond valuations are affected by changes in interest rates, inflation and the creditworthiness of the bond issuer. There is a risk that a bond issuer may not be able to repay the money they borrowed nor make their required interest payments. This risk increases for bonds with lower credit ratings. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Derivatives: This Fund can use derivatives in order to meet its investment objective. The use of derivatives may result in greater fluctuations in the value of the Fund, and may increase the magnitude of any losses.
- Exchange rates: The Fund may have holdings which are denominated in different currencies and may be affected by movements in exchange rates. Consequently, the value of the Fund's investments and the income from them may rise or fall in line with exchange rates.
- Emerging markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries and this may mean your money is at greater risk.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on the website at **aberdeen-asset.co.uk**.

Aberdeen World Opportunistic Bond Fund

Comparative tables

A Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	112.86	111.18	106.13
Return before operating charges*	(0.47)	2.93	7.04
Operating charges	(1.26)	(1.25)	(1.20)
Return after operating charges*	(1.73)	1.68	5.84
Distributions on accumulation shares	(3.42)	(3.53)	(3.96)
Retained distributions on accumulation shares	3.42	3.53	3.17
Closing net asset value per share	111.13	112.86	111.18
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(1.53%)	1.51%	5.50%
Other information			
Closing net asset value (£'000s)	138	143	141
Closing number of shares	123,868	126,768	126,668
Operating charges	1.12%	1.13%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	114.56	113.29	111.24
Lowest share price (pence)	110.40	108.02	102.72

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

Aberdeen World Opportunistic Bond Fund

A Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	97.95	99.64	97.98
Return before operating charges*	(0.40)	2.55	5.66
Operating charges	(1.08)	(1.11)	(1.10)
Return after operating charges*	(1.48)	1.44	4.56
Distributions on income shares	(2.94)	(3.13)	(2.90)
Closing net asset value per share	93.53	97.95	99.64
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(1.51%)	1.45%	4.65%
Other information			
Closing net asset value (£'000s)	6	2	4
Closing number of shares	6,469	1,569	4,569
Operating charges	1.12%	1.13%	1.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	99.42	100.56	101.03
Lowest share price (pence)	94.42	96.26	93.31

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

Aberdeen World Opportunistic Bond Fund

I Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	115.07	112.79	107.13
Return before operating charges*	(0.48)	2.99	7.13
Operating charges	(0.71)	(0.71)	(0.67)
Return after operating charges*	(1.19)	2.28	6.46
Distributions on accumulation shares	(3.49)	(3.59)	(4.00)
Retained distributions on accumulation shares	3.49	3.59	3.20
Closing net asset value per share	113.88	115.07	112.79
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(1.03%)	2.02%	6.03%
Other information			
Closing net asset value (£'000s)	328	389	597
Closing number of shares	287,659	338,459	529,359
Operating charges	0.62%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	117.02	115.50	112.84
Lowest share price (pence)	113.01	109.75	103.97

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

Aberdeen World Opportunistic Bond Fund

I Income shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	100.03	101.24	99.07
Return before operating charges*	(0.40)	2.62	5.73
Operating charges	(0.62)	(0.63)	(0.62)
Return after operating charges*	(1.02)	1.99	5.11
Distributions on income shares	(3.01)	(3.20)	(2.94)
Closing net asset value per share	96.00	100.03	101.24
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(1.02%)	1.97%	5.16%
Other information			
Closing net asset value (£'000s)	72	109	148
Closing number of shares	75,082	108,482	145,782
Operating charges	0.62%	0.63%	0.63%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	101.72	102.24	102.66
Lowest share price (pence)	96.80	98.06	94.61

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

Aberdeen World Opportunistic Bond Fund

Z Accumulation shares	31 July 2018 (pence per share)	31 July 2017 (pence per share)	31 July 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	109.29	106.65	100.79
Return before operating charges*	(0.46)	2.78	6.74
Operating charges	(0.13)	(0.14)	(0.13)
Return after operating charges*	(0.59)	2.64	6.61
Distributions on accumulation shares	(3.33)	(3.37)	(3.78)
Retained distributions on accumulation shares	3.33	3.37	3.03
Closing net asset value per share	108.70	109.29	106.65
* after direct transaction costs of:	-	-	-
Performance			
Return after charges	(0.54%)	2.48%	6.56%
Other information			
Closing net asset value (£'000s)	4,467	4,488	116,400
Closing number of shares	4,109,848	4,106,643	109,140,151
Operating charges	0.12%	0.13%	0.13%
Direct transaction costs	-	-	-
Prices			
Highest share price (pence)	111.36	109.69	106.70
Lowest share price (pence)	107.76	103.93	98.09

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

Aberdeen World Opportunistic Bond Fund

Z Gross Accumulation shares[A]	31 July 2018 (pence per share)	31 July 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	102.21	100.00[B]
Return before operating charges*	(0.43)	2.34
Operating charges	(0.12)	(0.13)
Return after operating charges*	(0.55)	2.21
Distributions on accumulation shares	(3.11)	(3.15)
Retained distributions on accumulation shares	3.11	3.15
Closing net asset value per share	101.66	102.21
* after direct transaction costs of:	-	-
Performance		
Return after charges	(0.54%)	2.21%
Other information		
Closing net asset value (£'000s)	107,662	126,300
Closing number of shares	105,903,100	123,564,400
Operating charges	0.12%	0.13%
Direct transaction costs	-	-
Prices		
Highest share price (pence)	104.15	102.59
Lowest share price (pence)	100.78	97.26

[A]Z Gross Accumulation share class launched on 1 August 2016.
[B]The opening net asset value stated is the share class launch price.
The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.
Operating charges are expenses associated with the maintenance and administration of the Fund on a day-to-day basis that are actually borne by the share class.
High and Low prices are based on official published daily NAVs.

Aberdeen World Opportunistic Bond Fund

Portfolio statement
As at 31 July 2018

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market 95.59% (2017: 92.22%)					
Bonds 95.59% (2017: 92.22%)					
Asset Backed Bonds / Mortgage Backed Bonds 1.09% (2017: 1.11%)					
United Kingdom nil (2017: 0.48%)					
United States 1.09% (2017: 0.63%)					
First Horizon Alternative Mortgage Securities Trust 2005-FA2	FRN	25/04/35	263,954	173	0.15
GreenPoint Mortgage Loan Trust 2004-1	FRN	25/10/34	324,415	229	0.20
Sequoia Mortgage Trust 2018-6	VAR	25/07/48	703,765	539	0.48
WaMu Mortgage Pass-Through Certificates Series 2006-AR12 Trust	FRN	25/10/36	417,797	293	0.26
				1,234	**1.09**
Total Asset Backed Bonds / Mortgage Backed Bonds				**1,234**	**1.09**
Corporate Bonds 91.69% (2017: 87.90%)					
Australia 1.96% (2017: 3.66%)					
APT Pipelines	4.2000	23/03/25	720,000	541	0.48
APT Pipelines (EMTN)	2.0000	22/03/27	550,000	495	0.44
BHP Billiton Finance	VAR	22/04/76	905,000	887	0.79
Santos Finance (EMTN)	4.1250	14/09/27	400,000	284	0.25
				2,207	**1.96**
Austria 0.16% (2017: nil)					
JAB	2.5000	25/06/29	100,000	91	0.08
JAB	1.7500	25/06/26	100,000	90	0.08
				181	**0.16**
Belgium 1.28% (2017: 0.96%)					
Anheuser-Busch InBev (EMTN)	1.1500	22/01/27	619,000	547	0.49
Anheuser-Busch InBev Finance	3.6500	01/02/26	729,000	546	0.48
Anheuser-Busch InBev Finance	4.9000	01/02/46	436,000	347	0.31
				1,440	**1.28**
Brazil 0.41% (2017: 0.25%)					
Vale (EMTN)	3.7500	10/01/23	470,000	**465**	**0.41**
Canada 1.87% (2017: 2.34%)					
Canadian Natural Resources	3.9000	01/02/25	820,000	620	0.55
Cenovus Energy	4.2500	15/04/27	403,000	298	0.26
Glencore Canada Financial (EMTN)∞	7.3750	27/05/20	900,000	985	0.87
Rogers Communications	5.0000	15/03/44	260,000	209	0.19
				2,112	**1.87**

