

AVIVA INVESTORS FUNDS ICVC

Annual Report and Financial Statements

For the year ended 31 March 2020

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* These items (as well as each sub-fund's Investment Objective, Investment Policy, Fund Manager's Report, Portfolio Statement and Material Portfolio Changes) comprise the Authorised Corporate Director's Report for the purposes of the rules contained in the Collective Investment Schemes Sourcebook ("the Regulations").

COMPANY INFORMATION

AUTHORISED CORPORATE DIRECTOR

Aviva Investors UK Fund Services Limited
St Helen's
1 Undershaft
London, EC3P 3DQ

Aviva Investors UK Fund Services Limited (the ACD) is a wholly owned subsidiary of Aviva Investors Holdings Limited, a company incorporated in the United Kingdom and within the Aviva Group of Companies. The ACD is a member of the Investment Association and is authorised and regulated by the Financial Conduct Authority.

DIRECTORS

I Buckle
S Ebenston
D Skinner (resigned 16 July 2019)
J Leadsom (resigned 27 September 2019)
D Clayton
M Craston
G Miller (resigned 31 December 2019)
M White (appointed 10 October 2019)
A Coates (appointed 7 November 2019)
K McCellan (appointed 23 April 2020)

REGISTRAR AND ADMINISTRATOR

SS&C Technologies, Inc
SS&C House
St Nicholas Lane
Basildon
Essex, SS15 5FS

On 31 March 2020, the Registrar and Administrator changed their name from 'DST Financial Services Europe Ltd' to 'SS&C Technologies, Inc'.

FUND ACCOUNTING AND PRICING AGENT

J.P. Morgan Chase Bank, National Association (London Branch)
25 Bank Street
Canary Wharf
London, E14 5JP

INVESTMENT MANAGER

Aviva Investors Global Services Limited
St Helen's
1 Undershaft
London, EC3P 3DQ

Aviva Investors Global Services Limited is a member of the Investment Association and is authorised and regulated by the Financial Conduct Authority. The ultimate parent company of Aviva Investors Global Services Limited is Aviva Plc.

DEPOSITARY

J.P. Morgan Europe Limited
25 Bank Street
Canary Wharf
London, E14 5JP

J.P. Morgan Europe Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh, EH3 8EX

PricewaterhouseCoopers LLP have been reappointed as auditors of the Company.

REPORT OF THE AUTHORISED CORPORATE DIRECTOR

THE COMPANY

Aviva Investors Funds ICVC ("the Company") is an Open-Ended Investment Company (OEIC) with variable capital incorporated in England and Wales on 7 April 2006. The property of the Company is entrusted to J.P. Morgan Europe Limited ("the Depositary"). The shareholders are not liable for any debts of the Company.

The object of the Company is to invest the scheme property in transferable securities with the aim of spreading investment risk and giving its shareholders the benefit of the results of the management of the property.

The Company has an umbrella structure which means that it contains more than one sub-fund (Fund), each with a different investment objective. In the financial statements you will find an investment review for each Fund which includes details of the investment objectives. As at 31 March 2020 there was one Fund available for investment in the Aviva Investors Funds ICVC.

REMUNERATION POLICY

In line with the requirements of the Alternative Investment Fund Managers Directive ("AIFMD"), Aviva Investors UK Fund Services Limited ("AIUKFSL") is subject to a remuneration policy which is reviewed annually and is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under AIFMD.

Aviva Investors' remuneration framework is based on a total reward approach and is designed to reflect the success or failure against a range of personal and company performance objectives. There are four components of pay: base salary; annual bonus (including deferred bonus); long term incentive awards; and benefits. Aviva believes in rewarding strong performance and the achievement of our business and individual goals; however, the manner in which these goals are achieved is also an important factor in determining outcomes. Annual bonus awards are discretionary and where bonuses are £75,000 and over, a 3 year deferral with pro-rata vesting in Aviva Investors funds and/or Aviva Group plc shares occurs.

The extent to which each aspect of performance affects the overall payment level depends on the role and responsibilities of the individual. Performance is measured against personal objectives, including Risk and Control objectives, as well as Aviva Investors' and the business unit performance against agreed targets. a combination of individual, business unit, Aviva Investors and Group performance over an appropriate period.

- The financial considerations includes the following comparisons:–
 - Actual results vs. prior period results
 - Actual results vs. agreed plans
 - Actual results relative to competitors
 - Actual results vs., and progress towards, our long-term target ambition.

- The non-financial considerations include risk, conduct, culture, customer and employee engagement metrics, with Aviva values clearly underpinning all our decisions. In certain roles, adherence to Responsible Investment and ESG principles will also be a consideration.
- The Performance assessment does not encourage risk taking outside the Aviva Investors stated risk appetite, and includes mechanisms by which performance against risk and conduct related measures has a significant impact on the availability and size of business and individual variable awards.

The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of its senior staff is in line with the risk policies and objectives of the Alternative Investment Funds ("AIF's") it manages, and takes into account the promotion of sound and effective risk management and the achievement of fair outcomes for all customers.

AIUKFSL has no employees but is a wholly owned subsidiary of Aviva Investors Holdings Limited. For the year to 31 December 2019, apportioned remuneration based on the time assessed to be spent on AIUKFSL (in its role as AIFM) to its senior management team, and Code Staff:

	Senior Management	Other Code Staff
Total Remuneration:	£1.8m	£1.5m
Of which, Fixed Remuneration:	20.5%	34.5%
Variable Remuneration:	72.5%	48.0%
Pension/Benefits:	7%	17.5%
Number of Code staff:	18	30

AUTHORISED STATUS

From 7 April 2006 the Company was authorised as an Open-Ended Investment Company under Regulation 7 of the Open-Ended Investment Companies Regulations 1996 (superseded by Regulation 12 of the Open-Ended Investment Companies Regulations 2001) ("Regulations").

The Company is authorised by Financial Conduct Authority ("the FCA") to operate as a "UCITS Scheme" for the purposes of the Regulations.

THE FINANCIAL STATEMENTS

We are pleased to present the annual financial statements of the Company for the year ended 31 March 2020. As required by the Regulations, information for each of the Funds has been included in these financial statements. On the following pages we review the performance of each of those Funds during the period. We hope that you find our review useful and informative.

REPORT OF THE AUTHORISED CORPORATE DIRECTOR (CONTINUED)

SIGNIFICANT INFORMATION

As advised in a letter to investors dated 3 June 2016, The Global Balanced Income Fund and The Global Cautious Income Fund closed on 16 August 2016. All investments were realised prior to closure.

Windfall amounts received into the Global Balanced Income Fund and the Global Cautious Income Fund are expected to be distributed to investors in the second half of 2020. Both Funds currently have a Tax liability relating to an ongoing claim and will therefore remain in termination until these claims have been resolved.

On 7 August 2019, the ACD made a number of changes to the investment objective and policy of the Aviva Investors Multi-Strategy Target Income Fund in response to new requirement set out in FCA PS19/04. These changes were communicated in a mailing to investors. If you want further information on the changes made, please see <https://www.avivainvestors.com/en-gb/capabilities/regulatory/amms/>

On 1 November 2019 we commenced stock lending on the Aviva Investors Multi Strategy Target Income Fund. The governing documentation of that Fund contain provisions that allow stock lending to be undertaken in accordance with the FCA rules where the activity is for the account of and for the benefit of the Fund and is in the interests of the shareholders.

We made some minor changes to the investment objective and policy descriptions for the following funds in December 2019 and January 2020. For the current Objective and Policy wording please see the Prospectus or KIID. The investment objective and policy descriptions within these report and accounts are as at 31 March 2020.

– Aviva Investors Multi-Strategy Target Return Fund

The Authorised Corporate Director has adopted a policy whereby funds within its OEIC range that are actively managed by investment managers within the Aviva group, such as Aviva Investors Global Services Limited, will no longer be permitted to directly or indirectly invest in or hold Aviva Plc shares and other securities issued by Aviva Plc such as bonds, commercial paper and derivatives of these securities (collectively 'Aviva Securities').

Responsible Investment Policy

With effect from 30 April 2020, Aviva Investors UK Fund Services Limited will update the Responsible Investment Policy ("Policy") to prohibit funds from investing in companies which derive prescribed levels of revenue from Controversial Weapons and Civilian Firearms ("Excluded Companies").

We have defined Controversial Weapons as weapons that have been subject to widespread ban or restriction by International Treaties and Conventions, on the basis they have one or more of the following characteristics:

- The weapon is indiscriminate, i.e. there is an increased risk of civilian casualties.
- The weapon can be classified as a weapon of mass destruction with a single incident resulting in a large number of deaths.
- The weapon is considered to be excessively injurious, i.e. it causes an inordinate amount of pain and suffering.
- The weapon may have long term health impacts on the populations in areas where they are used.

We have defined Civilian Firearms as firearms and small arms ammunitions designed for civilian use, excluding products exclusively sold for the military, government, and law enforcement markets.

Aviva Investors UK Fund Services Limited has prohibited direct investment by the funds into any Excluded Companies. The funds are also prohibited from having indirect exposure to Excluded Companies except where:

- The Fund has indirect exposure to a financial index and Excluded Companies are constituents of the financial index and,
- The Fund invests in other funds managed by third parties. While, consideration of environmental, social, and governance factors are an integral part of the Fund selection process, the underlying funds may not operate exclusions equivalent to the Policy.

The Policy will be updated to reflect these prohibitions and will be available from 30 April 2020 on the Aviva Investors website.

Impact on our funds

The Policy applies to all our funds.

As at the date of this statement, the Aviva Investors International Index Tracking Fund and the Aviva Investors UK Index Tracking Fund, have direct exposure to Excluded Companies as they are passively managed tracker funds that seek to track the performance of their respective indices. As the Policy will apply to these Funds, the Investment Manager will divest from the Excluded Companies by the end of July 2020. The holdings in Excluded Companies and the costs of divesting are not material.

From 30 April 2020 all fund Prospectuses will be updated to reflect the amended Policy.

New eligible markets

The following markets have been added as eligible markets for the Funds listed below, and the relevant Prospectuses have been updated accordingly.

Fund	New Eligible Markets
Aviva Investors Multi-Strategy Target Income Fund	Nigerian Stock Exchange, Taiwan Stock ExchangBOX Options Exchange LLC, C2 Options Exchange, EDGX Options Exchange, Miami International Securities Exchange, MIAIX Pearl, MIAIX Emerald, NASDAQ GEMX, NASDAQ MRX

STATEMENT OF CROSS HOLDINGS

There are no cross holdings as at 31 March 2020.

POLICIES AND RISKS

ACCOUNTING POLICIES

a Basis of accounting

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

The Authorised Corporate Director intends to terminate the Aviva Investors Global Balanced Income Fund and the Global Cautious Income Fund at the earliest opportunity from the date of approval of the financial statements and therefore the financial statements of these Funds have been prepared on a basis other than going concern and any additional costs in respect of the termination of these Funds will be borne by the ACD. Comparative financial information continues to be prepared under the going concern basis. In applying this basis of preparation, the assets and liabilities of these Funds continue to be stated at their fair values which materially equate to their realisable values. No adjustments were necessary in the Funds' financial statements to reduce assets to their realisable values, to provide for liabilities arising from the termination or to reclassify fixed assets and long-term liabilities as current assets and liabilities.

Aviva Investors Multi-Strategy Target Income Fund has been prepared on a going concern basis.

b Share classes

The Funds have three types of share classes; retail shares (classes 1 and A), institutional shares (classes 2 and I) and shares held by associated undertakings of Aviva Plc (classes 3, 5 and 9). Each class bears different charges and consequently the level of revenue allocated to each share class will differ. Some share classes consist of income shares only, whilst others consist of both accumulation and income shares.

c Recognition of revenue

Dividends are recognised when the investment is quoted ex-dividend. Interest arising on fixed interest stocks is recognised on an effective yield basis. Deposit interest and other revenues are recognised on an accruals basis.

Premiums received on written call options are recognised as revenue, are amortised over the life of the option and a cash transfer is made between capital and revenue at the end of each calendar month.

Special dividends are either treated as income or capital depending on the facts of each dividend.