Aberdeen World Opportunistic Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
China 2.26% (2017: 1.36%)					
CNAC HK Finbridge	1.7500	14/06/22	630,000	564	0.50
CNOOC Curtis Funding No 1	4.5000	03/10/23	700,000	547	0.49
CNPC General Capital	2.7500	14/05/19	900,000	682	0.61
Industrial & Commercial Bank of China/New York∞	2.4520	20/10/21	700,000	513	0.45
Yunnan Energy Investment Overseas Finance	3.7500	14/11/20	340,000	238	0.21
				2,544	**2.26**
Denmark 0.72% (2017: nil)					
AP Moeller - Maersk (EMTN)∞	1.7500	16/03/26	395,000	342	0.30
Nykredit Realkredit	0.5000	19/01/22	530,000	471	0.42
				813	**0.72**
France 6.39% (2017: 5.01%)					
AXA (EMTN)	VAR	28/05/49	399,000	353	0.31
BPCE (EMTN)	0.8750	31/01/24	500,000	438	0.39
BPCE (EMTN)∞	1.3750	23/03/26	300,000	263	0.23
BPCE (MTN)	2.7500	02/12/21	649,000	480	0.43
CNP Assurances	VAR	30/09/41	600,000	675	0.60
Credit Agricole	3.2500	04/10/24	674,000	487	0.43
Credit Agricole Assurances	VAR	PERP	400,000	387	0.34
Electricite de France (EMTN)∞	5.5000	27/03/37	600,000	740	0.66
La Banque Postale (EMTN)	1.0000	16/10/24	200,000	174	0.15
RCI Banque (EMTN)	1.8750	08/11/22	425,000	424	0.38
RCI Banque (EMTN)	0.7500	26/09/22	451,000	403	0.36
RCI Banque (EMTN)	1.6250	26/05/26	452,000	401	0.36
Societe Generale	VAR	PERP	1,200,000	1,170	1.04
TDF Infrastructure∞	2.5000	07/04/26	200,000	183	0.16
TOTAL (EMTN)	VAR	PERP	680,000	625	0.55
				7,203	**6.39**
Germany 5.30% (2017: 5.94%)					
ADO Properties	1.5000	26/07/24	300,000	261	0.23
Aroundtown (EMTN)	1.8750	19/01/26	800,000	703	0.62
Bayer US Finance	4.3750	15/12/28	423,000	326	0.29
Deutsche Bank	1.7500	16/12/21	600,000	586	0.52
Deutsche Telekom International Finance	2.2500	13/04/29	530,000	501	0.44
Deutsche Telekom International Finance∞	2.8200	19/01/22	420,000	311	0.28
E.ON International Finance (EMTN)	5.8750	30/10/37	250,000	336	0.30
Grand City (EMTN)	1.3750	03/08/26	300,000	257	0.23
Unitymedia Hessen	4.0000	15/01/25	700,000	654	0.58
Volkswagen Bank (EMTN)	0.7500	15/06/23	606,000	533	0.47
Volkswagen International Finance	VAR	PERP	400,000	355	0.32
Volkswagen Leasing (EMTN)	1.1250	04/04/24	699,000	618	0.55
Vonovia Finance (EMTN)	0.8750	03/07/23	600,000	532	0.47
				5,973	**5.30**

Aberdeen World Opportunistic Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Hong Kong 0.68% (2017: 0.53%)					
Cheung Kong Infrastructure Finance	1.0000	12/12/24	458,000	399	0.35
Shimao Property	8.3750	10/02/22	460,000	368	0.33
				767	**0.68**
Iceland 0.62% (2017: nil)					
Arion Bank (EMTN)	1.0000	20/03/23	793,000	**695**	**0.62**
India 1.42% (2017: 2.14%)					
ICICI Bank Dubai (EMTN)	3.5000	18/03/20	700,000	529	0.47
Indian Railway Finance	3.9170	26/02/19	710,000	543	0.48
NTPC (EMTN)	5.6250	14/07/21	660,000	524	0.47
				1,596	**1.42**
Indonesia 0.37% (2017: nil)					
Bank Rakyat Indonesia	4.6250	20/07/23	540,000	**414**	**0.37**
Israel 0.31% (2017: nil)					
Teva Pharmaceutical Finance Netherlands II	0.3750	25/07/20	400,000	**351**	**0.31**
Italy 0.81% (2017: 1.75%)					
Italgas (EMTN)	1.6250	18/01/29	363,000	304	0.27
Telecom Italia Finance (EMTN)∞	7.7500	24/01/33	130,000	160	0.14
UniCredit (EMTN)	VAR	03/01/27	490,000	454	0.40
				918	**0.81**
Kazakhstan nil (2017: 0.50%)					
Mexico 1.66% (2017: 0.78%)					
America Movil	VAR	06/09/73	300,000	269	0.24
America Movil	VAR	06/09/73	150,000	160	0.14
Petroleos Mexicanos	5.5000	21/01/21	707,000	555	0.49
Petroleos Mexicanos	4.7500	26/02/29	286,000	258	0.23
Petroleos Mexicanos (EMTN)	3.7500	16/11/25	670,000	633	0.56
				1,875	**1.66**
Netherlands 2.58% (2017: 3.84%)					
ABN AMRO Bank	VAR	27/03/28	800,000	600	0.53
ABN AMRO Bank (EMTN)	VAR	18/01/28	600,000	569	0.51
Cooperatieve Rabobank	VAR	PERP	942,000	767	0.68
ING Groep (EMTN)	VAR	26/09/29	500,000	433	0.38
NN	VAR	08/04/44	260,000	256	0.23
Vesteda Finance (EMTN)	2.0000	10/07/26	320,000	285	0.25
				2,910	**2.58**
New Zealand 0.22% (2017: 0.19%)					
Chorus (EMTN)	1.1250	18/10/23	278,000	**248**	**0.22**

Aberdeen World Opportunistic Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Russian Federation 0.27% (2017: 0.24%)					
Lukoil International Finance	4.5630	24/04/23	400,000	**306**	**0.27**
South Africa 0.24% (2017: nil)					
Mondi Finance (EMTN)	1.6250	27/04/26	302,000	**270**	**0.24**
Spain 1.48% (2017: 0.97%)					
FCC Aqualia∞	1.4130	08/06/22	885,000	801	0.71
Telefonica Emisiones (EMTN)	1.4470	22/01/27	500,000	437	0.39
Telefonica Europe	VAR	PERP	500,000	434	0.38
				1,672	**1.48**
Sweden 2.16% (2017: 2.29%)					
Nordea Bank (EMTN)∞	VAR	PERP	1,328,000	1,014	0.90
Svenska Handelsbanken (MTN)	2.4500	30/03/21	788,000	586	0.52
Volvo Treasury∞	VAR	10/06/75	880,000	833	0.74
				2,433	**2.16**
Switzerland 0.99% (2017: 0.61%)					
Credit Suisse∞	VAR	12/09/25	407,000	390	0.35
Credit Suisse Sydney (MTN)	3.5000	29/04/20	1,000,000	573	0.51
Syngenta Finance	4.8920	24/04/25	200,000	152	0.13
				1,115	**0.99**
Thailand 0.53% (2017: 0.48%)					
Thaioil Treasury Center	3.6250	23/01/23	800,000	**597**	**0.53**
Turkey nil (2017: 0.44%)					
United Arab Emirates 0.46% (2017: 0.40%)					
National Bank of Abu Dhabi (EMTN)	3.0000	30/03/22	700,000	**522**	**0.46**
United Kingdom 13.24% (2017: 13.06%)					
Anglo American Capital	3.6250	11/09/24	345,000	248	0.22
Barclays Bank∞	7.6250	21/11/22	490,000	404	0.36
Barclays (EMTN)	VAR	06/10/23	905,000	891	0.79
Barclays (EMTN)	VAR	07/02/28	445,000	380	0.34
Connect Plus Issuer	2.6070	31/03/39	225,000	225	0.20
CPUK Finance	4.2500	28/02/47	311,000	310	0.28
CYBG	VAR	09/02/26	282,000	290	0.26
DS Smith (EMTN)∞	2.8750	26/07/29	220,000	212	0.19
Experian Finance (EMTN)	1.3750	25/06/26	740,000	659	0.58
HBOS Capital Funding	VAR	PERP	540,000	547	0.49
HSBC	VAR	13/03/23	1,169,000	875	0.78
HSBC∞	6.7500	11/09/28	500,000	634	0.56
HSBC	4.5800	19/06/29	446,000	345	0.31
Jaguar Land Rover Automotive∞	5.0000	15/02/22	204,000	207	0.18
Land Securities Capital Markets (EMTN)	2.3750	29/03/27	171,000	172	0.15

Aberdeen World Opportunistic Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Lloyds Banking (EMTN)∞	2.2500	16/10/24	647,000	629	0.56
Lloyds Banking (EMTN)	VAR	15/01/24	570,000	497	0.44
Royal Bank of Scotland	4.8920	18/05/29	448,000	343	0.30
Royal Bank of Scotland (EMTN)	VAR	19/09/26	770,000	758	0.67
Royal Bank of Scotland (EMTN)	2.5000	22/03/23	246,000	232	0.21
Saga	3.3750	12/05/24	286,000	272	0.24
Santander UK∞	5.0000	07/11/23	950,000	735	0.65
SELP Finance	1.5000	20/11/25	1,494,000	1,302	1.16
Smiths (EMTN)	2.0000	23/02/27	230,000	207	0.18
Southern Gas Networks (EMTN)	3.1000	15/09/36	323,000	321	0.29
SSE	VAR	PERP	450,000	459	0.41
SSE	VAR	PERP	240,000	219	0.19
Stagecoach	4.0000	29/09/25	420,000	438	0.39
Tesco (EMTN)	6.1250	24/02/22	302,000	341	0.30
Tesco Property Finance 3	5.7440	13/04/40	235,225	271	0.24
Tritax Big Box (EMTN) (REIT)	2.6250	14/12/26	100,000	99	0.09
Vodafone (EMTN)	3.3750	08/08/49	165,000	155	0.14
Western Power Distribution	3.6250	06/11/23	560,000	587	0.52
Yorkshire Building Society (EMTN)	0.8750	20/03/23	729,000	646	0.57
				14,910	**13.24**
United States 43.30% (2017: 40.16%)					
Actavis Funding	3.8000	15/03/25	820,000	613	0.54
Amazon.com	3.1500	22/08/27	1,130,000	830	0.74
Amazon.com	4.2500	22/08/57	280,000	216	0.19
American International	6.2500	01/05/36	730,000	644	0.57
American Tower	4.0000	01/06/25	585,000	441	0.39
Amgen	2.2500	19/08/23	1,089,000	779	0.69
Amgen	4.4000	01/05/45	280,000	210	0.19
Apple	2.9000	12/09/27	756,000	545	0.48
Apple	3.4500	09/02/45	510,000	352	0.31
Athene	4.1250	12/01/28	514,000	366	0.32
AT&T	3.1500	04/09/36	400,000	358	0.32
AT&T	4.2500	01/06/43	300,000	312	0.28
AutoNation	3.5000	15/11/24	336,000	242	0.21
AXA Equitable	5.0000	20/04/48	215,000	157	0.14
Ball	5.0000	15/03/22	388,000	304	0.27
Ball	4.3750	15/12/20	6,000	5	-
Bank of America	5.8750	07/02/42	350,000	321	0.28
Bank of America	VAR	24/04/23	401,000	297	0.26
Bank of America (MTN)	3.2480	21/10/27	900,000	639	0.57
Brighthouse Financial	4.7000	22/06/47	700,000	459	0.41
Burlington Northern Santa Fe	4.7000	01/09/45	199,000	162	0.14
Capital One Financial	3.3000	30/10/24	1,543,000	1,121	1.00
Cardinal Health	3.0790	15/06/24	281,000	202	0.18
CCO Capital	5.1250	15/02/23	540,000	410	0.36
Charter Communications Operating Capital	6.3840	23/10/35	440,000	363	0.32
Citigroup	VAR	24/07/23	1,560,000	1,151	1.03

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Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Citigroup	3.3900	18/11/21	960,000	567	0.50
Citigroup	4.4000	10/06/25	435,000	330	0.29
Citigroup	1.5000	24/07/26	289,000	257	0.23
Citizens Bank	3.7000	29/03/23	613,000	466	0.41
Comcast	3.9690	01/11/47	609,000	420	0.37
Connecticut Light & Power	4.0000	01/04/48	302,000	229	0.20
Continental Resources	5.0000	15/09/22	790,000	611	0.54
Continental Resources	4.5000	15/04/23	450,000	349	0.31
Continental Resources	3.8000	01/06/24	208,000	156	0.14
Crown Castle International	2.2500	01/09/21	517,000	378	0.34
CSC	10.8750	15/10/25	515,000	455	0.40
CVS Health	3.5000	20/07/22	591,000	448	0.40
CVS Health	5.0500	25/03/48	554,000	438	0.39
Dartmouth-Hitchcock Health	4.1780	01/08/48	190,000	142	0.13
Digital Realty	4.4500	15/07/28	512,000	392	0.35
Dollar General	4.1250	01/05/28	382,000	289	0.26
Dollar Tree	3.7000	15/05/23	605,000	458	0.41
DTE Electric	4.0500	15/05/48	465,000	352	0.31
Duke Energy Carolinas	3.7000	01/12/47	647,000	457	0.41
eBay	2.7500	30/01/23	1,415,000	1,037	0.93
Edison International	2.4000	15/09/22	360,000	260	0.23
Energy Transfer Partners	5.2000	01/02/22	900,000	714	0.63
Energy Transfer Partners	3.6000	01/02/23	666,000	499	0.44
Energy Transfer Partners	5.3000	15/04/47	220,000	159	0.14
EOG Resources	3.9000	01/04/35	380,000	284	0.25
Exelon	3.4970	01/06/22	609,000	459	0.41
Express Scripts	2.6000	30/11/20	1,033,000	771	0.68
Express Scripts	3.4000	01/03/27	600,000	425	0.38
FedEx	4.5500	01/04/46	812,000	613	0.54
Florida Power & Light	4.1250	06/01/20148	612,000	473	0.42
General Motors Financial	4.0000	06/10/26	1,124,000	813	0.72
Halliburton	5.0000	15/11/45	835,000	686	0.61
HCA	5.5000	15/06/47	410,000	296	0.26
International Paper	5.1500	15/05/46	346,000	273	0.24
JPMorgan Chase	VAR	01/05/28	1,429,000	1,045	0.94
JP Morgan Mortgage Trust 2018-6	VAR	25/12/48	895,724	672	0.60
JPMorgan Chase∞	VAR	PERP	760,000	585	0.52
JPMorgan Chase	3.7970	23/07/24	520,000	396	0.35
Kansas City Power & Light	4.2000	15/03/48	208,000	155	0.14
Kansas City Power & Light	4.2000	15/06/47	87,000	65	0.06
Keurig Dr Pepper∞	5.0850	25/05/48	392,000	310	0.27
Kraft Heinz Foods	3.5000	15/07/22	757,000	575	0.51
Kraft Heinz Foods	6.7500	15/03/32	317,000	286	0.25
Kroger	3.8750	15/10/46	365,000	237	0.21
Lennar	4.7500	01/04/21	410,000	316	0.28
Lowe's	4.0500	03/05/47	704,000	524	0.46
Metropolitan Life Global Funding I	3.0000	19/09/27	1,755,000	1,247	1.12
Morgan Stanley	6.3750	24/07/42	394,000	378	0.34

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Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Morgan Stanley (EMTN)∞	VAR	23/10/26	669,000	587	0.52
MPLX	4.8750	01/06/25	390,000	309	0.27
MPLX	4.7000	15/04/48	129,000	94	0.08
Mylan	2.2500	22/11/24	220,000	202	0.18
Mylan	5.2500	15/06/46	200,000	151	0.13
National Rural Utilities Cooperative Finance	3.4000	07/02/28	400,000	296	0.26
Oracle	2.9500	15/11/24	861,000	636	0.56
Oracle	4.0000	15/07/46	659,000	487	0.43
Penske Truck Leasing	3.3750	01/02/22	974,000	731	0.65
Perrigo Finance	3.5000	15/12/21	488,000	367	0.33
Pfizer	4.1250	15/12/46	549,000	429	0.38
Phillips 66 Partners	4.6800	15/02/45	180,000	130	0.12
Plains All American Pipeline Finance	4.9000	15/02/45	180,000	127	0.11
PNC Bank	3.5000	08/06/23	370,000	282	0.25
Quest Diagnostics	4.7000	30/03/45	610,000	459	0.41
Sabine Pass Liquefaction	4.2000	15/03/28	560,000	418	0.37
Sabine Pass Liquefaction	6.2500	15/03/22	500,000	411	0.37
Sabine Pass Liquefaction	5.6250	01/03/25	250,000	204	0.18
Shire Acquisitions Investments Ireland	2.4000	23/09/21	777,000	571	0.51
Shire Acquisitions Investments Ireland	3.2000	23/09/26	540,000	380	0.34
Southern Power	4.9500	15/12/46	708,000	533	0.47
Southwestern Electric Power	3.8500	01/02/48	567,000	393	0.35
S&P Global	4.5000	15/05/48	169,000	130	0.12
Texas Instruments	2.6250	15/05/24	393,000	288	0.26
Thermo Fisher Scientific	1.4000	23/01/26	850,000	760	0.67
Trans-Allegheny Interstate Line	3.8500	01/06/25	430,000	327	0.29
Union Pacific	4.3750	10/09/38	276,000	218	0.19
United Technologies	1.1500	18/05/24	487,000	438	0.39
UnitedHealth	4.2500	15/06/48	300,000	234	0.21
Verizon Communications	5.0120	21/08/54	410,000	311	0.28
Virginia Electric & Power	4.0000	15/11/46	373,000	271	0.24
Vulcan Materials	4.7000	01/03/48	506,000	366	0.32
Walmart	3.4000	26/06/23	380,000	291	0.26
Walmart	4.0500	29/06/48	375,000	290	0.26
Walt Disney	2.7580	07/10/24	1,095,000	624	0.55
Walt Disney (MTN)	7.5500	15/07/93	480,000	440	0.39
Wells Fargo (EMTN)	1.3750	30/06/22	920,000	899	0.80
Welltower	4.2500	01/04/26	470,000	355	0.32
Western Gas Partners	5.3000	01/03/48	270,000	197	0.17
Williams Partners	5.1000	15/09/45	418,000	324	0.29
21st Century Fox America	6.4000	15/12/35	600,000	572	0.51
				48,778	**43.30**
Total Corporate Bonds				**103,315**	**91.69**
Government Bonds 2.72% (2017: 3.14%)					
India 0.49% (2017: 0.43%)					
Export-Import Bank of India (EMTN)	2.7500	01/04/20	740,000	**553**	**0.49**

Aberdeen World Opportunistic Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Indonesia 0.74% (2017: nil)					
Indonesia (Republic of) (EMTN)	2.1500	18/07/24	920,000	**836**	**0.74**
Saudi Arabia 0.41% (2017: nil)					
Saudi Arabia (Government of) (EMTN)	4.5000	17/04/30	600,000	**460**	**0.41**
South Korea nil (2017: 0.68%)					
Sweden 1.08% (2017: 0.93%)					
Svensk Exportkredit (EMTN)	VAR	14/11/23	1,600,000	**1,217**	**1.08**
Turkey nil (2017: 0.47%)					
United Kingdom nil (2017: 0.63%)					
Total Government Bonds				**3,066**	**2.72**
Municipal Bonds 0.09% (2017: 0.07%)					
United States 0.09% (2017: 0.07%)					
Chicago Illinois Transit Authority	6.8990	01/12/40	100,000	**99**	**0.09**
Total Municipal Bonds				**99**	**0.09**
Total Bonds				**107,714**	**95.59**
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt on another regulated market				**107,714**	**95.59**
Other transferable securities and money market instruments 2.22% (2017: 3.04%)					
Bonds 2.22% (2017: 3.04%)					
Asset Backed Bonds / Mortgage Backed Bonds 1.18% (2017: 1.23%)					
United States 1.18% (2017: 1.23%)					
Bear Stearns ARM Trust 2007-4	VAR	25/06/47	435,275	304	0.27
STARM Mortgage Loan Trust 2007-2	FRN	25/04/37	468,020	294	0.26
WaMu Mortgage Pass-Through Certificates Series 2006-AR18 Trust	FRN	25/01/37	634,623	456	0.41
WaMu Mortgage Pass-Through Certificates Series 2007-HY7 Trust	FRN	25/07/37	381,678	269	0.24
				1,323	**1.18**
Total Asset Backed Bonds / Mortgage Backed Bonds				**1,323**	**1.18**
Corporate Bonds 0.50% (2017: 1.31%)					
Australia nil (2017: 0.14%)					
Germany 0.28% (2017: nil)					
Bayer US Finance	4.2500	15/12/25	409,000	**315**	**0.28**