Revenue received from Collective Investment Schemes (CIS) is recognised when the CIS is quoted ex-dividend. Equalisation received as part of the revenue from CIS is deducted from the cost of the investment.

d Expenses

All expenses, except those relating to the purchase and sale of investments and transaction charges, are charged to revenue of the respective Funds, on an accruals basis.

e Treatment of derivatives

The treatment of the returns on forward currency contracts and derivative contracts depends upon the nature of the transaction. Both motive and circumstances are used to determine whether the returns should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital, and the

circumstances support this, the returns are recognised in net capital gains; similarly where the motives and circumstances are to generate or protect revenue, and the circumstances support this, the returns are included within net revenue before taxation. Where positions generate total returns it will generally be appropriate to apportion such returns between capital and revenue to properly reflect the nature of the transaction. Returns on forward currency contracts are treated as capital. Returns on futures are split between capital and revenue based on the circumstances of each future. Stock index futures are used to manage market price risk arising from the time lag between Sub-funds being receivable or payable by the Scheme and investment or disinvestment in underlying securities.

Premiums received on options are treated as revenue or capital depending on the motives and circumstances of the transaction.

f Dilution Levy Policy

The Company reserves the right to charge a dilution levy (Investor Protection Fee) to protect existing investors in a fund from the costs of buying or selling investments that may result from the sale and/or purchase of shares in that fund. The amount of any such dilution levy is calculated by reference to the estimated costs of dealing in the underlying investments, including any dealing spreads, broker commissions and taxes. When the Company impose a dilution levy on a particular investor or group of investors, this is paid into the Fund and helps to protect existing investors from the costs of the resultant transactions. For details of the circumstances in which a dilution levy may be imposed, dilution levies applied in a fund historically, and on what values, please see that Fund's Prospectus.

g Underwriting commission

Underwriting commission is accounted for when the issue underwritten takes place and is normally taken to revenue. Where the Company is required to take up all the shares underwritten, the commission received is treated as a deduction from the cost of the shares taken up. Where the Company is required to take up a proportion of the shares underwritten, the same proportion of the commission received is treated as a deduction from the cost of shares taken up and the balance is taken to revenue.

h Basis of valuation of investments

Quoted investments

The quoted investments of Aviva Investors Multi-Strategy Target Income Fund have been valued at bid market value at 11.59pm.

Unquoted and unapproved investments

The unquoted and unapproved investments of the Company have been valued by the Investment Manager using available information, to arrive at an estimated fair value.

Suspended securities

Suspended securities have been valued at the suspended market price per share or valued by the Investment Manager using available information to arrive at an estimated fair value.

Delisted securities

Delisted securities have been valued at nil pence per share.

Forward foreign currency contracts

The Company's forward foreign currency positions on the last working day of the accounting period are included in the portfolio statement as an asset or liability so as to reflect the value of each contract.

Over the counter (OTC) derivatives

OTC derivatives are either valued by the relevant counterparty or by the investment manager using available information to arrive at an estimated fair value.

POLICIES AND RISKS (CONTINUED)

Exchange traded derivatives (ETDs)

ETDs are included at the aggregate unrealised market value of the open contracts.

CIS investments

CIS investments are valued at the last sale price available at the valuation point.

i Exchange rates

Assets and liabilities held in foreign currencies are translated at the rate ruling at midday on the last working day of the accounting period for all Funds with the exception of the Aviva Investors Multi-Strategy Target Income Fund which was translated at 11.59 p.m. Income and expenditure items are translated at the rate ruling at the date of the transaction.

j Taxation and deferred taxation

Provision for Corporation Tax is based at the current rate, as appropriate, on the excess of taxable revenue over allowable expenses, with relief for overseas taxation taken as appropriate. Deferred taxation is provided using the liability method on all timing differences that have originated but not reversed at the balance sheet date, calculated at the rate for the period in which it is anticipated the timing differences will reverse, based on rates that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

k Unclaimed distributions

Any distribution remaining unclaimed after a period of six years is paid back to the relevant Fund and forms part of the capital property of the Fund.

DISTRIBUTION POLICIES

a Distribution policy

Where appropriate the Company will pay any surplus revenue as a revenue distribution or accumulation to capital. Aviva Investors Multi-Strategy Target Income Fund has proposed dividend distributions.

Full details are set out in the distribution tables.

b Treatment of stock dividends

The ordinary element of stock dividends is treated as revenue and forms part of the Fund's distribution. The value of the stock dividend is based on the market value of the shares on the dates they are quoted ex-dividend. Where an enhancement is offered, the amount by which the market value of the shares (on the date they are quoted ex-dividend) exceeds the cash dividend is treated as capital.

c Treatment of management expenses

All expenses, except those relating to the purchase and sale of investments and transaction charges, are charged to revenue of the respective Funds, on an accruals basis. For the purposes of the distribution the Fund Management Fee (prior to 4 June 2018, ACD's periodic charge) of the Aviva Investors Multi-Strategy Target Income is deducted from capital.

FINANCIAL INSTRUMENTS

The Aviva Investors Multi-Strategy Target Income Fund's (Fund) financial instruments, other than derivatives, comprise securities and other investments, cash balances and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for creations and payable for liquidations, and debtors for accrued income.

The Fund also enters into derivative transactions including but not limited to, in the form of forward foreign currency contracts, credit default swaps, interest rate swaps, equity variance swaps, options and stock index futures.

The Fund uses these financial instruments as a cheaper or more liquid alternative to other investments, to hedge or reduce overall risk, or in pursuit of its investment objectives. In particular, forward foreign currency contracts are used to manage currency risk arising from holdings of overseas securities. Stock index futures are used to manage market price risk arising from the time lag between funds being receivable or payable by the Company and investment or disinvestment in underlying securities. Options are used to generate additional income.

Interest rate swaps and swaptions are generally held to mitigate exposure to interest rate movements which could adversely affect the value of bonds held within the fund portfolios. Credit default swaps are used to manage credit and seek specific credit exposure through buying and selling protection.

Interest and finance charges from interest rate swaps are taken to revenue. The premiums from credit default swaps are taken to revenue. The gains and losses on interest rate swaps and credit default swaps are taken to capital.

The Company has exposure to a number of different risks to varying degrees. The main risks it faces from its financial instruments and the Manager's policies for managing these risks are summarised below:

a Foreign currency risk

The Funds can be exposed to foreign currency risk as a result of investing in assets denominated in currencies other than Sterling. Where the manager deems it necessary, this exposure to foreign currency fluctuations is mitigated by the use of forward foreign currency contracts. Numerical disclosures can be found in the notes to the financial statements for each Fund.

b Interest rate risk

The value of debt securities may be affected by interest rate movements or the expectation of such movements in the future. Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The Manager manages this risk by maintaining a balanced portfolio with due consideration to interest rate and redemption profiles. Interest rate risk is also managed by ensuring that deposits mature within a relatively short period. Numerical disclosures can be found in the notes to the financial statements for each Fund.

c Market risk

The Funds' investment portfolios are exposed to market price fluctuations which are monitored by the Manager in pursuance of the investment objectives and policies of the Funds. Adherence to investment and borrowing powers set out in the Instrument of Incorporation and in the Collective Investment Schemes Sourcebook of the Financial Conduct Authority mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolios is set out in the investment reports and portfolio statements, of the individual Funds.

POLICIES AND RISKS (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

d Credit risk

The Funds restrict their exposure to credit losses on derivative instruments by trading via International Swap and Derivative Association (ISDA) Master Arrangements with each counterparty.

e Liquidity risk

This is the risk that there is insufficient liquidity which restricts a Fund's investment opportunities or ability to pay liabilities at short notice. This risk is managed by ensuring that overdrafts are monitored and maintained within investment limits and exposure to unquoted or illiquid securities is limited.

f Counterparty Risk

There is a risk that a counterparty will not be able to settle its obligations under the agreement. This is mitigated by an assessment of the credit worthiness of a counterparty, and the use of multiple counterparties to ensure that no more than 20% of the Fund value is exposed to one counterparty.

Further information on the investment portfolio is set out in the investment reports and portfolio statements.

THE GLOBAL BALANCED INCOME FUND

The Fund closed on 16 August 2016, and will be terminated in due course.

INVESTMENT OBJECTIVE

To achieve a target income rate, after the deduction of applicable management fees and allowable additional fund expenses, equal to the greater of 7.00% per annum or the prevailing Bank of England Base Rate plus 2.50% per annum.

INVESTMENT POLICY

Investment in a diversified portfolio of actively managed equities and bonds (including convertible bonds). The Fund will also use derivative instruments to generate additional income. The Manager may selectively sell short dated call options over securities in order to generate additional income by setting target 'strike' prices at which those securities may be sold in the future.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, units in collective investment schemes, derivatives including credit default swaps, forward transactions, money market instruments and deposits.

FUND MANAGER'S REPORT

Please note, the Fund was closed on 16 August 2016 and is in the process of being terminated. No fund manager's report has been included within the annual report and financial statements as no investment activity has taken place during the year under review.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. Past performance is not a guide to the future. The value of a fund and the income from it may go down as well as up, and the investor may not get back the original amount invested.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at www.avivainvestors.com or from the ACD on request.

COMPARATIVE TABLES

Class A Income	2020 p per share	2019 p per share	2018 p per share	Class I Income	2020 p per share	2019 p per share	2018 p per share
Change in net assets per share				Change in net assets per share			
Opening net asset value per share	–	–	–	Opening net asset value per share	–	–	–
Return before operating charges [†]	–	–	–	Return before operating charges [†]	–	–	–
Operating charges	–	–	–	Operating charges	–	–	–
Return after operating charges [†]	–	–	–	Return after operating charges [†]	–	–	–
Distributions	–	–	–	Distributions	–	–	–
Closing net asset value per share	–	–	–	Closing net asset value per share	–	–	–
† after direct transaction costs of	–	–	–	† after direct transaction costs of	–	–	–
Performance				Performance			
Return after charges	–	–	–	Return after charges	–	–	–
Other information				Other information			
Closing net asset value (£000)	–	–	–	Closing net asset value (£000)	–	–	–
Closing number of shares	–	–	–	Closing number of shares	–	–	–
Operating charges (%) [†]	–	–	–	Operating charges (%) [†]	–	–	–
Direct transaction costs (%) [#]	–	–	–	Direct transaction costs (%) [#]	–	–	–
Prices[®]				Prices[®]			
Highest share price	–	–	–	Highest share price	–	–	–
Lowest share price	–	–	–	Lowest share price	–	–	–

Class A Accumulation	2020 p per share	2019 p per share	2018 p per share
Change in net assets per share			
Opening net asset value per share	–	–	–
Return before operating charges [†]	–	–	–
Operating charges	–	–	–
Return after operating charges [†]	–	–	–
Distributions	–	–	–
Retained distributions on accumulation shares	–	–	–
Closing net asset value per share	–	–	–
† after direct transaction costs of	–	–	–
Performance			
Return after charges	–	–	–
Other information			
Closing net asset value (£000)	–	–	–
Closing number of shares	–	–	–
Operating charges (%) [†]	–	–	–
Direct transaction costs (%) [#]	–	–	–
Prices[®]			
Highest share price	–	–	–
Lowest share price	–	–	–

COMPARATIVE TABLES (CONTINUED)

Class I Accumulation	2020 p per share	2019 p per share	2018 p per share
Change in net assets per share			
Opening net asset value per share	-	-	-
Return before operating charges [‡]	-	-	-
Operating charges	-	-	-
Return after operating charges [‡]	-	-	-
Distributions	-	-	-
Retained distributions on accumulation shares	-	-	-
Closing net asset value per share	-	-	-
† after direct transaction costs of	-	-	-
Performance			
Return after charges	-	-	-
Other information			
Closing net asset value (£000)	-	-	-
Closing number of shares	-	-	-
Operating charges (%) [‡]	-	-	-
Direct transaction costs (%) [#]	-	-	-
Prices[≈]			
Highest share price	-	-	-
Lowest share price	-	-	-

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

- (a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.
 (b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.
 (c) The Fund was closed on 16 August 2016, hence the Operating charges (%) for the current year are zero.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year.