Aberdeen World Opportunistic Bond Fund

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market Value £'000	Total Net Assets %
Netherlands nil (2017: 0.72%)					
South Africa 0.22% (2017: 0.19%)					
Sappi Papier	7.5000	15/06/32	325,000	**252**	**0.22**
Total Corporate Bonds				**567**	**0.50**
Government Bonds 0.54% (2017: 0.50%)					
South Korea 0.54% (2017: 0.50%)					
Export-Import Bank of Korea (MTN)	4.2500	21/05/20	1,050,000	**606**	**0.54**
Total Government Bonds				**606**	**0.54**
Total Bonds				**2,496**	**2.22**
Total Other transferable securities and money market instruments				**2,496**	**2.22**

Derivatives (0.81%) (2017: 0.38%)

Future contracts (0.02%) (2017: (0.04%))

Future	Maturity	Notional	Unrealised Gains/(Losses) £'000	Total Net Assets %
CBT US 10 Year Note	19/09/18	1	-	-
CBT US 10 Year Ultra	19/09/18	17	(6)	(0.01)
CBT US 2 Year Note	28/09/18	8	(2)	-
CBT US 5 Year Note	28/09/18	(2)	1	-
CBT US Long Bond	19/09/18	22	13	0.02
CBT US Ultra Bond	19/09/18	(10)	3	-
EUX Euro-Bobl	06/09/18	(6)	-	-
EUX Euro-Bund	06/09/18	8	2	-
EUX Euro-Buxl 30 Year Bond	06/09/18	3	5	-
EUX Euro-Schatz	06/09/18	20	(2)	-
ICE Long Gilt	26/09/18	(41)	(53)	(0.04)
MSE Canada 10 Year Bond	19/09/18	11	13	0.01
SFE Australia 3 Year Bond	17/09/18	11	2	-
SGX 10 Year Mini JGB	11/09/18	8	(1)	-
Unrealised losses on future contracts			**(25)**	**(0.02)**

Forward currency exchange contracts (0.79%) (2017: 0.42%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Barclays Capital	GBP	EUR	14/08/18	134,957	151,000	-	-
BNP Paribas	GBP	EUR	14/08/18	13,128,194	14,815,000	(92)	(0.08)
BNP Paribas	GBP	EUR	14/08/18	13,128,194	14,815,000	(92)	(0.08)
BNP Paribas	GBP	EUR	14/08/18	548,395	618,000	(3)	-
BNP Paribas	GBP	USD	14/08/18	157,110	207,000	(1)	-
BNP Paribas	GBP	USD	14/08/18	89,762	119,000	(1)	-
BNP Paribas	USD	GBP	14/08/18	324,000	246,542	-	-

Aberdeen World Opportunistic Bond Fund

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Total Net Assets %
Citigroup	GBP	USD	14/08/18	16,919,237	22,421,000	(164)	(0.15)
Citigroup	GBP	CAD	14/08/18	1,124,032	1,955,000	(20)	(0.02)
Deutsche Bank	GBP	USD	14/08/18	16,918,113	22,421,000	(165)	(0.15)
Deutsche Bank	GBP	EUR	14/08/18	101,286	114,000	-	-
Goldman Sachs	GBP	USD	14/08/18	16,917,985	22,421,000	(165)	(0.15)
Merrill Lynch	EUR	GBP	14/08/18	113,000	100,792	-	-
Merrill Lynch	USD	GBP	14/08/18	239,000	180,181	2	-
Morgan Stanley	GBP	USD	14/08/18	16,916,652	22,422,000	(168)	(0.16)
Morgan Stanley	GBP	USD	14/08/18	150,201	199,000	(1)	-
Morgan Stanley	USD	GBP	14/08/18	1,184,000	899,933	2	-
Royal Bank of Canada	GBP	USD	14/08/18	235,705	313,000	(3)	-
Royal Bank of Canada	GBP	USD	14/08/18	123,573	163,000	(1)	-
Royal Bank of Canada	USD	GBP	14/08/18	879,000	660,996	9	0.01
Royal Bank of Canada	USD	GBP	14/08/18	177,000	134,880	-	-
State Street	GBP	USD	14/08/18	371,885	493,000	(4)	-
State Street	GBP	EUR	14/08/18	113,062	128,000	(1)	-
State Street	GBP	USD	14/08/18	112,602	149,000	(1)	-
State Street	USD	GBP	14/08/18	134,000	102,795	(1)	-
UBS	EUR	GBP	14/08/18	314,000	280,239	-	-
UBS	GBP	AUD	14/08/18	1,147,939	2,052,000	(14)	(0.01)
UBS	GBP	EUR	14/08/18	467,664	529,000	(4)	-
Unrealised losses on forward currency exchange contracts						**(888)**	**(0.79)**
Unrealised losses on derivatives						**(913)**	**(0.81)**
Total investments[#]						**109,297**	**97.00**
Other net assets						**3,376**	**3.00**
Total net assets						**112,673**	**100.00**

[∞] A portion of this security is on loan at the year end.
[#] Including derivative liabilities.
Currently forward positions are not collateralised.
Comparative figures are as at 31 July 2017.

Aberdeen World Opportunistic Bond Fund

Securities Financing Transactions disclosure

The Fund engages in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to securities lending for the accounting year ended 31 July 2018 are detailed below:

Absolute value of assets engaged in SFTs	£'000	% of lendable assets	% of assets under management
Market value of securities on loan	8,609	7.88	7.64

Collateral issuers	Market value of collateral received £'000	Type	Quality	Custodian
Germany (Federal Republic of)	3,374	Government Bond	Investment grade	BNP Paribas
France (Government of)	2,736	Government Bond	Investment grade	BNP Paribas
Netherlands (Kingdom of)	1,380	Government Bond	Investment grade	BNP Paribas
UK Treasury	1,250	Government Bond	Investment grade	BNP Paribas
Sweden (Kingdom of)	282	Government Bond	Investment grade	BNP Paribas
Luxembourg (Grand Duchy of)	231	Government Bond	Investment grade	BNP Paribas
Australia (Commonwealth of)	169	Government Bond	Investment grade	BNP Paribas
Norway (Kingdom of)	72	Government Bond	Investment grade	BNP Paribas
Total collateral received	**9,494**			

Collateral held per custodian	Market value of collateral held £'000	Proportion held in segregated accounts %
BNP Paribas	9,494	100.00

One custodian is used to hold the collateral.

Collateral analysed by currency	Market value of collateral received £'000
AUD	169
EUR	8,003
GBP	1,250
NOK	72
Total collateral received	**9,494**

Counterparties per type of SFT	Market value of securities lending £'000	Countries of counterparty establishment	Settlement and clearing
JPM Chase	4,873	United States	Tri-party
BNP Paribas	2,579	France	Tri-party
Barclays	587	United Kingdom	Tri-party
Nomura	570	Japan	Tri-party
Total market value of securities lending	**8,609**		

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Maturity tenor of collateral (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total collateral received	-	-	-	265

Maturity tenor of collateral (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total collateral received	-	9,229	-	**9,494**

Maturity tenor of securities on loan (remaining period to maturity)	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000
Total market value of securities lending	-	-	-	-

Maturity tenor of securities on loan (remaining period to maturity)	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Total market value of securities lending	-	8,609	-	**8,609**

The lending and collateral transactions can be recalled on demand.
The Fund does not engage in any re-use of collateral.

Return and cost per type of SFT	£'000	%
For the year ended 31 July 2018		
Gross return	9	125.00
Direct operational costs (securities lending agent costs)	(2)	(25.00)
Indirect operational costs (Investment Adviser operational costs)	-	-
Total costs	(2)	(25.00)
Net return	**7**	**100.00**

Aberdeen World Opportunistic Bond Fund

Statement of total return
For the year ended 31 July 2018

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Income					
Net capital losses	1		(4,432)		(645)
Revenue	2	3,917		4,053	
Expenses	3	(157)		(165)	
Net revenue before taxation		3,760		3,888	
Taxation	4	(4)		(8)	
Net revenue after taxation			3,756		3,880
Total return before distributions			**(676)**		**3,235**
Distributions	5		(3,760)		(3,865)
Change in net assets attributable to shareholders from investment activities			**(4,436)**		**(630)**

Statement of change in net assets attributable to shareholders
For the year ended 31 July 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Opening net assets attributable to shareholders		**131,431**		**117,290**
Amounts receivable on issue of shares	371		20,943	
Amounts payable on cancellation of shares	(18,403)		(10,164)	
		(18,032)		10,779
Dilution adjustment		29		59
Change in net assets attributable to shareholders from investment activities		(4,436)		(630)
Retained distributions on accumulation shares		3,681		3,933
Closing net assets attributable to shareholders		**112,673**		**131,431**

Aberdeen World Opportunistic Bond Fund

Balance sheet
As at 31 July 2018

	Notes	2018 £'000	2017 £'000
Assets:			
Fixed assets:			
Investments		110,262	126,480
Current assets:			
Debtors	6	3,100	1,468
Cash and bank balances	7	1,652	4,662
Total assets		**115,014**	**132,610**
Liabilities:			
Investment liabilities		965	786
Creditors:			
Amounts held at futures clearing houses and brokers		38	36
Other creditors	8	1,337	355
Distribution payable		1	2
Total liabilities		**2,341**	**1,179**
Net assets attributable to shareholders		**112,673**	**131,431**

Aberdeen World Opportunistic Bond Fund

Notes to the financial statements
For the year ended 31 July 2018

1. **Net capital losses**

	2018 £'000	2017 £'000
The net capital losses on investments during the year comprise:		
Non-derivative securities (losses)/gains	(3,877)	2,787
Derivative contracts	(198)	(671)
Forward currency contracts losses	(200)	(2,749)
Other currency losses	(157)	(12)
Net capital losses	**(4,432)**	**(645)**

2. **Revenue**

	2018 £'000	2017 £'000
Interest on debt securities	3,903	4,042
Stock lending commission	7	8
Bank interest	7	3
Total revenue	**3,917**	**4,053**

3. **Expenses**

	2018 £'000	2017 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	4	5
Operating, administrative and servicing fees	152	159
	156	164
Other expenses:		
Interest payable and similar charges	1	1
	1	1
Total expenses	**157**	**165**

Irrecoverable VAT is included in the above expenses where relevant.

The current audit fee net of VAT, which is levied through operating, administrative and servicing fees, is £8,150 (2017 - £7,950).

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4. Taxation

	2018 £'000	2017 £'000
The tax charge comprises:		
Corporation tax	-	1
Double tax relief	-	(1)
Overseas withholding tax	4	8
Current tax charge	**4**	**8**
Total taxation	**4**	**8**

Factors affecting current tax charge for year

The tax charge for the year is lower (2017 - lower) than the charge derived by applying the standard rate of UK corporation tax for open ended investment companies of 20% (2017 - 20%) to the net revenue before taxation. The differences are explained in the reconciliation below. Open ended investment companies are also exempt from corporation tax on capital gains realised within the Fund - therefore, any capital return is not included in the reconciliation below.

Reconciliation of the tax charge for the year:

	2018 £'000	2017 £'000
Net revenue before taxation	3,760	3,888
Corporation tax at 20% (2017 - 20%)	752	778
Effects of:		
Tax deductible on interest distributions	(752)	(777)
Double tax relief	-	(1)
Irrecoverable overseas withholding tax	4	8
Total taxation	**4**	**8**

Factors that may affect future tax charges

There were no factors that may affect future tax charges at the current or prior accounting year.

Deferred tax

There is no provision required for deferred taxation at the balance sheet date (2017 - nil).

5. Distributions (including the movement between net revenue and distributions)

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

	2018 £'000	2017 £'000
Interim	1,896	1,925
Final	1,788	2,012
	3,684	3,937
Add: Revenue deducted on cancellation of shares	80	55
Deduct: Revenue received on issue of shares	(4)	(127)
Distributions for the year	**3,760**	**3,865**
Total distributions	**3,760**	**3,865**

Details of the distribution per share are set out in the distribution tables on pages 1094 to 1095.

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Movement between net revenue and distributions	2018 £'000	2017 £'000
Net revenue after taxation	3,756	3,880
Add:		
Authorised Corporate Director's periodic charge paid from capital	4	5
Deduct:		
Movement between share classes due to conversions	-	(20)
Distributions	**3,760**	**3,865**

6. Debtors

	2018 £'000	2017 £'000
Accrued revenue	1,292	1,394
Amounts receivable for issue of shares	-	1
Sales awaiting settlement	1,528	-
Currency transactions awaiting settlement	280	72
Tax reclaimable	-	1
Total debtors	**3,100**	**1,468**

7. Cash and bank balances

	2018 £'000	2017 £'000
Amounts held at futures clearing houses and brokers	324	243
Cash and bank balances	1,328	4,419
Total cash and bank balances	**1,652**	**4,662**

8. Other creditors

	2018 £'000	2017 £'000
Accrued expenses	11	15
Amounts payable for cancellation of shares	1	8
Purchases awaiting settlement	1,045	260
Currency transactions awaiting settlement	280	72
Total other creditors	**1,337**	**355**

9. Related parties

The following are considered to be related parties:

The Authorised Corporate Director

The fees received by the Authorised Corporate Director (ACD) are set out in note 3. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 1082. £1,000 was due to the ACD (2017 - £8,000) at the year end.

The Investment Adviser

As at the year end the Fund held no investments that were managed by subsidiaries of Standard Life Aberdeen plc (2017 - nil).

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10. Material shareholders

Nortrust Nominees Limited held a material shareholding in the Fund during the year to 31 July 2018, and at the year end held 94% of the Fund's shares in issue.

11. Shareholder funds

The annual management charge on each share class is as follows:

Class 'A': 1.00%
Class 'I': 0.50%
Class 'Z': 0.00%
Class 'Z' Gross: 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 1064 to 1069. The distribution per share class is given in the distribution tables on pages 1094 to 1095. All share classes have the same rights on winding up.

Share reconciliation

As at 31 July 2018

	A Accumulation shares	A Income shares	I Accumulation shares	I Income shares
Opening number of shares	126,768	1,569	338,459	108,482
Creations during the year	3,100	10,100	26,600	9,200
Cancellations during the year	(6,000)	(5,200)	(77,400)	(42,600)
Closing shares in issue	**123,868**	**6,469**	**287,659**	**75,082**

	Z Accumulation shares	Z Gross Accumulation shares
Opening number of shares	4,106,643	123,564,400
Creations during the year	6,089	304,700
Cancellations during the year	(2,884)	(17,966,000)
Closing shares in issue	**4,109,848**	**105,903,100**

12. Securities on Loan

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending.

The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

Collateralisation in the form of Government Bonds must be with a minimum issuer rating of AA (S&P rating) or Aa3 (Moody's rating) at a minimum of 102 -105 % (Min. 102% bond loan verses Sovereign Bond Collateral, Min. 105% equity loan verses Sovereign Bond Collateral minimum margins). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

Government bonds from the following countries may be accepted as collateral:

Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Japan, Luxembourg, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom & United States.

Collateralisation in the form of Equities must be from the listed equities from the following indices, provided that no single issuer shall represent more than 10% of Equity collateral on a ''per Approved Borrower'' basis: 108% minimum margin. Borrowers' own stock is not acceptable.

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Index	Country
S&P 500	United States
FTSE 100	United Kingdom
CAC 40	France
DAX	Germany
S&P/TSX 60	Canada
AEX	Netherlands
BEL 20	Belgium
OMX Stockholm 30	Sweden
OMX Copenhagen 20	Denmark
OMX Helsinki 25	Finland
Swiss Market	Switzerland
S&P/ASX 200	Australia
NIKKEI 225	Japan
ATX	Austria
FTSE MIB	Italy
OBX	Norway
IBEX 35	Spain

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2018			
Barclays	587	625	Government Bond
BNP Paribas	2,579	2,985	Government Bond
JPM Chase	4,873	5,146	Government Bond
Nomura	570	738	Government Bond
Total	**8,609**	**9,494**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	9	2	7

Counterparty	Total market value of securities on loan £'000	Amount of collateral received £'000	Type of collateral
2017			
JPM Chase	2,219	2,344	Government Bond
Total	**2,219**	**2,344**	

Recipient	Relationship	Gross income £'000	Direct and indirect expenses £'000	Net income £'000
BNP Paribas	Securities Lending Agent	10	2	8

Aberdeen World Opportunistic Bond Fund

13. Risk management policies and disclosures

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

Global Exposure

Based on the investment strategy, types of complexities of the derivatives and the proportion of the Fund comprising derivatives, the method of estimating the Fund's overall risk position (Global Exposure) is to the use the value at risk (VaR) techniques which estimate the probability of portfolio losses based on the statistical analysis of historical price trends and volatilities. The VaR is produced on a daily basis and the Fund's current VaR limit is detailed below.

Value at risk (VaR)

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

Model assumptions

System:	Advanced Portfolio Technologies (APT)
VaR methodology:	Parametric
Confidence level:	99%
Holding period:	1 week (5 days)
Decay factor for exponential smoothing of the historical market data:	nil
Historical observation period:	180 weeks
VaR limit (absolute)	20%
VaR limit (relative)	200%
Reference portfolio for relative VaR	1.63

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

The VaR measures of the Fund are detailed below.

	2018	2017
Minimum VaR	1.68%	1.70%
Maximum VaR	1.81%	1.93%
Average VaR	1.74%	1.82%

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2018	0.05%	1.53%	-	0.14%	1.72%
31 July 2017	0.04%	1.55%	-	0.17%	1.76%

Financial derivatives

At 31 July 2018 the underlying exposure for each category of derivatives was as follows:

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Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
Merrill Lynch	2	2
Morgan Stanley	2	2
Royal Bank of Canada	9	9
Total exposure	**13**	**13**

At 31 July 2017 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward currency exchange contracts £'000	Total by counterparty £'000
Barclays	4	4
BNP Paribas	4	4
Citigroup	334	334
Goldman Sachs	302	302
HSBC	307	307
JPM Chase	299	299
Merrill Lynch	1	1
State Street	6	6
Total exposure	**1,257**	**1,257**

The Fund had no collateral pledged or collateral held in respect of derivatives as at 31 July 2018 (2017 - nil).

Liquidity risk

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

	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000
2018					
Derivatives					
Investment liabilities	-	965	-	-	965
Non-derivatives					
Amounts held at futures clearing houses and brokers	38	-	-	-	38
Other creditors	-	1,337	-	-	1,337
Distribution payable	-	1	-	-	1
Total financial liabilities	**38**	**2,303**	**-**	**-**	**2,341**
	On demand £'000	Within one year £'000	Over one year but not more than five years £'000	Over five years £'000	Total £'000

2017					
Derivatives					
Investment liabilities	-	786	-	-	786
Non-derivatives					
Amounts held at futures clearing houses and brokers	36	-	-	-	36
Other creditors	-	355	-	-	355
Distribution payable	-	2	-	-	2
Total financial liabilities	**36**	**1,143**	**-**	**-**	**1,179**

14. Portfolio transaction costs

	Purchases		Sales	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Trades in the year				
Bonds	98,472	120,409	107,547	107,046
Equities	1,211	-	15	-
Trades in the year before transactions costs	**99,683**	**120,409**	**107,562**	**107,046**
Commissions				
Bonds	-	-	-	-
Equities	-	-	-	-
Total commissions	**-**	**-**	**-**	**-**
Taxes				
Bonds	-	-	-	-
Equities	-	-	-	-
Total taxes	**-**	**-**	**-**	**-**
Other expenses				
Bonds	-	-	-	-
Equities	-	-	-	-
Total other expenses	**-**	**-**	**-**	**-**
Total transaction costs	**-**	**-**	**-**	**-**
Total net trades in the year after transaction costs	**99,683**	**120,409**	**107,562**	**107,046**

	Purchases		Sales	
	2018	2017	2018	2017
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				

Aberdeen World Opportunistic Bond Fund

Commissions				
Bonds	-	-	-	-
Equities	-	-	-	-
Taxes				
Bonds	-	-	-	-
Equities	-	-	-	-
Other expenses				
Bonds	-	-	-	-
Equities	-	-	-	-

	2018	2017
	%	%
Total transaction costs expressed as a percentage of net asset value		
Commissions	-	-
Taxes	-	-
Other expenses	-	-
Total costs	**-**	**-**

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

There were no in specie transfers in the year (2017 - nil). There were corporate actions of (net sales) £2,707,000 in the year (2017 - £1,958,000 (net sales)).