STATEMENT OF TOTAL RETURN

For the year ended 31 March 2020

	Notes	£000	Year ended 31.03.20 £000	£000	Year ended 31.03.19 £000
Income					
Net capital gains/(losses)	2		25		(9)
Revenue	3	4		22	
Expenses	4	–		(11)	
Net revenue before taxation		4		11	
Taxation	5	58		48	
Net revenue after taxation			62		59
Total return before distributions			87		50
Distributions	6		–		–
Change in net assets attributable to shareholders from investment activities			87		50

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 March 2020

	£000	Year ended 31.03.20 £000	£000	Year ended 31.03.19 £000
Opening net assets attributable to shareholders		–		–
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	–		–	
Amounts payable on cancellation of shares	–		–	
		–		–
Dilution adjustment		–		–
Change in net assets attributable to shareholders from investment activities (see above)		87		50
Retained distribution on accumulation shares		–		–
Unclaimed distribution monies		–		–
Fund closure		(87)		(50)
Closing net assets attributable to shareholders		–		–

BALANCE SHEET

As at 31 March 2020

	Notes	As at 31.03.20 £000	As at 31.03.19 £000
Assets:			
Investments		–	–
Current assets:			
Debtors	7	–	–
Cash and bank balances	8	1,781	1,701
Total assets		1,781	1,701
Liabilities:			
Investment liabilities		–	–
Creditors:			
Windfall payable*		(1,322)	(1,235)
Other creditors	9	(459)	(466)
Total liabilities		(1,781)	(1,701)
Net assets attributable to shareholders		–	–

* Amounts changed from 31 March 2018 due to over/under accruals in the current period. On commencement of the termination of the Fund, this amount will be distributed to investors who were in the Fund as at the date of close (16 August 2016).

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policies

Please see pages 6 to 8 for accounting basis and policies.

2 Net capital gains/(losses)

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Net capital losses on investments during the year comprise:		
Currency gains/(losses)	3	(9)
Non-derivative securities gains	22	–
Net capital gains/(losses)	25	(9)

3 Revenue

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Bank and deposit interest	4	2
Interest on French tax reclaims [†]	–	20
Total revenue	4	22

[†] £136,381 has been reallocated from Bank and deposit interest to Interest on French tax reclaims in the prior year.

4 Expenses

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Interest payable	–	1
	–	1
Other expenses:		
Audit fee*	–	9
Professional fees	–	1
	–	10
Total expenses	–	11

* The audit fee was £9,000 (2018: £9,000) net of VAT and was paid by the ACD. With effect from 4 June 2018, the audit fee was no longer accrued for separately and now forms part of the FMF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Taxation**a Analysis of tax charge**

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Corporation tax	1	2
Overseas tax reclaims	(59)	(50)
Total current tax (see note 5b)	(58)	(48)

b Factors affecting current tax charge

The tax assessed for the year is lower (2019: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2019: 20%).

The differences are explained below:

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Net revenue before taxation	4	11
Corporation tax at 20%	1	2
Effects of:		
Overseas tax reclaims not subject to corporation tax	(59)	(50)
	(59)	(50)
Current tax charge (see note 5a)	(58)	(48)

Authorised Investment Funds are exempt from tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

6 Distributions

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Final distribution	–	–
Total distributions	–	–
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	–	–
Movement in revenue account	(25)	9
Net revenue transferred to capital	87	50
Net revenue after taxation	62	59

Details of the distributions per share are set out in the distribution tables on pages 17.

7 Debtors

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
French tax reclaims recoverable	–	–
Interest on French tax reclaims recoverable	–	–
Total debtors	–	–

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 Cash and bank balances

	As at 31.03.20 £000	As at 31.03.19 £000
Cash and bank balances	1,781	1,701
Total cash and bank balances	1,781	1,701

9 Other creditors

	As at 31.03.20 £000	As at 31.03.19 £000
Accrued expenses	31	39
Corporation tax payable	2	2
Provision for Corporation Tax 2009	426	425
Total creditors	459	466

10 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2019: £nil).

11 Related party transactions

Aviva Investors UK Fund Services Limited, Aviva Investors Global Services Limited and the Aviva group are deemed to be related parties per section 33.10 of FRS 102 as they are entities with control, joint control or significant influence over the entity.

There are no related party transactions or outstanding balances during the current year and the prior year.

12 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 7 and 8.

Fair value of financial assets and financial liabilities

There is no significant difference between the carrying values of the financial assets and liabilities and their fair values (2019: £nil).

13 Direct transaction costs

As the Fund was closed on 16 August 2016, there were no direct transactions costs incurred.

14 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2019: £nil).

DISTRIBUTION TABLES

As the Fund was closed on 16 August 2016, there were no distributions paid or payable.

THE GLOBAL CAUTIOUS INCOME FUND

The Fund closed on 16 August 2016 and will be terminated in due course.

INVESTMENT OBJECTIVE

To achieve a target income rate, after the deduction of applicable management fees and allowable additional fund expenses, equal to the greater of 5.50% per annum or the prevailing Bank of England Base Rate plus 1.00% per annum.

INVESTMENT POLICY

Investment mainly in a diversified portfolio of bonds and also in actively managed equities. The Fund will also use derivative instruments to generate additional income. The Manager may selectively sell short dated call options over securities in order to generate additional income by setting target 'strike' prices at which those securities may be sold in the future.

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: transferable securities, units in collective investment schemes, derivatives and forward transactions, money market instruments and deposits.

FUND MANAGER'S REPORT

Please note, the Fund was closed on 16 August 2016 and is in the process of being terminated. No fund manager's report has been included within the annual report and financial statements as no investment activity has taken place during the year under review.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. Past performance is not a guide to the future. The value of a fund and the income from it may go down as well as up, and the investor may not get back the original amount invested.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at www.avivainvestors.com or from the ACD on request.

COMPARATIVE TABLES

Class A Income	2020 p per share	2019 p per share	2018 p per share	Class I Income	2020 p per share	2019 p per share	2018 p per share
Change in net assets per share				Change in net assets per share			
Opening net asset value per share	–	–	–	Opening net asset value per share	–	–	–
Return before operating charges [†]	–	–	–	Return before operating charges [†]	–	–	–
Operating charges	–	–	–	Operating charges	–	–	–
Return after operating charges [†]	–	–	–	Return after operating charges [†]	–	–	–
Distributions	–	–	–	Distributions	–	–	–
Closing net asset value per share	–	–	–	Closing net asset value per share	–	–	–
† after direct transaction costs of	–	–	–	† after direct transaction costs of	–	–	–
Performance				Performance			
Return after charges	–	–	–	Return after charges	–	–	–
Other information				Other information			
Closing net asset value (£000)	–	–	–	Closing net asset value (£000)	–	–	–
Closing number of shares	–	–	–	Closing number of shares	–	–	–
Operating charges (%) [†]	–	–	–	Operating charges (%) [†]	–	–	–
Direct transaction costs (%) [#]	–	–	–	Direct transaction costs (%) [#]	–	–	–
Prices[®]				Prices[®]			
Highest share price	–	–	–	Highest share price	–	–	–
Lowest share price	–	–	–	Lowest share price	–	–	–

Class A Accumulation	2020 p per share	2019 p per share	2018 p per share
Change in net assets per share			
Opening net asset value per share	–	–	–
Return before operating charges [†]	–	–	–
Operating charges	–	–	–
Return after operating charges [†]	–	–	–
Distributions	–	–	–
Retained distributions on accumulation shares	–	–	–
Closing net asset value per share	–	–	–
† after direct transaction costs of	–	–	–
Performance			
Return after charges	–	–	–
Other information			
Closing net asset value (£000)	–	–	–
Closing number of shares	–	–	–
Operating charges (%) [†]	–	–	–
Direct transaction costs (%) [#]	–	–	–
Prices[®]			
Highest share price	–	–	–
Lowest share price	–	–	–

COMPARATIVE TABLES (CONTINUED)

Class I Accumulation	2020 p per share	2019 p per share	2018 p per share
Change in net assets per share			
Opening net asset value per share	–	–	–
Return before operating charges [†]	–	–	–
Operating charges	–	–	–
Return after operating charges [†]	–	–	–
Distributions	–	–	–
Retained distributions on accumulation shares	–	–	–
Closing net asset value per share	–	–	–
[†] after direct transaction costs of	–	–	–
Performance			
Return after charges	–	–	–
Other information			
Closing net asset value (£000)	–	–	–
Closing number of shares	–	–	–
Operating charges (%) [‡]	–	–	–
Direct transaction costs (%) [#]	–	–	–
Prices[≈]			
Highest share price	–	–	–
Lowest share price	–	–	–

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

- (a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.
 (b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.
 (c) The Fund was closed on 16 August 2016, hence the Ongoing Charges Figures for the current year is '0'.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published accounts and may be different due to post year end accounting adjustments.

STATEMENT OF TOTAL RETURN

For the year ended 31 March 2020

	Notes	£000	Year ended 31.03.20 £000	£000	Year ended 31.03.19 £000
Income					
Net capital gains	2		21		4
Revenue	3	4		33	
Expenses	4	–		(12)	
Net revenue before taxation		4		21	
Taxation	5	51		–	
Net revenue after taxation			55		21
Total return before distributions			76		25
Distributions	6		–		–
Change in net assets attributable to shareholders from investment activities			76		25

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 March 2020

	£000	Year ended 31.03.20 £000	£000	Year ended 31.03.19 £000
Opening net assets attributable to shareholders		–		–
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	–		–	
Amounts payable on cancellation of shares			–	
		–		–
Change in net assets attributable to shareholders from investment activities (see above)		76		25
Retained distribution on accumulation shares		–		–
Fund closure		(76)		(25)
Closing net assets attributable to shareholders		–		–

BALANCE SHEET

As at 31 March 2020

	Notes	As at 31.03.20 £000	As at 31.03.19 £000
Assets:			
Investments		–	–
Current assets:			
Debtors	8	–	–
Cash and bank balances	9	1,082	1,010
Total assets		1,082	1,010
Liabilities:			
Investment liabilities		–	–
Creditors:			
Bank overdrafts		–	–
Windfall payable*		(940)	(864)
Other creditors	10	(142)	(146)
Total liabilities		(1,082)	(1,010)
Net assets attributable to shareholders		–	–

* Amounts changed from 31 March 2018 due to over/under accruals in the current period. On commencement of the termination of the Fund, this amount will be distributed to investors who were in the Fund as at the date of close (16 August 2016).

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policies

Please see pages 6 to 8 for accounting basis and policies.

2 Net capital gains

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Net capital gains on investments during the year comprise:		
Currency gains	–	3
Non-derivative securities gains	21	1
Net capital gains	21	4

3 Revenue

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Bank and deposit interest	4	14
Interest on French tax reclaims [†]	–	19
Total revenue	4	33

[†] £28,269 has been reallocated from Bank and deposit interest to Interest on French tax reclaims in the prior year.

4 Expenses

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Other expenses:		
Audit fee*	–	9
Professional fees	–	3
Total expenses	–	12

* The audit fee was £9,000 (2018: £9,000) net of VAT and was paid by the ACD. With effect from 4 June 2018, the audit fee was no longer accrued for separately and now forms part of the FMF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Taxation**a Analysis of tax charge**

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Corporation tax	1	–
Overseas tax reclaims	(52)	–
Total current tax (see note 5b)	(51)	–

b Factors affecting current tax charge

The tax assessed for the year is lower (2019: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2019: 20%).

The differences are explained below:

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Net revenue before taxation	4	21
Corporation tax at 20%	1	4
Effects of:		
Movement in excess expenses	–	(4)
Overseas tax reclaims not subject to corporation tax	(52)	–
	(52)	(4)
Current tax charge (see note 5a)	(51)	–

Authorised Investment Funds are exempt from tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c Deferred tax

There was no provision for deferred tax at the balance sheet date (2019: £nil). After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £nil (2019: £268,912) creating a potential deferred tax asset of £nil (2019: £53,782). It is unlikely that the Fund will generate taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

6 Distributions

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Final distribution	–	–
Distributions	–	–
Reconciliation of distributions for the year to net revenue after taxation		
Distributions for the year	–	–
Movement in revenue account	(21)	(4)
Net revenue transferred to capital	76	25
Net revenue after taxation	55	21

Details of the distributions per share are set out in the distribution tables on page 26.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Debtors

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Total debtors	–	–

8 Cash and bank balances

	As at 31.03.20 £000	As at 31.03.19 £000
Cash and bank balances	1,082	1,010
Total cash and bank balances	1,082	1,010

9 Other creditors

	As at 31.03.20 £000	As at 31.03.19 £000
Accrued expenses	34	39
Corporation tax payable	1	–
Provision for Income Tax 2009	107	107
Total creditors	142	146

10 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2019: £nil).

11 Related party transactions

Aviva Investors UK Fund Services Limited, Aviva Investors Global Services Limited and the Aviva group are deemed to be related parties per section 33.10 of FRS 102 as they are entities with control, joint control or significant influence over the entity.

There are no related party transactions or outstanding balances during the current year and the prior year.

12 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 7 and 8.

Fair value of financial assets and financial liabilities

There is no significant difference between the carrying values of the financial assets and liabilities and their fair values (2019: £nil).

13 Direct transaction costs

As the Fund was closed on 16 August 2016, there were no direct transactions costs incurred.

14 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2019: £nil).

DISTRIBUTION TABLES

As the Fund was closed on 16 August 2016, there were no distributions paid or payable.

AVIVA INVESTORS MULTI-STRATEGY TARGET INCOME FUND

INVESTMENT OBJECTIVE

The Fund aims to deliver an annual income yield of 4% above the Bank of England Base Rate before corporation tax payable by the Fund* regardless of the prevailing market environment. In addition the Fund aims to preserve capital, and to manage volatility to a target of less than half the volatility of global equities over rolling three year periods.

These aims, however, are not guaranteed and it may not always be possible to achieve them over the periods stated, or over any period of investment. Consequently, investors' capital is at risk.

* The target income yield is an annual target measured from 1st April to 31st March each year. The target income yield will be measured daily using the prevailing Bank of England Base Rate and is based on the daily net asset value of the Fund. Income on the Fund will be paid monthly.

INVESTMENT POLICY

The Fund invests across a broad range of global asset classes (including emerging markets) that may include shares of companies, bonds (both corporate and government), cash, commodities, indirect property, and currencies. Other funds (including funds managed by Aviva Investors companies) may also be used to gain exposure to these asset classes.

The Fund will make significant use of derivative instruments for investment purposes including: futures, options, swaps, swaptions and forwards.

The Fund is actively managed and the Investment Manager may take both long and synthetic short positions and derivative usage may include but is not limited to derivatives on interest rates, inflation rates, bonds, credit, equity, financial indices, volatility, dividend payments and currencies. Derivatives usage may be for the purposes of hedging, efficient portfolio management, or investment purposes and may be exchange traded or traded off exchange through market counterparties. The use of derivative instruments as part of the investment policy will mean that the Fund may, from time to time, have substantial holdings in liquid assets including deposits and money market instruments.

Environmental, Social and Governance (ESG) factors are integrated into the investment process and are considered alongside a range of financial metrics and research, but the Investment Manager retains discretion over which investments are selected. We also actively engage with companies and use voting rights with the aim of positively influencing company behaviour and helping to create competitive returns. In addition, the Fund has limited exclusions based on Aviva Investors' UK Responsible Investment policy. Further information on how we integrate ESG and the Aviva Investors UK Responsible Investment policy into our investment approach, and how we engage with companies is available on our website and in the prospectus.

The Fund aims to generate an income yield which exceed the Bank of England base rate, which has been chosen as the market standard indicator of the risk-free rate of return. The Fund targets 4% above this rate because that is the level of outperformance that the Investment Manager believes to be realistic for this strategy alongside the volatility aim.

The Fund is managed to a defined risk target – linked to the volatility of global equities. Volatility measures how much the returns of the Fund may fluctuate and is an indicator of the level of risk taken by the Investment Manager.

The Fund is expected to operate with a volatility no greater than 50% of that of global equities, however, there may be times where the Fund operates above this target. The Index we use to represent global equities is the MSCI® All Country World Index (local currency) (the Index). The Fund's volatility is compared against the Index's daily volatility, annualised, over 3-year rolling periods.

The Index comprises large and medium sized companies, as determined by their market capitalisation (total market value of a company's outstanding shares), from both developed and emerging markets, and the Index is designed to provide a broad measure of global equity market performance.

The Index has been selected as a benchmark due to the broad range of companies that it represents, and it is therefore an appropriate measure of the volatility of global equities.

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FUND MANAGER'S REPORT

PERFORMANCE

Over the twelve months ended 31 March 2020, the Aviva Investors Multi-Strategy Target Income Fund returned -5.97%.

The Fund delivered a gross yield of 5.17% and a net yield of 4.41% (after corporation tax payable by the Fund) over the year, achieving its objective of delivering gross annual income of 4% above the Bank of England base rate.

The Fund targets a level of volatility that is less than half that of global equities over rolling three-year periods. As of 31 March 2020, the Fund's three-year annualised volatility was 5.71%. This compared to 15.63% by the MSCI AC World (local currency) Index over the same period.

REVIEW

The twelve months to the end of March 2020 could be separated into two contrasting periods. The first period, consisting of the first eleven months, saw steady and strong performance, with the portfolio up 7.5% at its peak. However, the last month saw risk appetite capitulate as the COVID-19 pandemic spread westward, bringing with it lockdowns for many countries. The oil price war between Saudi Arabia and Russia added more fuel to the fire, leading to a historic 55% collapse in Brent oil prices in March. Credit spreads widened aggressively while the steep fall in equities triggered trading halts for the first time since 2008. Volatility also spiked sharply, peaking in the second half of the month before governments and central banks announced a series of coordinated responses to ease some of the economic pressure and address liquidity and 'plumbing' problems in the market. This restored some sense of order and paved the way for a staggering market relief rally towards month-end.

In this context, Market Return strategies were challenged, with most of the underperformance coming from our emerging market debt, European bank subordinated debt as well as long global equity income positions. On the other hand, Opportunistic Return and Risk-Reducing positions contributed positively to fund performance and were able to partly offset the drag stemming from the Market Returns section.

AVIVA INVESTORS MULTI-STRATEGY TARGET INCOME FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

REVIEW (CONTINUED)

Within Opportunistic, the key contributor was the newly introduced long US versus German bonds position, which benefited from the continued narrowing of the spread between the two regions. Counteracting part of these gains were losses in our long high-yielding versus low-yielding currency basket and long value yield equity versus market strategies. The Fund's net long duration exposure alongside the long Japanese yen and short Asian currency basket were key stabilisers for the portfolio over the period.

While challenged in the first half of March due to technical imbalances which forced investors to move into cash, even at the expense of defensive assets, Risk-Reducing strategies reasserted their role as portfolio stabilisers following intervention from major central banks to address liquidity in the market and finished the period in positive territory.

OUTLOOK

A severe recession is now unavoidable. The hope is that it will be short-lived, and that economic activity will start to make the journey back towards normal levels in the second half of 2020. But while the downturn is certain, the nature of the recovery path is not, as there are still too many unknowns around the disease and the effectiveness of the lockdown measures. Central banks and governments aim to alleviate as much of the negative effects they can but will not be able to prevent lasting damage, only limit it. As a result, positioning in the portfolio remains defensive.

Exposure within Market Returns was reduced in a way that still allows us to achieve our income target, via short beta hedges. This has resulted in risk being at the low end of its historical range. At this point in time we prefer to keep adequate liquidity at hand, as this period of forced liquidation and heightened volatility has created pockets of value across risk assets which we plan to capitalise on as markets show signs of normalisation.

Recent efforts to strengthen the Risk-Reducing section of the portfolio give us confidence in the Fund's ability to weather market volatility. The Fund remains net long of duration, with US Treasuries being the key allocation. Defensive currencies such as the Japanese yen also continue to be relied upon.

Opportunistic Returns remain centred on finding uncorrelated and less macro-dependent strategies across asset classes. Market neutral equity ideas and relative value positions within the fixed income universe are an important area of focus.

May 2020

* Fund performance figures – share class 6, source Lipper, net of fees, in GBP, as at 31/03/2020.

As noted above, the performance figures in this commentary have been sourced from Lipper and are based on published prices. The performance figures quoted in the comparative tables on pages 30 and 31 are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. Past performance is not a guide to the future. The value of a fund and the income from it may go down as well as up, and the investor may not get back the original amount invested.

Material Portfolio Changes

Purchases	Sales
Indonesia Treasury 8.38% 15/09/2026	Indonesia Treasury 8.38% 15/09/2026
First Abu Dhabi Bank 0.75% 27/08/2019	South Africa Government Bond 10.50% 21/12/2026
WEC Energy Group	First Abu Dhabi Bank 0.75% 27/08/2019
Credit Agricole	National Australia Bank 0.97% 07/05/2019
Microsoft	Bank of China 31/07/2019
Mizuho Bank 0.85% 19/03/2020	WEC Energy Group
Sumitomo Mitsui Banking 0.67% 24/04/2020	Mizuho Bank 0.85% 19/03/2020
Sumitomo Mitsui Banking 0.82% 24/01/2020	Sumitomo Mitsui Banking 0.82% 24/01/2020
JPMorgan Chase	Sumitomo Mitsui Banking 0.67% 24/04/2020
Rio Tinto	Microsoft

Performance History – Income Shares

Calendar year	Share Class 1 %	Share Class 2 %	Share Class 3 %	Share Class 5** %
31.12.14 to 31.12.15	6.07	6.29	N/A	N/A
31.12.15 to 31.12.16	0.63	0.84	1.06	1.06
31.12.16 to 31.12.17	-2.08	-1.88	-1.68	-1.75
31.12.17 to 31.12.18	-7.82	-7.63	-7.41	-7.52
31.12.18 to 31.12.19	11.40	11.70	11.90	11.80

Performance History – Income Shares

Calendar year	Share Class 9 %	Benchmark %*
31.12.14 to 31.12.15	6.33	4.50
31.12.15 to 31.12.16	0.87	4.42
31.12.16 to 31.12.17	-1.85	4.27
31.12.17 to 31.12.18	-7.58	4.60
31.12.18 to 31.12.19	11.70	4.80

* Benchmark – Bank of England Base Rate + 4%.

** Please note that up to (but not including) 24 October 2016, the fees costs and expenses of operating and running the Company and the Funds were incurred on a more traditional charging method which, amongst other things, included an annual management charge that was paid to the ACD in respect of Class 5 (previously named Class 3) in the Aviva Investors Multi-Strategy Target Return Fund in the amount of 0.10%. Although the charges continued to be incurred on this more traditional charging method for the remainder of each of the performance periods referred to above (i.e. because they relate to periods before we introduced the Fund Management Fee), from that date such annual management charge was 0.67% and the performance figures for Class 5 (previously named Class 3) reflect the charges applicable to each period.

Source for all data: Aviva Investors/Lipper, a Thomson Reuters company, this is based on index provider data where applicable. Fund return data is mid to mid, net income reinvested, net of all ongoing charges and fees in sterling, net of tax payable by the Fund to 31 December 2018. The figures do not include the effect of the Entry Charge and any Exit Charge.

AVIVA INVESTORS MULTI-STRATEGY TARGET INCOME FUND (CONTINUED)

Yield History

Calendar year	Yield %	Benchmark Yield %*	Performance relative to target %
31.12.14 to 31.12.15	N/A	N/A	N/A
31.12.15 to 31.12.16	4.00	4.50	89
31.12.16 to 31.12.17	4.40	4.42	100
31.12.17 to 31.12.18	4.22	4.27	99
31.12.18 to 31.12.19	4.20	4.60	91

* Benchmark – Bank of England Base Rate + 4%.

Basis: Based on index provider data where applicable as at Close of Business (GMT). For all Funds' the data is calculated based on the gross income accrued by the by the Fund for the respective calendar year, divided by the average NAV for the same period.

Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the higher of the historic volatility of its share price, the historic volatility of its current asset classes or its intended maximum risk levels.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default.
- The value of investments will be affected by changes in exchange rates.
- Where a third party appointed to manage transactions or ensure the safe keeping of assets fails in their duty a loss may occur.
- Financial derivatives may only require a low initial deposit relative to the asset exposure, a relatively small price movement in the underlying asset may result in substantial losses to the Fund.
- Developing market investments can be less easy to buy and sell, and their values may be influenced by the economic and political risks of the countries of issue.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at www.avivainvestors.com or from the ACD on request.