There were transaction costs in respect of derivatives of £1,000 for the year (2017 - £4,550). The transaction costs in respect of derivatives expressed as a percentage of net asset value is 0.00% (2017 - nil).

The average portfolio dealing spread as at 31 July 2018 was 0.44% (2017 - 0.42%).

15. Fair value

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1
Quoted prices in active markets for identical securities.

Level 2
Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3
Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

Fair value hierarchy

	2018		2017	
	Investment assets	Investment liabilities	Investment assets	Investment liabilities

Aberdeen World Opportunistic Bond Fund

	£'000	£'000	£'000	£'000
Level 1[A]	38	63	862	89
Level 2	110,224	902	125,618	697
Level 3	-	-	-	-
Total	**110,262**	**965**	**126,480**	**786**

[A] There were no debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price as at 31 July 2018 (2017 - £829,000).

Aberdeen World Opportunistic Bond Fund

Distribution table
For the year ended 31 July 2018 (in pence per share)

Interim interest distribution
Group 1: Shares purchased prior to 1 August 2017
Group 2: Shares purchased 1 August 2017 to 31 January 2018

	Revenue	Equalisation	Distribution paid 30/04/18	Distribution paid 30/04/17
A Accumulation shares				
Group 1	1.64876	-	1.64876	1.79378
Group 2	0.92410	0.72466	1.64876	1.79378
A Income shares				
Group 1	1.43085	-	1.43085	1.60748
Group 2	0.08141	1.34944	1.43085	1.60748
I Accumulation shares				
Group 1	1.68294	-	1.68294	1.82354
Group 2	1.08501	0.59793	1.68294	1.82354
I Income shares				
Group 1	1.46292	-	1.46292	1.63679
Group 2	0.29696	1.16596	1.46292	1.63679
Z Accumulation shares				
Group 1	1.60052	-	1.60052	1.70165
Group 2	0.56906	1.03146	1.60052	1.70165
Z Gross Accumulation shares				
Group 1	1.49692	-	1.49692	1.58467
Group 2	0.26938	1.22754	1.49692	1.58467

Aberdeen World Opportunistic Bond Fund

Final interest distribution
Group 1: Shares purchased prior to 1 February 2018
Group 2: Shares purchased 1 February 2018 to 31 July 2018

	Revenue	Equalisation	Distribution paid 31/10/18	Distribution paid 31/10/17
A Accumulation shares				
Group 1	1.76884	-	1.76884	1.73265
Group 2	1.02081	0.74803	1.76884	1.73265
A Income shares				
Group 1	1.51274	-	1.51274	1.52711
Group 2	1.51274	-	1.51274	1.52711
I Accumulation shares				
Group 1	1.81117	-	1.81117	1.76633
Group 2	1.18524	0.62593	1.81117	1.76633
I Income shares				
Group 1	1.55146	-	1.55146	1.55940
Group 2	0.41354	1.13792	1.55146	1.55940
Z Accumulation shares				
Group 1	1.72502	-	1.72502	1.67237
Group 2	0.97813	0.74689	1.72502	1.67237
Z Gross Accumulation shares				
Group 1	1.61368	-	1.61368	1.56506
Group 2	0.89368	0.72000	1.61368	1.56506

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

Remuneration

Remuneration Policy

Please note, Aberdeen Asset Management PLC and Standard Life plc merged on 14 August 2017. Existing remuneration policies remained in place for the remainder of the reporting period to 31 July 2018.

The UCITS Management Company, Aberdeen Fund Managers Limited is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA") and is a wholly owned subsidiary of Aberdeen Asset Management PLC (Aberdeen).

The Remuneration Committee of Aberdeen Asset Management PLC (the Group) adopted a UCITS V Remuneration Policy to ensure that the requirements of the Undertakings for Collective Investment Transferrable Securities V Directive (UCITS V) are fully adhered to by the Group. This policy applies to Aberdeen Fund Managers Limited and the UCITS Funds it manages.

Aberdeen believes that rewarding staff for their contribution is key to recruiting and retaining a talented workforce.

The full Aberdeen UCITS V Remuneration Policy is available on request.

Remuneration Philosophy

Aberdeen's Group Remuneration Policy reflects the Group's remuneration philosophy and has been designed to:

- Align the interests of staff with the sustained long-term interests of the UCITS Management Company, the UCITS Funds, the business, shareholders, and other stakeholders;
- Focus on performance-related pay, at both a corporate and an individual level, tempered by an emphasis on ensuring that performance is not achieved by taking risks which fall outside Aberdeen's and the UCITS Management Company's and its UCITS Fund's risk appetite;
- Promote sound risk management and discourage risk taking that exceeds Aberdeen's level of tolerated risk, having regard to the investment profiles of the UCITS Management Company and its UCITS Funds;
- Incorporate measures to avoid conflicts of interest; and
- Offer fixed remuneration and award incentives which are reasonable and competitive within the asset management sector.

Application

Remuneration covered by the UCITS V Directive shall apply to all fixed and variable components of remuneration, including salaries and discretionary payments.

The UCITS V remuneration principles apply to:

- any benefit of any type paid by the UCITS Management Company;
- any amount paid directly by the UCITS Fund itself, including carried interest, for the benefit of UCITS V Identified Staff; and
- any transfer of units or shares of the UCITS Fund made for the benefit of UCITS V Identified Staff.

Remuneration Governance

The Aberdeen Asset Management PLC Board of Directors established a Remuneration Committee that operate on a Group-wide basis and now continues under Standard Life Aberdeen plc Board of Directors

The Remuneration Committee is responsible for:

- Approving the Remuneration Policy;
- Approving the remuneration packages of Senior executives;
- Determining the size of any annual variable pay pool;
- Approving the design of Incentive plans;
- Considering the recruitment and redundancy of certain employees.

The Remuneration Committee consists of five individuals, all of whom are independent non-executive directors of both Standard Life Aberdeen plc's and Aberdeen Asset Management PLC's Boards. The Remuneration Committee receives independent external advice from specialist remuneration consultants and operates under formal terms of reference, which are reviewed annually. The current composition of the Remuneration Committee and its terms of reference are available on request.

The Remuneration Committee meets on a regular basis to consider remuneration matters across the Group, (including at the UCITS Management Company). It receives appropriate input from the Chief Risk Officer (and Group-wide PLC Board Risk and Capital Committee) to enable it to take into account the risk profile of Aberdeen, the UCITS Management Company and its UCITS Funds when making decisions on remuneration.

The Group Remuneration Policy and its implementation is reviewed independently by the Chief Risk Officer on at least an annual basis to ensure that it is aligned with sound risk management.

The UCITS Management Company, in its supervisory function, adopts and periodically reviews the general principles of the UCITS V Remuneration Policy Statement and is responsible for its implementation, ensures that this statement is in line with local regulatory requirements, and does not promote excessive risk taking in light of the risk profiles of the UCITS Funds under management.

Remuneration

The implementation of the UCITS V Remuneration Policy Statement is, at least annually, subject to central and independent internal review for compliance with policies and procedures for remuneration adopted by the UCITS Management Company in its supervisory function.

Financial and non-financial criteria

Variable remuneration is based on a rounded assessment of Group, Divisional and individual performance. When assessing individual performance, financial as well as non-financial criteria are taken into account.

Individual performance is based on the individual's appraisal, which includes an employee's compliance with controls and applicable company standards including the Group's Code of Ethics, including Treating Customers Fairly and Conduct Risk.

Conflicts of interest

The Group's remuneration policies and processes contain a number of measures to avoid conflicts of interest.

- Compensation proposals are made by "Compensation Managers" who are usually Department Heads. No employee may determine their own remuneration. The Compensation Managers make proposals in accordance with guidelines which are set out in annual Compensation Manager Guidance approved by the Remuneration Committee.
- Employees engaged in control functions (e.g. Risk and Internal Audit) have functional line management structures outside of the business units they oversee, thus ensuring independence. Variable remuneration for control function employees is determined on the achievement of meeting their own functional objectives as set in their appraisal. The Group Remuneration Committee signs off the remuneration of senior staff, including those in the risk in control functions.
- Personal hedging strategies which may undermine the risk alignment of variable remuneration are not permissible (e.g. entering into an arrangement with a third party under which payments will be linked to the person's remuneration or deferred consideration). The Group has very strict Personal Account dealing policies which prohibit dealing on a personal basis or by any connected party without prior consent from Compliance.