COMPARATIVE TABLES

	2020	2019	2018
Class 1 Income shares	p per share	p per share	p per share
Change in net assets per share			
Opening net asset value per share	85.64	89.45	96.26
Return before operating charges [†]	(4.01)	1.06	(1.57)
Operating charges	(0.95)	(0.96)	(1.03)
Return after operating charges [†]	(4.96)	0.10	(2.60)
Distributions	(3.77)	(3.91)	(4.21)
Closing net asset value per share	76.91	85.64	89.45
[†] after direct transaction costs of	(0.14)	(0.16)	(0.04)
Performance			
Return after charges	(5.79)%	0.11%	(2.70)%
Other information			
Closing net asset value (£000)	1,483	1,369	1,297
Closing number of shares	1,927,927	1,598,897	1,450,505
Operating charges (%) [†]	1.10%	1.10%	1.10%
Direct transaction costs (%) [#]	0.16%	0.18%	0.04%
Prices[°]			
Highest share price	87.79	90.97	97.18
Lowest share price	74.71	80.78	89.01

	2020	2019	2018
Class 2 Income shares	p per share	p per share	p per share
Change in net assets per share			
Opening net asset value per share	86.39	90.06	96.72
Return before operating charges [†]	(4.07)	1.06	(1.62)
Operating charges	(0.75)	(0.76)	(0.80)
Return after operating charges [†]	(4.82)	0.30	(2.42)
Distributions	(3.83)	(3.97)	(4.24)
Closing net asset value per share	77.74	86.39	90.06
[†] after direct transaction costs of	(0.14)	(0.16)	(0.04)
Performance			
Return after charges	(5.58)%	0.33%	(2.50)%
Other information			
Closing net asset value (£000)	70,143	129,293	643,308
Closing number of shares	90,229,322	149,659,961	714,317,008
Operating charges (%) [†]	0.85%	0.86%	0.85%
Direct transaction costs (%) [#]	0.16%	0.18%	0.04%
Prices[°]			
Highest share price	88.62	91.60	97.68
Lowest share price	75.52	81.47	89.63

	2020	2019	2018
Class 3 Income shares	p per share	p per share	p per share
Change in net assets per share			
Opening net asset value per share	87.41	90.92	97.44
Return before operating charges [†]	(4.19)	1.00	(1.69)
Operating charges	(0.52)	(0.52)	(0.55)
Return after operating charges [†]	(4.71)	0.48	(2.24)
Distributions	(3.87)	(3.99)	(4.28)
Closing net asset value per share	78.83	87.41	90.92
[†] after direct transaction costs of	(0.14)	(0.16)	(0.04)
Performance			
Return after charges	(5.39)%	0.53%	(2.30)%
Other information			
Closing net asset value (£000)	903,988	1,052,853	1,263,020
Closing number of shares	1,146,824,379	1,204,493,812	1,389,088,493
Operating charges (%) [†]	0.58%	0.58%	0.58%
Direct transaction costs (%) [#]	0.16%	0.18%	0.04%
Prices[°]			
Highest share price	89.72	92.50	98.45
Lowest share price	76.59	82.42	90.52

	2020	2019	2018
Class 5 Income shares	p per share	p per share	p per share
Change in net assets per share			
Opening net asset value per share	87.34	90.93	97.53
Return before operating charges [†]	(4.17)	1.03	(1.70)
Operating charges	(0.61)	(0.62)	(0.64)
Return after operating charges [†]	(4.78)	0.41	(2.34)
Distributions	(3.87)	(4.00)	(4.26)
Closing net asset value per share	78.69	87.34	90.93
[†] after direct transaction costs of	(0.14)	(0.16)	(0.04)
Performance			
Return after charges	(5.47)%	0.45%	(2.40)%
Other information			
Closing net asset value (£000)	34,316	43,880	134,872
Closing number of shares	43,609,700	50,242,856	148,328,866
Operating charges (%) [†]	0.69%	0.69%	0.69%
Direct transaction costs (%) [#]	0.16%	0.18%	0.04%
Prices[°]			
Highest share price	89.62	92.49	98.52
Lowest share price	76.46	82.36	90.53

COMPARATIVE TABLES (CONTINUED)

	2020	2019	2018
Class 9 Income shares	p per share	p per share	p per share
Change in net assets per share			
Opening net asset value per share	86.54	90.18	96.81
Return before operating charges [‡]	(4.11)	1.02	(1.62)
Operating charges	(0.70)	(0.71)	(0.76)
Return after operating charges [‡]	(4.81)	0.31	(2.38)
Distributions	(3.83)	(3.95)	(4.25)
Closing net asset value per share	77.90	86.54	90.18
† after direct transaction costs of	(0.14)	(0.16)	(0.04)
Performance			
Return after charges	(5.56)%	0.34%	(2.46)%
Other information			
Closing net asset value (£000)	10,885	14,229	22,837
Closing number of shares	13,972,717	16,441,880	25,324,984
Operating charges (%) [‡]	0.80%	0.80%	0.80%
Direct transaction costs (%) [#]	0.16%	0.18%	0.04%
Prices[≈]			
Highest share price	88.78	91.72	97.78
Lowest share price	75.68	81.60	89.75

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charges Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charges Figure has been amended to be future proofed for this change.

(b) The Ongoing Charges Figure has been annualised for a share class that has not yet been open for a full year.

The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published accounts and may be different due to post year end accounting adjustments.

Ongoing Charges Figure*

Share class	31.03.20	31.03.19
Class 1	1.10%	1.10%
Class 2	0.85%	0.85%
Class 3	0.58%	0.58%
Class 5	0.69%	0.69%
Class 9	0.80%	0.80%

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

PORTFOLIO STATEMENT

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
Collective Investment Schemes 0.02% (0.55%)				
Lyxor MSCI India Fund Acc-EUR	EUR	14,044	151	0.02
Collective Investment Schemes total			151	0.02
Equities 37.15% (38.87%)				
Australia 0.12% (0.11%)				
Scentre Group, REIT	AUD	929,688	718	0.07
Vicinity Centres, REIT	AUD	1,035,878	529	0.05
			1,247	0.12
Bermuda 0.01% (0.09%)				
China Gas Holdings	HKD	48,221	135	0.01
			135	0.01
Brazil 0.10% (0.41%)				
Banco do Brasil	BRL	43,196	187	0.02
Cyrela Brazil Realty SA Empreendimentos e Participacoes	BRL	35,688	78	0.01
Itau Unibanco Holding Preference	BRL	54,058	194	0.02
Lojas Americanas Preference	BRL	50,178	140	0.01
Minerva	BRL	59,419	74	0.01
Petrobras Distribuidora	BRL	36,250	87	0.01
Petroleo Brasileiro Preference	BRL	99,652	217	0.02
Telefonica Brasil, ADR Preference	USD	4,757	37	–
			1,014	0.10
Cayman Islands 0.37% (1.00%)				
Alibaba Group Holding	HKD	8,218	157	0.02
Alibaba Group Holding, ADR	USD	2,203	345	0.03
China Conch Venture Holdings	HKD	127,500	458	0.04
China Medical System Holdings	HKD	115,516	101	0.01
China State Construction International Holdings	HKD	346,000	206	0.02
CIFI Holdings Group	HKD	298,000	174	0.02
Hengan International Group	HKD	45,778	278	0.03
KWG Group Holdings	HKD	236,920	272	0.03
NetEase, ADR	USD	428	110	0.01
Sands China	HKD	118,571	350	0.03
Shenzhen International Group Holdings	HKD	24,157	207	0.02
Tencent Holdings	HKD	27,250	1,077	0.11
			3,735	0.37
Chile 0.01% (0.10%)				
Banco de Chile	CLP	1,170,168	76	0.01
			76	0.01
China 0.23% (0.83%)				
China Construction Bank 'H'	HKD	1,006,525	663	0.06
China Telecom 'H'	HKD	415,682	102	0.01
Fuyao Glass Industry Group 'H'	HKD	67,800	117	0.01
Haier Smart Home Warrant 25/06/2020	USD	107,565	176	0.02
Industrial & Commercial Bank of China 'H'	HKD	857,197	473	0.05
PetroChina 'H'	HKD	736,127	217	0.02
Ping An Insurance Group Co. of China 'H'	HKD	72,867	577	0.06
			2,325	0.23
Czech Republic 0.01% (0.06%)				
Komerční banka	CZK	6,955	106	0.01
			106	0.01
Finland 0.47% (0.36%)				
Kone 'B'	EUR	105,337	4,812	0.47
			4,812	0.47

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
France 4.32% (2.06%)				
AXA	EUR	307,001	4,280	0.42
Bouygues	EUR	109,157	2,578	0.25
Carrefour	EUR	226,193	2,872	0.28
Cie Generale des Etablissements Michelin	EUR	41,286	2,956	0.29
Credit Agricole	EUR	622,405	3,685	0.36
Faurecia	EUR	115,368	2,787	0.27
ICADE, REIT	EUR	38,497	2,458	0.24
Klepierre, REIT	EUR	65,795	1,023	0.10
Orange	EUR	551,870	5,435	0.53
Sanofi	EUR	42,318	3,001	0.30
TOTAL	EUR	319,602	9,972	0.98
Vinci	EUR	45,394	3,025	0.30
			44,072	4.32
Germany 4.75% (5.73%)				
Allianz	EUR	22,853	3,167	0.31
Bayer	EUR	59,425	2,781	0.27
Continental	EUR	54,084	3,127	0.31
Deutsche Telekom	EUR	360,153	3,765	0.37
Deutsche Wohnen	EUR	189,766	5,768	0.56
LEG Immobilien	EUR	59,659	5,406	0.53
Muenchener Rueckversicherungs-Gesellschaft	EUR	31,633	5,172	0.51
SAP	EUR	28,037	2,539	0.25
Siemens	EUR	46,309	3,157	0.31
TAG Immobilien	EUR	44,785	713	0.07
Volkswagen Preference	EUR	32,957	3,089	0.30
Vonovia	EUR	247,341	9,790	0.96
			48,474	4.75
Hong Kong 0.48% (0.29%)				
CNOOC	HKD	361,970	306	0.03
Henderson Land Development	HKD	391,475	1,201	0.12
Link REIT	HKD	293,461	2,006	0.20
Sun Hung Kai Properties	HKD	128,537	1,355	0.13
			4,868	0.48
India 0.01% (0.00%)				
HDFC Bank, ADR	USD	2,997	93	0.01
Infosys, ADR	USD	8,320	55	–
			148	0.01
Indonesia 0.05% (0.16%)				
Bank Rakyat Indonesia Persero	IDR	1,880,731	281	0.03
Telekomunikasi Indonesia Persero	IDR	1,694,843	265	0.02
			546	0.05
Ireland 0.79% (0.41%)				
Allegion	USD	36,015	2,672	0.26
Irish Residential Properties REIT	EUR	659,647	711	0.07
Medtronic	USD	64,737	4,717	0.46
			8,100	0.79
Italy 1.11% (0.00%)				
Eni	EUR	425,372	3,440	0.33
Intesa Sanpaolo	EUR	2,116,991	2,755	0.27
Telecom Italia	EUR	8,283,682	2,730	0.27
UniCredit	EUR	391,006	2,449	0.24
			11,374	1.11

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
Japan 0.10% (5.19%)				
Japan Hotel REIT Investment	JPY	2,701	626	0.06
MCUBS MidCity Investment, REIT	JPY	706	396	0.04
			1,022	0.10
Jersey 0.34% (0.41%)				
Glencore	GBP	2,791,419	3,456	0.34
United Co. RUSAL	HKD	174,500	45	–
			3,501	0.34
Luxembourg 0.82% (1.07%)				
ADO Properties	EUR	28,763	519	0.05
ArcelorMittal	EUR	411,984	3,157	0.31
Aroundtown	EUR	862,041	3,456	0.34
Grand City Properties	EUR	72,844	1,227	0.12
			8,359	0.82
Malaysia 0.05% (0.23%)				
Malayan Banking	MYR	74,400	103	0.01
Sunway	MYR	676,589	196	0.02
Tenaga Nasional	MYR	76,400	170	0.02
			469	0.05
Mexico 0.05% (0.17%)				
Grupo Financiero Banorte 'O'	MXN	32,851	73	0.01
Grupo Mexico 'B'	MXN	108,466	162	0.02
Kimberly-Clark de Mexico 'A'	MXN	84,716	105	0.01
Macquarie Mexico Real Estate Management, REIT	MXN	181,115	122	0.01
			462	0.05
Netherlands 0.85% (0.33%)				
Airbus	EUR	29,713	1,560	0.15
Heineken	EUR	60,326	4,066	0.40
Wolters Kluwer	EUR	54,023	3,066	0.30
			8,692	0.85
Russia 0.02% (0.24%)				
Detsky Mir	RUB	93,605	88	0.01
LUKOIL, ADR	USD	1,381	67	–
Sberbank of Russia, ADR	USD	10,482	81	0.01
			236	0.02
Singapore 0.32% (0.17%)				
Ascendas Real Estate Investment Trust	SGD	1,205,552	1,905	0.19
Mapletree Logistics Trust, REIT	SGD	1,527,900	1,359	0.13
			3,264	0.32
South Africa 0.01% (0.27%)				
Absa Group	ZAR	11,721	40	0.01
Foschini Group	ZAR	5,316	16	–
Pick n Pay Stores	ZAR	12,827	35	–
			91	0.01
South Korea 0.29% (0.79%)				
Coway	KRW	5,655	217	0.02
Hyundai Motor	KRW	3,580	210	0.02
Hyundai Motor Preference	KRW	1,505	57	0.01
KB Financial Group	KRW	8,394	192	0.02
Macquarie Korea Infrastructure Fund	KRW	34,801	249	0.02
POSCO	KRW	723	77	0.01
Samsung Electronics	KRW	35,005	1,107	0.11
SK Hynix	KRW	9,046	499	0.05
SK Innovation	KRW	3,906	225	0.02
SK Telecom	KRW	853	100	0.01
			2,933	0.29

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
Spain 0.44% (0.00%)				
Banco Santander	EUR	1,470,953	2,887	0.28
Merlin Properties Socimi, REIT	EUR	266,847	1,622	0.16
			4,509	0.44
Supranational 0.00% (0.45%)				
Sweden 0.00% (0.30%)				
Switzerland 1.29% (0.59%)				
Nestle	CHF	89,376	7,409	0.73
Novartis	CHF	86,068	5,727	0.56
			13,136	1.29
Taiwan 0.27% (0.68%)				
Chicony Electronics Warrant 31/03/2021	USD	85,012	172	0.02
Hon Hai Precision Industry Warrant 03/04/2022	USD	129,603	241	0.02
Huaku Development Warrant 31/03/2021	USD	101,987	224	0.02
Lite-On Technology Warrant 31/03/2020	USD	97,654	108	0.01
Mega Financial Holding Warrant 31/03/2021	USD	320,058	242	0.03
Powertech Technology Warrant 24/02/2022	USD	45,000	103	0.01
Sinbon Electronics Warrant 26/01/2022	USD	39,648	133	0.01
Taiwan Semiconductor Manufacturing Warrant 31/03/2021	USD	182,543	1,329	0.13
Tripod Technology Warrant 03/04/2020	USD	41,173	104	0.01
Yageo Warrant 18/10/2021	USD	16,000	117	0.01
			2,773	0.27
Thailand 0.04% (0.25%)				
Indorama Ventures	THB	273,600	143	0.01
Kiatnakin Bank	THB	78,200	75	0.01
Krung Thai Bank	THB	274,900	76	0.01
Quality Houses	THB	1,876,900	86	0.01
			380	0.04
Turkey 0.01% (0.03%)				
Ford Otomotiv Sanayi	TRY	14,426	87	0.01
			87	0.01
United Kingdom 8.77% (6.55%)				
Anglo American	GBP	298,917	4,233	0.41
Assura, REIT	GBP	3,211,933	2,679	0.26
AstraZeneca	GBP	76,677	5,531	0.54
BAE Systems	GBP	926,683	4,834	0.47
BHP Group	GBP	304,476	3,811	0.37
Big Yellow Group, REIT	GBP	214,214	2,134	0.21
BP	GBP	2,481,898	8,524	0.84
British American Tobacco	GBP	926	25	-
Carnival	GBP	290,310	2,848	0.28
Compass Group	GBP	203,157	2,566	0.25
Diageo	GBP	70,106	1,812	0.18
Johnson Matthey	GBP	150,999	2,714	0.27
Legal & General Group	GBP	1,574,079	3,051	0.30
M&G	GBP	32,225	36	-
National Grid	GBP	582,936	5,516	0.54
NewRiver REIT	GBP	715,530	427	0.04
Prudential	GBP	437,397	4,514	0.44
RELX	GBP	251,033	4,347	0.43
Rio Tinto	GBP	242,868	9,029	0.88
Royal Dutch Shell 'A'	EUR	316,067	4,557	0.45
Royal Dutch Shell 'A'	GBP	158,896	2,255	0.22
Severn Trent	GBP	191,977	4,375	0.43
Tritax Big Box REIT	GBP	819,836	920	0.09

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
United Kingdom 8.77% (6.55%) (continued)				
Unilever	GBP	142,217	5,789	0.57
UNITE Group, REIT	GBP	25,522	205	0.02
Vodafone Group	GBP	2,509,488	2,835	0.28
			89,567	8.77
United States of America 10.65% (9.54%)				
Becton Dickinson	USD	20,259	3,749	0.37
Broadcom	USD	23,059	4,409	0.43
Cisco Systems	USD	145,040	4,595	0.45
Comcast 'A'	USD	117,050	3,245	0.32
CoreSite Realty, REIT	USD	60,673	5,653	0.55
Crown Castle International, REIT	USD	20,170	2,345	0.23
Digital Realty Trust, REIT	USD	27,297	3,051	0.30
Douglas Emmett, REIT	USD	19,155	470	0.05
Equinix, REIT	USD	1,243	626	0.06
Equity Residential, REIT	USD	9,129	454	0.04
Extra Space Storage, REIT	USD	19,985	1,541	0.15
Exxon Mobil	USD	35,057	1,072	0.10
Federal Realty Investment Trust, REIT	USD	9,048	543	0.05
Healthcare Trust of America, REIT 'A'	USD	73,583	1,440	0.14
Home Depot	USD	35,636	5,366	0.53
Honeywell International	USD	22,038	2,378	0.23
JPMorgan Chase	USD	66,956	4,866	0.48
Las Vegas Sands	USD	161,764	5,533	0.54
McDonald's	USD	45,398	6,052	0.59
Merck	USD	93,240	5,787	0.57
Microsoft	USD	49,261	6,263	0.61
NextEra Energy	USD	27,700	5,376	0.53
Prologis, REIT	USD	25,438	1,648	0.16
Raytheon	USD	29,767	3,148	0.31
Rexford Industrial Realty, REIT	USD	17,953	590	0.06
Simon Property Group, REIT	USD	9,896	437	0.04
STORE Capital, REIT	USD	56,740	826	0.08
Terreno Realty, REIT	USD	15,511	645	0.06
Texas Instruments	USD	53,146	4,283	0.42
United Technologies	USD	37,096	2,822	0.28
UnitedHealth Group	USD	29,265	5,884	0.58
Verizon Communications	USD	122,988	5,329	0.52
WEC Energy Group	USD	101,566	7,215	0.71
Welltower, REIT	USD	29,635	1,092	0.11
			108,733	10.65
Equities total			379,246	37.15
Government Bonds 11.21% (15.39%)				
Angola 0.25% (0.22%)				
Angola Government Bond 8.25% 09/05/2028	USD	4,972,000	1,615	0.16
Angola Government Bond 9.13% 26/11/2049	USD	3,037,000	958	0.09
			2,573	0.25
Argentina 0.00% (0.30%)				
Azerbaijan 0.00% (0.14%)				
Brazil 1.21% (0.95%)				
Brazil Notas do Tesouro Nacional 10.00% 01/01/2023	BRL	7,005,000	12,393	1.21
			12,393	1.21
Colombia 0.38% (0.59%)				
Colombia Government Bond 5.20% 15/05/2049	USD	1,958,000	1,655	0.16
Republic of Colombia 7.00% 30/06/2032	COP	11,460,700,000	2,195	0.22
			3,850	0.38

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
Dominican Republic 0.47% (0.28%)				
Dominican Republic Government Bond 9.75% 05/06/2026	DOP	132,750,000	1,730	0.17
Dominican Republic Government Bond 5.95% 25/01/2027	USD	2,984,000	2,274	0.22
Dominican Republic Government Bond 6.00% 19/07/2028	USD	995,000	754	0.08
			<u>4,758</u>	<u>0.47</u>
Egypt 0.32% (0.15%)				
Egypt Government Bond 6.13% 31/01/2022	USD	2,993,000	2,317	0.22
Egypt Government Bond 7.05% 15/01/2032	USD	1,522,000	992	0.10
			<u>3,309</u>	<u>0.32</u>
El Salvador 0.21% (0.17%)				
El Salvador Government Bond 7.65% 15/06/2035	USD	3,144,000	2,155	0.21
			<u>2,155</u>	<u>0.21</u>
Ghana 0.33% (0.14%)				
Ghana Government Bond 6.38% 11/02/2027	USD	3,007,000	1,776	0.18
Ghana Government Bond 8.13% 26/03/2032	USD	2,716,000	1,544	0.15
			<u>3,320</u>	<u>0.33</u>
Hungary 0.00% (0.22%)				
Indonesia 1.24% (3.80%)				
Indonesia Treasury 8.25% 15/05/2029	IDR	251,646,000,000	12,623	1.24
			<u>12,623</u>	<u>1.24</u>
Ivory Coast 0.22% (0.19%)				
Ivory Coast Government Bond 6.13% 15/06/2033	USD	3,219,000	2,260	0.22
			<u>2,260</u>	<u>0.22</u>
Kenya 0.20% (0.14%)				
Kenya Government Bond 7.25% 28/02/2028	USD	2,778,000	2,071	0.20
			<u>2,071</u>	<u>0.20</u>
Malaysia 0.38% (0.26%)				
Malaysia Government Bond 3.88% 10/03/2022	MYR	20,553,000	3,918	0.38
			<u>3,918</u>	<u>0.38</u>
Mexico 1.11% (0.64%)				
Mexican Bonos 6.50% 09/06/2022	MXN	173,884,400	5,989	0.59
Mexican Bonos 8.50% 31/05/2029	MXN	143,075,500	5,309	0.52
			<u>11,298</u>	<u>1.11</u>
Nigeria 0.17% (0.14%)				
Nigeria Government Bond 8.75% 21/01/2031	USD	3,036,000	1,758	0.17
			<u>1,758</u>	<u>0.17</u>
Oman 0.11% (0.13%)				
Oman Government Bond 4.13% 17/01/2023	USD	1,657,000	1,113	0.11
			<u>1,113</u>	<u>0.11</u>
Paraguay 0.51% (0.28%)				
Paraguay Government Bond 4.63% 25/01/2023	USD	3,820,000	3,081	0.30
Paraguay Government Bond 6.10% 11/08/2044	USD	2,500,000	2,117	0.21
			<u>5,198</u>	<u>0.51</u>
Peru 0.95% (1.21%)				
Peru Government Bond 6.35% 12/08/2028	PEN	11,135,000	2,850	0.28
Peru Government Bond 5.94% 12/02/2029	PEN	26,989,000	6,798	0.67
			<u>9,648</u>	<u>0.95</u>
Qatar 0.25% (0.36%)				
Qatar Government Bond 4.82% 14/03/2049	USD	2,716,000	2,580	0.25
			<u>2,580</u>	<u>0.25</u>

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
Romania 0.18% (0.00%)				
Romania Government Bond 3.65% 24/09/2031	RON	12,000,000	1,836	0.18
			1,836	0.18
Russia 1.07% (0.70%)				
Russian Federal Bond – OFZ 7.60% 20/07/2022	RUB	1,024,349,000	10,912	1.07
			10,912	1.07
Saudi Arabia 0.24% (0.34%)				
Saudi Government Bond 5.25% 16/01/2050	USD	2,657,000	2,398	0.24
			2,398	0.24
Senegal 0.18% (0.15%)				
Senegal Government Bond 8.75% 13/05/2021	USD	2,260,000	1,787	0.18
			1,787	0.18
Serbia 0.00% (0.31%)				
South Africa 0.54% (3.23%)				
South Africa Government Bond 10.50% 21/12/2026	ZAR	87,737,041	4,042	0.39
South Africa Government Bond 5.75% 30/09/2049	USD	2,550,000	1,491	0.15
			5,533	0.54
Sri Lanka 0.11% (0.00%)				
Sri Lanka Government Bond 7.55% 28/03/2030	USD	2,500,000	1,109	0.11
			1,109	0.11
Ukraine 0.43% (0.35%)				
Ukraine Government Bond 7.75% 01/09/2020	USD	3,757,000	2,962	0.29
Ukraine Government Bond 7.75% 01/09/2022	USD	1,913,000	1,458	0.14
			4,420	0.43
Uruguay 0.15% (0.00%)				
Uruguay Government Bond 9.88% 20/06/2022	UYU	89,978,000	1,574	0.15
			1,574	0.15
Government Bonds total			114,394	11.21
Corporate Bonds 27.06% (19.49%)				
Australia 0.18% (0.06%)				
FMG Resources August 2006 4.75% 15/05/2022	USD	915,000	735	0.07
FMG Resources August 2006 5.13% 15/03/2023	USD	905,000	715	0.07
FMG Resources August 2006 4.50% 15/09/2027	USD	565,000	406	0.04
			1,856	0.18
Austria 0.65% (0.53%)				
Erste Group Bank, FRN 6.50% Perpetual	EUR	3,600,000	2,991	0.29
Erste Group Bank, FRN 8.88% Perpetual	EUR	4,200,000	3,679	0.36
			6,670	0.65
Belgium 0.17% (0.15%)				
Belfius Bank, FRN 3.63% Perpetual	EUR	2,800,000	1,710	0.17
			1,710	0.17
Bermuda 0.38% (0.21%)				
Cosan 5.50% 20/09/2029	USD	3,875,000	2,539	0.25
Fly Leasing 6.38% 15/10/2021	USD	1,190,000	917	0.09
NCL 3.63% 15/12/2024	USD	500,000	257	0.03
Viking Cruises 5.88% 15/09/2027	USD	235,000	111	0.01
			3,824	0.38
Brazil 0.14% (0.11%)				
Votorantim 6.75% 05/04/2021	USD	1,747,000	1,389	0.14
			1,389	0.14