Determination of Remuneration and Benefits

As described above, the Company, acting through the Remuneration Committee determines remuneration under the Group Remuneration Policy and governance structure. Under this group-wide policy, remuneration and benefits are determined on the following basis:

Base salary	Base salaries are reviewed annually, taking account of market salary levels, Group performance, individual performance, changes in responsibility and levels of increase for the broader employee population.
Benefits	The Group currently provides a range of fringe benefits to its employees, as appropriate in local markets, such as: medical insurance; disability insurance; life insurance; paid holiday; and international medical benefits assistance where appropriate.
Pension	Employer contributions are made to defined contribution pension arrangements or equivalent cash allowances are paid, subject to normal practice in the relevant country. (Legacy defined benefit plans from corporate acquisitions are closed to all future accrual at the earliest reasonable opportunity.) No discretionary pension benefits are paid.
Variable Pay	Aberdeen's aggregate variable pay pool, in which all staff participate, is approved by the Remuneration Committee each year. The aggregate pool is normally capped at no more than 25% of pre-bonus operating profit, unless exceptional circumstances justify a higher cap. The pool is based on a range of key performance indicators (KPIs) linked to Aberdeen's strategy, which provides a rounded assessment of Aberdeen's performance. The Remuneration Committee reviews the KPIs each year, to ensure that they continue to reflect the priorities of the business. Aberdeen does not pay individual awards calculated on the basis of annual revenues. Instead proposals are discretionary and based on a number of factors including multi-year performance and non-financial metrics, such as teamwork along with compliance and risk awareness. A significant proportion of an individual's annual variable pay may be deferred into shares or other similar instruments which are correctly aligned with the nature of the risks of the AIFs in question.
Carried interest or similar arrangements	In a small number of instances, Aberdeen may agree limited carried interest or similar arrangements which effectively link a proportion of staff pay to performance of a particular Fund. This is almost always done at the request of clients invested in the fund, to ensure alignment of interests, and is subject to specific review to ensure that any such arrangement does not encourage inappropriate risk taking.

Remuneration

Clawback/Malus
A clawback/malus principle applies to the variable pay plan. This enables the Remuneration Committee to seek to recoup the deferred amount of any unvested variable pay, in the exceptional event of misstatement or misleading representation of performance; a significant failure of risk management and control; or serious misconduct by an individual.

Guaranteed Variable Remuneration
Guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year of engagement.

UCITS V Identified Staff
Staff considered UCITS V Identified Staff are those categories of staff whose professional activities have a material impact on the decision making profiles of the UCITS Management Company or the UCITS Funds that the UCITS Management Company manages.

UCITS V Identified Staff will include:-

- Senior Management;
- Decision makers;
- Staff engaged in control functions; and
- Any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and decision makers, and whose professional activities have a material impact on the decision making of the Company or the Funds that the Company manages.

Control Functions
Employees engaged in control functions, (e.g. Risk, Compliance and Internal Audit) have functional line management structures outside of the business units they oversee, thus ensuring independence. The Internal Audit function evaluates the finance risk, control framework, business strategy and operating models independently and therefore the Global Head of Asset Management Audit reports to the Group Internal Audit Director, who reports directly to the Audit Committee Chairman. The Audit Committee Chairman approves the Group Internal Audit Director's remuneration and appraisal. The Group Internal Audit Director, in turn, approves the Global Head of Internal Audit's remuneration and appraisal. The Chief Risk Officer has a reporting line to the Risk Committee. The Group Remuneration Committee signs-off on entire review including senior staff, risk management and compliance functions (i.e. those in control functions). UCITS V Identified Staff (which includes control staff) are subject to the Group Remuneration Policy, elements of which may be revised, to be compliant with UCITS V. Control functions' variable compensation is determined on the achievement of meeting their own functional objectives as set in their appraisal.

Personal Hedging
UCITS V Identified Staff are not permitted to undermine the risk alignment effects of the UCITS V Remuneration Code. Personal hedging strategies; or remuneration-related insurance; or liability-related insurance is not permissible on remuneration.

Employee remuneration disclosure
The table below provides an overview of the following:

- Aggregate total remuneration paid by Aberdeen Fund Managers Limited to its entire staff; and
- Aggregate total remuneration paid by Aberdeen Fund Managers Limited to its 'Identified Staff'

The 'Identified Staff' of Aberdeen Fund Managers Limited are those employees who are considered could have a material impact on the decision making profile of Aberdeen Fund Managers Limited or the UCITS Funds it manages:

Aberdeen Asia Pacific and Japan Equity Fund
Aberdeen Asia Pacific Equity Fund
Aberdeen Corporate Bond Fund
Aberdeen Diversified Income Fund
Aberdeen Eastern European Equity Fund
Aberdeen Emerging Markets Bond Fund
Aberdeen Emerging Markets Equity Fund
Aberdeen Ethical World Equity Fund
Aberdeen Euro Corporate Bond Fund
Aberdeen European Equity Fund
Aberdeen European High Yield Bond Fund
Aberdeen European Property Share Fund
Aberdeen European Smaller Companies Equity Fund
Aberdeen Financial Equity Fund
Aberdeen Global High Yield Bond Fund
Aberdeen Japan Equity Fund

Remuneration

Aberdeen Latin American Equity Fund
Aberdeen Multi-Asset Fund
Aberdeen North American Equity Fund
Aberdeen Property Share Fund
Aberdeen Responsible UK Equity Fund
Aberdeen Sterling Bond Fund
Aberdeen Sterling Government Bond Fund
Aberdeen Sterling Index-Linked Bond Fund
Aberdeen Sterling Long Dated Corporate Bond Fund
Aberdeen Sterling Long Dated Government Bond Fund
Aberdeen Sterling Money Market Fund
Aberdeen Sterling Opportunistic Corporate Bond Fund
Aberdeen Sterling Short Dated Corporate Bond Fund
Aberdeen Sterling Short Term Government Bond Fund
Aberdeen Strategic Bond Fund
Aberdeen Target Return Bond Fund
Aberdeen UK Equity Fund
Aberdeen UK Equity Income Fund
Aberdeen UK Mid-Cap Equity Fund
Aberdeen UK Smaller Companies Equity Fund
Aberdeen World Equity Fund
Aberdeen World Equity Income Fund
Aberdeen World Opportunistic Bond Fund

This broadly includes senior management, risk takers and control functions. For the purposes of this disclosure, 'Identified Staff' includes employees of entities to which activities have been delegated.

Amounts shown reflect payments made during the financial reporting period in question.

The reporting period runs from 1 January 2017 to 31 December 2017 inclusive.

Aberdeen Asia Pacific and Japan Equity Fund **Reporting period: 01/01/17 to 31/12/17**	**Headcount**	**Total Remuneration £'000**	**UCITS proportion £'000[4]**
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**251**
of which			
Fixed remuneration		13,356	168
Variable remuneration		6,559	83
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**105**
of which			
Senior Management[3]	9	1,153	15
Other 'Identified Staff'	119	7,136	90

Remuneration

Aberdeen Asia Pacific Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**1,664**
of which			
Fixed remuneration		13,356	1,116
Variable remuneration		6,559	548
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**693**
of which			
Senior Management[3]	9	1,153	96
Other 'Identified Staff'	119	7,136	597

Aberdeen Corporate Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**1,521**
of which			
Fixed remuneration		13,356	1,020
Variable remuneration		6,559	501
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**633**
of which			
Senior Management[3]	9	1,153	88
Other 'Identified Staff'	119	7,136	545

Aberdeen Diversified Income Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**177**
of which			
Fixed remuneration		13,356	119
Variable remuneration		6,559	58
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**74**
of which			
Senior Management[3]	9	1,153	10
Other 'Identified Staff'	119	7,136	64

Remuneration

Aberdeen Eastern European Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**38**
of which			
Fixed remuneration		13,356	26
Variable remuneration		6,559	12
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**16**
of which			
Senior Management[3]	9	1,153	2
Other 'Identified Staff'	119	7,136	14

Aberdeen Emerging Markets Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**66**
of which			
Fixed remuneration		13,356	44
Variable remuneration		6,559	22
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**27**
of which			
Senior Management[3]	9	1,153	4
Other 'Identified Staff'	119	7,136	23

Aberdeen Emerging Markets Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**2,590**
of which			
Fixed remuneration		13,356	1,737
Variable remuneration		6,559	853
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**1,078**
of which			
Senior Management[3]	9	1,153	150
Other 'Identified Staff'	119	7,136	928

Remuneration

Aberdeen Ethical World Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**252**
of which			
Fixed remuneration		13,356	169
Variable remuneration		6,559	83
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**105**
of which			
Senior Management[3]	9	1,153	15
Other 'Identified Staff'	119	7,136	90

Aberdeen Euro Corporate Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**2**
of which			
Fixed remuneration		13,356	1
Variable remuneration		6,559	1
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**1**
of which			
Senior Management[3]	9	1,153	0
Other 'Identified Staff'	119	7,136	1

Aberdeen European Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**362**
of which			
Fixed remuneration		13,356	243
Variable remuneration		6,559	119
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**151**
of which			
Senior Management[3]	9	1,153	21
Other 'Identified Staff'	119	7,136	130

Remuneration

Aberdeen European High Yield Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**119**
of which			
Fixed remuneration		13,356	80
Variable remuneration		6,559	39
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**50**
of which			
Senior Management[3]	9	1,153	7
Other 'Identified Staff'	119	7,136	43

Aberdeen European Property Share Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**70**
of which			
Fixed remuneration		13,356	47
Variable remuneration		6,559	23
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**29**
of which			
Senior Management[3]	9	1,153	4
Other 'Identified Staff'	119	7,136	25

Aberdeen European Smaller Companies Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**99**
of which			
Fixed remuneration		13,356	66
Variable remuneration		6,559	33
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**41**
of which			
Senior Management[3]	9	1,153	6
Other 'Identified Staff'	119	7,136	35

Remuneration

Aberdeen Financial Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**14**
of which			
Fixed remuneration		13,356	9
Variable remuneration		6,559	5
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**6**
of which			
Senior Management[3]	9	1,153	1
Other 'Identified Staff'	119	7,136	5

Aberdeen Global High Yield Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**92**
of which			
Fixed remuneration		13,356	62
Variable remuneration		6,559	30
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**38**
of which			
Senior Management[3]	9	1,153	5
Other 'Identified Staff'	119	7,136	33