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
Canada 0.53% (0.33%)				
1011778 BC 4.25% 15/05/2024	USD	940,000	756	0.07
Bausch Health 5.00% 30/01/2028	USD	800,000	611	0.06
Bausch Health 5.25% 30/01/2030	USD	355,000	271	0.03
Baytex Energy 8.75% 01/04/2027	USD	710,000	218	0.02
Garda World Security 4.63% 15/02/2027	USD	400,000	289	0.03
Garda World Security 9.50% 01/11/2027	USD	804,000	580	0.06
goeasy 5.38% 01/12/2024	USD	395,000	297	0.03
IAMGOLD 7.00% 15/04/2025	USD	1,035,000	776	0.08
MEG Energy 7.13% 01/02/2027	USD	295,000	117	0.01
Norbord 5.75% 15/07/2027	USD	905,000	666	0.06
Open Text 3.88% 15/02/2028	USD	305,000	231	0.02
Videotron 5.38% 15/06/2024	USD	745,000	604	0.06
			5,416	0.53
Cayman Islands 0.97% (0.26%)				
China Aoyuan Group 8.50% 23/01/2022	USD	1,800,000	1,386	0.14
China SCE Group Holdings 5.88% 10/03/2022	USD	2,000,000	1,448	0.14
CIFI Holdings Group 5.50% 23/01/2022	USD	2,000,000	1,516	0.15
Lima Metro Line 2 Finance 4.35% 05/04/2036	USD	594,000	452	0.04
QNB Finance 3.50% 28/03/2024	USD	4,403,000	3,515	0.34
Termocandelaria Power 7.88% 30/01/2029	USD	2,425,000	1,589	0.16
			9,906	0.97
Chile 0.11% (0.10%)				
Empresa Electrica Angamos 4.88% 25/05/2029	USD	1,486,800	1,145	0.11
			1,145	0.11
Colombia 0.21% (0.18%)				
Ecopetrol 5.88% 18/09/2023	USD	2,647,000	2,113	0.21
			2,113	0.21
Croatia 0.27% (0.21%)				
Hrvatska Elektroprivreda 5.88% 23/10/2022	USD	3,145,000	2,751	0.27
			2,751	0.27
Denmark 2.20% (1.66%)				
Danske Bank, FRN 5.88% Perpetual	EUR	10,087,000	8,530	0.83
Nykredit Realkredit, FRN 6.25% Perpetual	EUR	16,309,000	13,972	1.37
			22,502	2.20
Finland 0.49% (0.38%)				
Nordea Bank, FRN 3.50% Perpetual	EUR	6,890,000	5,022	0.49
			5,022	0.49
France 2.71% (1.61%)				
Altice France 5.50% 15/01/2028	USD	1,180,000	891	0.09
BNP Paribas, FRN 4.50% Perpetual	USD	9,366,000	5,816	0.57
BNP Paribas, FRN 6.12% Perpetual	EUR	7,046,000	5,768	0.56
Credit Agricole, FRN 6.50% Perpetual	EUR	8,875,000	7,455	0.73
Societe Generale, FRN 6.75% Perpetual	EUR	9,190,000	7,766	0.76
			27,696	2.71
Germany 0.09% (0.03%)				
IHO Verwaltungs 6.00% 15/05/2027	USD	1,620,000	915	0.09
			915	0.09
India 0.00% (0.18%)				
Ireland 0.00% (0.02%)				
Italy 0.05% (0.51%)				
Telecom Italia 5.30% 30/05/2024	USD	600,000	486	0.05
			486	0.05

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
Kazakhstan 0.39% (0.29%)				
KazMunayGas National 4.75% 24/04/2025	USD	2,300,000	1,847	0.18
KazTransGas 4.38% 26/09/2027	USD	2,971,000	2,148	0.21
			3,995	0.39
Luxembourg 0.34% (0.30%)				
ARD Finance 6.50% 30/06/2027	USD	800,000	554	0.05
Consolidated Energy Finance 6.88% 15/06/2025	USD	760,000	529	0.05
Intelsat Jackson Holdings 8.00% 15/02/2024	USD	375,000	292	0.03
Intelsat Jackson Holdings 8.50% 15/10/2024	USD	650,000	330	0.03
Millicom International Cellular 5.13% 15/01/2028	USD	2,271,000	1,594	0.16
Stena International 6.13% 01/02/2025	USD	290,000	197	0.02
			3,496	0.34
Malaysia 0.00% (0.12%)				
Mexico 0.42% (0.48%)				
Banco Mercantil del Norte, FRN 6.87% Perpetual	USD	2,174,000	1,332	0.13
Cemex 5.70% 11/01/2025	USD	2,500,000	1,704	0.17
Petroleos Mexicanos 5.35% 12/02/2028	USD	2,218,000	1,248	0.12
			4,284	0.42
Netherlands 3.17% (2.15%)				
ABN AMRO Bank, FRN 5.75% Perpetual	EUR	12,700,000	10,246	1.00
Atotech Alpha 3 6.25% 01/02/2025	USD	670,000	498	0.05
Cooperatieve Rabobank, FRN 6.62% Perpetual	EUR	11,400,000	9,609	0.94
Fiat Chrysler Automobiles 5.25% 15/04/2023	USD	615,000	471	0.05
GTH Finance 7.25% 26/04/2023	USD	1,800,000	1,501	0.15
LeasePlan Corp., FRN 7.38% Perpetual	EUR	4,413,000	3,153	0.31
Metinvest 7.75% 23/04/2023	USD	2,660,000	1,524	0.15
OCI 6.63% 15/04/2023	USD	1,000,000	734	0.07
Petrobras Global Finance 7.38% 17/01/2027	USD	1,887,000	1,559	0.15
Petrobras Global Finance 6.90% 19/03/2049	USD	2,296,000	1,798	0.17
Stars Group Holdings 7.00% 15/07/2026	USD	390,000	296	0.03
Trivium Packaging Finance 5.50% 15/08/2026	USD	1,255,000	1,007	0.10
			32,396	3.17
Norway 0.05% (0.00%)				
Aker BP 4.75% 15/06/2024	USD	715,000	484	0.05
			484	0.05
Pakistan 0.19% (0.21%)				
Third Pakistan International Sukuk 5.63% 05/12/2022	USD	2,550,000	1,921	0.19
			1,921	0.19
Panama 0.17% (0.11%)				
Global Bank 4.50% 20/10/2021	USD	2,174,000	1,710	0.17
			1,710	0.17
Peru 0.15% (0.11%)				
SAN Miguel Industrias Pet 4.50% 18/09/2022	USD	2,174,000	1,548	0.15
			1,548	0.15
South Africa 0.18% (0.00%)				
Standard Bank Group, FRN 5.95% 31/05/2029	USD	2,520,000	1,829	0.18
			1,829	0.18
Spain 3.07% (2.90%)				
Al Candelaria Spain 7.50% 15/12/2028	USD	2,400,000	1,438	0.14
Banco Bilbao Vizcaya Argentaria, FRN 5.87% Perpetual	EUR	5,200,000	3,854	0.38
Banco Bilbao Vizcaya Argentaria, FRN 8.87% Perpetual	EUR	7,800,000	6,712	0.66
Banco de Sabadell, FRN 6.12% Perpetual	EUR	4,200,000	2,704	0.26
Banco de Sabadell, FRN 6.50% Perpetual	EUR	4,400,000	2,827	0.28

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
Spain 3.07% (2.90%) (continued)				
Banco Santander, FRN 4.75% Perpetual	EUR	1,800,000	1,174	0.11
Bankia, FRN 6.37% Perpetual	EUR	9,000,000	6,211	0.61
Bankinter, FRN 8.62% Perpetual	EUR	4,400,000	3,689	0.36
CaixaBank, FRN 6.75% Perpetual	EUR	3,800,000	2,732	0.27
			31,341	3.07
Supranational 0.07% (0.07%)				
Connect Finco 6.75% 01/10/2026	USD	1,070,000	713	0.07
			713	0.07
Switzerland 0.62% (0.48%)				
UBS Group, FRN 5.75% Perpetual	EUR	7,313,000	6,277	0.62
			6,277	0.62
United Arab Emirates 0.18% (0.15%)				
Abu Dhabi Crude Oil Pipeline 4.60% 02/11/2047	USD	2,300,000	1,847	0.18
			1,847	0.18
United Kingdom 0.84% (1.63%)				
Drax Finco 6.63% 01/11/2025	USD	850,000	687	0.07
HSBC Holdings, FRN 5.25% Perpetual	EUR	6,861,000	5,358	0.52
MARB BondCo 6.88% 19/01/2025	USD	2,600,000	1,890	0.19
Virgin Media Secured Finance 5.50% 15/05/2029	USD	800,000	643	0.06
			8,578	0.84
United States of America 8.07% (3.96%)				
Acadia Healthcare 5.63% 15/02/2023	USD	925,000	703	0.07
AES 4.50% 15/03/2023	USD	365,000	288	0.03
Albertsons 3.50% 15/02/2023	USD	170,000	135	0.01
Albertsons 6.63% 15/06/2024	USD	310,000	254	0.03
Albertsons 5.75% 15/03/2025	USD	590,000	481	0.05
Albertsons 5.88% 15/02/2028	USD	445,000	365	0.04
Alliant Holdings Intermediate 6.75% 15/10/2027	USD	450,000	340	0.03
Allied Universal Holdco 6.63% 15/07/2026	USD	330,000	261	0.03
Allied Universal Holdco 9.75% 15/07/2027	USD	875,000	665	0.07
Allison Transmission 5.00% 01/10/2024	USD	460,000	360	0.04
Ally Financial 5.75% 20/11/2025	USD	1,065,000	840	0.08
American Axle & Manufacturing 6.25% 15/03/2026	USD	530,000	329	0.03
Anixter 6.00% 01/12/2025	USD	265,000	209	0.02
Antero Midstream Partners 5.75% 01/03/2027	USD	590,000	304	0.03
Antero Midstream Partners 5.75% 15/01/2028	USD	625,000	323	0.03
Archrock Partners 6.88% 01/04/2027	USD	455,000	261	0.03
Asbury Automotive Group 4.50% 01/03/2028	USD	400,000	274	0.03
Asbury Automotive Group 4.75% 01/03/2030	USD	80,000	55	0.01
Ascent Resources Utica Holdings 7.00% 01/11/2026	USD	790,000	177	0.02
ASGN 4.63% 15/05/2028	USD	545,000	408	0.04
Avis Budget Car Rental 5.50% 01/04/2023	USD	123,000	84	0.01
Avis Budget Car Rental 5.75% 15/07/2027	USD	835,000	535	0.05
Bausch Health Americas 8.50% 31/01/2027	USD	1,010,000	851	0.08
Berry Global 4.88% 15/07/2026	USD	600,000	489	0.05
Boyd Gaming 4.75% 01/12/2027	USD	345,000	230	0.02
Brink's 4.63% 15/10/2027	USD	520,000	387	0.04
Bruin E&P Partners 8.88% 01/08/2023	USD	700,000	39	–
Calpine 4.50% 15/02/2028	USD	430,000	336	0.03
Catalent Pharma Solutions 5.00% 15/07/2027	USD	815,000	638	0.06
CCO Holdings 5.13% 01/05/2023	USD	715,000	582	0.06
CCO Holdings 5.50% 01/05/2026	USD	1,615,000	1,322	0.13
CCO Holdings 4.75% 01/03/2030	USD	375,000	301	0.03
CCO Holdings 4.50% 15/08/2030	USD	150,000	119	0.01
Centene 4.75% 15/05/2022	USD	410,000	332	0.03