Aberdeen Japan Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**275**
of which			
Fixed remuneration		13,356	184
Variable remuneration		6,559	91
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**114**
of which			
Senior Management[3]	9	1,153	16
Other 'Identified Staff'	119	7,136	98

Remuneration

Aberdeen Latin American Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**417**
of which			
Fixed remuneration		13,356	280
Variable remuneration		6,559	137
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**173**
of which			
Senior Management[3]	9	1,153	24
Other 'Identified Staff'	119	7,136	149

Aberdeen Multi-Asset Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**600**
of which			
Fixed remuneration		13,356	402
Variable remuneration		6,559	198
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**250**
of which			
Senior Management[3]	9	1,153	35
Other 'Identified Staff'	119	7,136	215

Aberdeen North American Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**214**
of which			
Fixed remuneration		13,356	144
Variable remuneration		6,559	70
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**89**
of which			
Senior Management[3]	9	1,153	12
Other 'Identified Staff'	119	7,136	77

Remuneration

Aberdeen Property Share Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**672**
of which			
Fixed remuneration		13,356	451
Variable remuneration		6,559	221
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**280**
of which			
Senior Management[3]	9	1,153	39
Other 'Identified Staff'	119	7,136	241

Aberdeen Responsible UK Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**13**
of which			
Fixed remuneration		13,356	9
Variable remuneration		6,559	4
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**5**
of which			
Senior Management[3]	9	1,153	1
Other 'Identified Staff'	119	7,136	4

Aberdeen Sterling Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**27**
of which			
Fixed remuneration		13,356	18
Variable remuneration		6,559	9
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**11**
of which			
Senior Management[3]	9	1,153	1
Other 'Identified Staff'	119	7,136	10

Remuneration

Aberdeen Sterling Government Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**21**
of which			
Fixed remuneration		13,356	14
Variable remuneration		6,559	7
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**9**
of which			
Senior Management[3]	9	1,153	1
Other 'Identified Staff'	119	7,136	8

Aberdeen Sterling Index-Linked Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**14**
of which			
Fixed remuneration		13,356	9
Variable remuneration		6,559	5
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**6**
of which			
Senior Management[3]	9	1,153	1
Other 'Identified Staff'	119	7,136	5

Aberdeen Sterling Long Dated Corporate Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**1**
of which			
Fixed remuneration		13,356	1
Variable remuneration		6,559	0
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**1**
of which			
Senior Management[3]	9	1,153	0
Other 'Identified Staff'	119	7,136	1

Remuneration

Aberdeen Sterling Long Dated Government Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**3**
of which			
Fixed remuneration		13,356	2
Variable remuneration		6,559	1
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**1**
of which			
Senior Management[3]	9	1,153	0
Other 'Identified Staff'	119	7,136	1

Aberdeen Sterling Money Market Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**483**
of which			
Fixed remuneration		13,356	324
Variable remuneration		6,559	159
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**201**
of which			
Senior Management[3]	9	1,153	28
Other 'Identified Staff'	119	7,136	173

Aberdeen Sterling Opportunistic Corporate Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**377**
of which			
Fixed remuneration		13,356	253
Variable remuneration		6,559	124
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**157**
of which			
Senior Management[3]	9	1,153	22
Other 'Identified Staff'	119	7,136	135

Remuneration

Aberdeen Sterling Short Dated Corporate Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**215**
of which			
Fixed remuneration		13,356	144
Variable remuneration		6,559	71
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**89**
of which			
Senior Management[3]	9	1,153	12
Other 'Identified Staff'	119	7,136	77

Aberdeen Sterling Short Term Government Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**186**
of which			
Fixed remuneration		13,356	125
Variable remuneration		6,559	61
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**78**
of which			
Senior Management[3]	9	1,153	11
Other 'Identified Staff'	119	7,136	67

Aberdeen Strategic Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**82**
of which			
Fixed remuneration		13,356	55
Variable remuneration		6,559	27
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**34**
of which			
Senior Management[3]	9	1,153	5
Other 'Identified Staff'	119	7,136	29

Remuneration

Aberdeen Target Return Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**183**
of which			
Fixed remuneration		13,356	123
Variable remuneration		6,559	60
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**76**
of which			
Senior Management[3]	9	1,153	11
Other 'Identified Staff'	119	7,136	65

Aberdeen UK Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**298**
of which			
Fixed remuneration		13,356	200
Variable remuneration		6,559	98
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**124**
of which			
Senior Management[3]	9	1,153	17
Other 'Identified Staff'	119	7,136	107

Aberdeen UK Equity Income Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**284**
of which			
Fixed remuneration		13,356	190
Variable remuneration		6,559	94
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**118**
of which			
Senior Management[3]	9	1,153	16
Other 'Identified Staff'	119	7,136	102

Remuneration

Aberdeen UK Mid-Cap Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**69**
of which			
Fixed remuneration		13,356	46
Variable remuneration		6,559	23
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**29**
of which			
Senior Management[3]	9	1,153	4
Other 'Identified Staff'	119	7,136	25

Aberdeen UK Smaller Companies Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**115**
of which			
Fixed remuneration		13,356	77
Variable remuneration		6,559	38
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**48**
of which			
Senior Management[3]	9	1,153	7
Other 'Identified Staff'	119	7,136	41

Aberdeen World Equity Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**672**
of which			
Fixed remuneration		13,356	451
Variable remuneration		6,559	221
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**280**
of which			
Senior Management[3]	9	1,153	39
Other 'Identified Staff'	119	7,136	241

Remuneration

Aberdeen World Equity Income Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**173**
of which			
Fixed remuneration		13,356	116
Variable remuneration		6,559	57
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**72**
of which			
Senior Management[3]	9	1,153	10
Other 'Identified Staff'	119	7,136	62

Aberdeen World Opportunistic Bond Fund Reporting period: 01/01/17 to 31/12/17	Headcount	Total Remuneration £'000	UCITS proportion £'000[4]
Aberdeen Fund Managers Limited staff[1]	**99**	**19,915**	**1**
of which			
Fixed remuneration		13,356	1
Variable remuneration		6,559	0
Carried Interest		NIL	
Aberdeen Fund Managers Limited 'Identified Staff'[2]	**128**	**8,289**	**1**
of which			
Senior Management[3]	9	1,153	0
Other 'Identified Staff'	119	7,136	1

[1] As there are a number of individuals indirectly and directly employed by Aberdeen Fund Managers Limited this figure represents an apportioned amount of the Group's total remuneration costs for fixed and variable pay, apportioned to the relevant UCITS Fund on an AUM basis, plus any carried interest paid by the UCITS Fund. The Headcount figure provided reflects the number of beneficiaries calculated on a Full Time Equivalent basis.

[2] The Identified Staff disclosure represents total compensation of those staff of the UCITS Management Company who are fully or partly involved in the activities of the UCITS Management Company, apportioned to the estimated time relevant to the UCITS Management Company based on their time in role during the reporting period and the UCITS Management Company's proportion of the Group's total AUM. Across the 'Identified Staff', the average percentage of AUM allocation per individual based on work undertaken for Aberdeen Fund Managers Limited as a UCITS Management Company was 14.08%.

[3] Senior management are defined in this table as UCITS Management Company Directors and members of the Aberdeen Asset Management PLC Board, together with its Executive Committee, Asset Management Committee, Investment Management Committee and Group Product Development Committee.

[4] This figure represents an apportioned amount of the total remuneration of the 'Identified staff' attributable to the UCITS allocated on an AUM basis.

Further information

Constitution
The Aberdeen Investment Funds ICVC (formerly the Murray Open-Ended Investment Company) was incorporated on 15 January 1998, incorporated under the ECA Regulations. The Company is an open-ended investment company (OEIC) with variable capital under regulation 14 (authorisation) of the OEIC Regulations. The Aberdeen Investment Funds ICVC Prospectus and Key Investor Information Documents (KIIDs), which contain full details for investors, are available for inspection at the offices of the ACD and available to download at **aberdeen-asset.co.u**k.

Documentation
Copies of the current Prospectus and Key Investor Information Documents (KIIDs) for the Aberdeen OEIC funds, together with the latest Annual (and if issued later the interim) Report and Accounts for any fund, are available to download at **aberdeen-asset.co.uk**. A paper copy of the Report and Accounts is available on request from the ACD.

The Annual Report of the Company will be published on or before 30 November and the half-yearly report on or before 31 March in each year.

Shareholders will also receive a half-yearly statement prepared as at 5 April and 5 October each year, and issued within twenty five business days of these dates. The statement will show details of all transactions effected during the previous six months, and include a valuation of the Account based on the redemption prices as at 5 April and 5 October as applicable.

Notices/Correspondence
Please send any notices to Aberdeen Fund Managers Limited, PO Box 9029, Chelmsford CM99 2WJ. Any notice to the ACD will only be effective when actually received by the ACD. All notices will be sent to the investor at the address set out in the Application form or the latest address which the investor has notified to the ACD, and will be deemed to have been received three days after posting. Events detailed in these terms and conditions will be carried out on the dates specified, unless the dates are a non-business day, when they will be carried out on the next business day.

Complaints and Compensation
Complaints about the operation of the Company and the Funds may be made by the investor by writing to the ACD or the Depositary.

Any complaint will be investigated and the outcome will be notified to the investor, within eight weeks. If the investor is not satisfied with the outcome, he may also write directly to the Financial Ombudsman Service at Exchange Tower, Harbour Exchange Square, London, E14 9GE. If the ACD cannot meet its financial obligations to the investor, the investor may be entitled to compensation under the Investor's Compensation Scheme, under the Financial Services Markets Act 2000. Details of the investor's rights to compensation can be obtained from the ACD on request.

Personal taxation
Unless your shares are held within an ISA, if you sell your shares this is treated as a disposal for Capital Gains Tax purposes. Tax rules can change. The value to an investor of the tax advantages of an ISA will depend on personal circumstances, which may change.

Shareholders are recommended to consult with their professional tax advisers if they are in any doubt about their position.

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