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 8.07% (3.96%) (continued)				
Centene 5.38% 01/06/2026	USD	915,000	760	0.07
Centene 5.38% 15/08/2026	USD	360,000	296	0.03
Centene 4.25% 15/12/2027	USD	480,000	379	0.04
Centene 4.63% 15/12/2029	USD	505,000	409	0.04
Centene 3.38% 15/02/2030	USD	535,000	401	0.04
Centennial Resource Production 5.38% 15/01/2026	USD	1,110,000	215	0.02
Century Communities 5.88% 15/07/2025	USD	890,000	605	0.06
Charles River Laboratories International 4.25% 01/05/2028	USD	530,000	412	0.04
Cheniere Energy Partners 5.63% 01/10/2026	USD	300,000	223	0.02
Cheniere Energy Partners 4.50% 01/10/2029	USD	215,000	151	0.01
CIT Group 5.25% 07/03/2025	USD	945,000	743	0.07
CommScope 6.00% 01/03/2026	USD	1,070,000	862	0.08
CommScope 8.25% 01/03/2027	USD	485,000	377	0.04
Community Health Systems 6.25% 31/03/2023	USD	625,000	479	0.05
Consolidated Communications 6.50% 01/10/2022	USD	900,000	635	0.06
Cott Holdings 5.50% 01/04/2025	USD	705,000	551	0.05
CSC Holdings 5.38% 01/02/2028	USD	1,175,000	967	0.09
CSC Holdings 5.75% 15/01/2030	USD	745,000	606	0.06
CVR Partners 9.25% 15/06/2023	USD	1,095,000	708	0.07
DaVita 5.13% 15/07/2024	USD	513,000	412	0.04
DaVita 5.00% 01/05/2025	USD	615,000	495	0.05
DCP Midstream Operating 5.38% 15/07/2025	USD	595,000	328	0.03
Dell International 7.13% 15/06/2024	USD	1,185,000	987	0.10
Diamondback Energy 5.38% 31/05/2025	USD	490,000	291	0.03
DISH DBS 6.75% 01/06/2021	USD	655,000	536	0.05
DISH DBS 7.75% 01/07/2026	USD	740,000	613	0.06
Eldorado Resorts 6.00% 01/04/2025	USD	820,000	595	0.06
Encompass Health 5.75% 01/11/2024	USD	3,000	2	–
Encompass Health 4.50% 01/02/2028	USD	105,000	83	0.01
Encompass Health 4.75% 01/02/2030	USD	460,000	364	0.04
Energizer Holdings 6.38% 15/07/2026	USD	1,070,000	872	0.09
Energizer Holdings 7.75% 15/01/2027	USD	55,000	46	–
Enterprise Development Authority 12.00% 15/07/2024	USD	410,000	288	0.03
Envision Healthcare 8.75% 15/10/2026	USD	800,000	158	0.02
Flex Acquisition 6.88% 15/01/2025	USD	575,000	434	0.04
Flex Acquisition 7.88% 15/07/2026	USD	475,000	353	0.03
Front Range BidCo 4.00% 01/03/2027	USD	535,000	413	0.04
Front Range BidCo 6.13% 01/03/2028	USD	275,000	211	0.02
Genesis Energy 6.50% 01/10/2025	USD	1,275,000	743	0.07
Golden Nugget 6.75% 15/10/2024	USD	950,000	483	0.05
Golden Nugget 8.75% 01/10/2025	USD	1,075,000	442	0.04
Graham Holdings 5.75% 01/06/2026	USD	670,000	530	0.05
Gray Television 7.00% 15/05/2027	USD	465,000	373	0.04
Greif 6.50% 01/03/2027	USD	1,100,000	851	0.08
HCA 5.38% 01/02/2025	USD	420,000	346	0.03
HCA 5.63% 01/09/2028	USD	745,000	629	0.06
HCA 3.50% 01/09/2030	USD	1,410,000	1,032	0.10
Hecla Mining 7.25% 15/02/2028	USD	425,000	302	0.03
HUB International 7.00% 01/05/2026	USD	680,000	543	0.05
Icahn Enterprises 6.25% 15/05/2026	USD	1,145,000	873	0.09
Infor US 6.50% 15/05/2022	USD	760,000	602	0.06
IQVIA 5.00% 15/10/2026	USD	750,000	617	0.06
Iron Mountain, REIT 4.88% 15/09/2027	USD	1,735,000	1,357	0.13
KFC Holding 5.00% 01/06/2024	USD	545,000	431	0.04
Kraft Heinz Foods 5.00% 15/07/2035	USD	600,000	481	0.05
Lamar Media 3.75% 15/02/2028	USD	625,000	472	0.05
Level 3 Financing 4.63% 15/09/2027	USD	815,000	653	0.06
M/I Homes 4.95% 01/02/2028	USD	445,000	305	0.03
MasTec 4.88% 15/03/2023	USD	1,000,000	736	0.07
Match Group 4.13% 01/08/2030	USD	1,100,000	793	0.08
Mattel 6.75% 31/12/2025	USD	1,210,000	992	0.10

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 8.07% (3.96%) (continued)				
Mattel 5.88% 15/12/2027	USD	55,000	46	–
Meredith 6.88% 01/02/2026	USD	1,345,000	952	0.09
MGM Resorts International 5.75% 15/06/2025	USD	145,000	105	0.01
MGM Resorts International 5.50% 15/04/2027	USD	539,000	396	0.04
Moss Creek Resources Holdings 7.50% 15/01/2026	USD	630,000	147	0.01
Moss Creek Resources Holdings 10.50% 15/05/2027	USD	150,000	39	–
MPT Operating Partnership, REIT 4.63% 01/08/2029	USD	400,000	300	0.03
MSCI 5.75% 15/08/2025	USD	835,000	695	0.07
Murphy Oil USA 4.75% 15/09/2029	USD	625,000	473	0.05
NCR 6.13% 01/09/2029	USD	425,000	320	0.03
Netflix 5.75% 01/03/2024	USD	325,000	280	0.03
Netflix 5.38% 15/11/2029	USD	550,000	460	0.05
Newell Brands 4.20% 01/04/2026	USD	1,200,000	950	0.09
Nexstar Broadcasting 5.63% 01/08/2024	USD	230,000	175	0.02
Nexstar Broadcasting 5.63% 15/07/2027	USD	455,000	359	0.04
NGL Energy Partners 7.50% 01/11/2023	USD	605,000	170	0.02
NGL Energy Partners 7.50% 15/04/2026	USD	750,000	206	0.02
Nine Energy Service 8.75% 01/11/2023	USD	220,000	44	–
NRG Energy 5.75% 15/01/2028	USD	310,000	255	0.03
NRG Energy 5.25% 15/06/2029	USD	1,100,000	914	0.09
Nuance Communications 5.63% 15/12/2026	USD	1,055,000	828	0.08
Oceaneering International 6.00% 01/02/2028	USD	1,690,000	522	0.05
Open Text Holdings 4.13% 15/02/2030	USD	185,000	140	0.01
Outfront Media Capital 4.63% 15/03/2030	USD	575,000	413	0.04
Owens-Brockway Glass Container 5.88% 15/08/2023	USD	815,000	644	0.06
Parsley Energy 5.63% 15/10/2027	USD	1,120,000	637	0.06
PBF Holding 7.25% 15/06/2025	USD	440,000	238	0.02
PDC Energy 6.13% 15/09/2024	USD	835,000	359	0.04
Penske Automotive Group 5.50% 15/05/2026	USD	945,000	695	0.07
Plantronics 5.50% 31/05/2023	USD	555,000	326	0.03
Plastipak Holdings 6.25% 15/10/2025	USD	1,395,000	1,007	0.10
Post Holdings 4.63% 15/04/2030	USD	20,000	15	–
Presidio Holdings 4.88% 01/02/2027	USD	800,000	577	0.06
Presidio Holdings 8.25% 01/02/2028	USD	395,000	281	0.03
PTC 4.00% 15/02/2028	USD	640,000	496	0.05
Radiology Partners 9.25% 01/02/2028	USD	360,000	251	0.02
Schweitzer-Mauduit International 6.88% 01/10/2026	USD	725,000	582	0.06
Scientific Games International 6.63% 15/05/2021	USD	520,000	334	0.03
Scientific Games International 7.00% 15/05/2028	USD	1,125,000	558	0.05
Scotts Miracle-Gro 4.50% 15/10/2029	USD	660,000	507	0.05
Select Medical 6.25% 15/08/2026	USD	715,000	577	0.06
Service Corp. International 5.13% 01/06/2029	USD	1,515,000	1,246	0.12
Shea Homes 4.75% 15/02/2028	USD	400,000	275	0.03
Sirius XM Radio 4.63% 15/07/2024	USD	215,000	176	0.02
Sirius XM Radio 5.50% 01/07/2029	USD	860,000	707	0.07
Spectrum Brands 5.75% 15/07/2025	USD	490,000	369	0.04
Springleaf Finance 6.13% 15/03/2024	USD	1,005,000	798	0.08
Springleaf Finance 7.13% 15/03/2026	USD	415,000	331	0.03
Springleaf Finance 6.63% 15/01/2028	USD	420,000	320	0.03
Sprint 7.88% 15/09/2023	USD	2,780,000	2,461	0.24
Sprint 7.25% 01/02/2028	USD	310,000	251	0.02
Stericycle 5.38% 15/07/2024	USD	1,450,000	1,158	0.11
Summit Materials 5.13% 01/06/2025	USD	370,000	277	0.03
Summit Materials 6.50% 15/03/2027	USD	245,000	187	0.02
Targa Resources Partners 5.88% 15/04/2026	USD	960,000	643	0.06
Targa Resources Partners 6.88% 15/01/2029	USD	740,000	480	0.05
Teleflex 4.88% 01/06/2026	USD	810,000	647	0.06
Teleflex 4.63% 15/11/2027	USD	325,000	262	0.03
Tenet Healthcare 5.13% 01/05/2025	USD	1,255,000	967	0.09
Tenet Healthcare 6.25% 01/02/2027	USD	350,000	275	0.03
Tenet Healthcare 5.13% 01/11/2027	USD	435,000	334	0.03

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 8.07% (3.96%) (continued)				
T-Mobile USA 6.50% 15/01/2026	USD	1,410,000	1,194	0.12
Twitter 3.88% 15/12/2027	USD	630,000	489	0.05
United Rentals North America 4.63% 15/10/2025	USD	1,125,000	871	0.09
United Rentals North America 6.50% 15/12/2026	USD	55,000	45	–
United States Steel 6.25% 15/03/2026	USD	820,000	417	0.04
USA Compression Partners 6.88% 01/09/2027	USD	1,175,000	587	0.06
Verscend Escrow 9.75% 15/08/2026	USD	925,000	745	0.07
ViaSat 5.63% 15/04/2027	USD	490,000	390	0.04
VICI Properties, REIT 4.13% 15/08/2030	USD	800,000	604	0.06
Vistra Operations 5.63% 15/02/2027	USD	280,000	233	0.02
Vistra Operations 5.00% 31/07/2027	USD	1,080,000	884	0.09
WESCO Distribution 5.38% 15/06/2024	USD	335,000	230	0.02
Western Digital 4.75% 15/02/2026	USD	555,000	454	0.04
WPX Energy 5.25% 15/10/2027	USD	1,395,000	619	0.06
Yum! Brands 7.75% 01/04/2025	USD	70,000	59	0.01
			82,381	8.07
Corporate Bonds total			276,201	27.06
Certificate of Deposit 0.00% (6.03%)				
Australia 0.00% (2.01%)				
China 0.00% (3.21%)				
Singapore 0.00% (0.81%)				
Swaps 0.53% ((0.67)%)				
Credit Default Swap J.P. Morgan Buy CDX.NA.HY.33-V2 20/12/2024	USD	133,512,000	6,567	0.64
Equity Total Return Swap BNP Paribas Pay (0.19)% Receive Daikin Industries 11/03/2021	JPY	404,694,736	(284)	(0.03)
Equity Total Return Swap BNP Paribas Pay (0.51)% Receive Signify 09/03/2021	EUR	2,149,809	(687)	(0.07)
Equity Total Return Swap J.P. Morgan Pay 1.01% Receive Acuity Brands 09/03/2021	USD	1,241,527	(187)	(0.02)
Equity Total Return Swap J.P. Morgan Pay 1.01% Receive United Technologies 09/03/2021	USD	3,502,278	(889)	(0.09)
Equity Total Return Swap J.P. Morgan Pay Trane Technologies Receive 1.01% 05/03/2021	USD	3,644,670	711	0.07
Equity Total Return Swap Merrill Lynch Pay (0.51)% Receive Kingspan Group 09/03/2021	EUR	3,392,816	(563)	(0.05)
Equity Total Return Swap Merrill Lynch Pay (0.51)% Receive Cie de Saint-Gobain 09/03/2021	EUR	3,326,142	(995)	(0.10)
Equity Total Return Swap Merrill Lynch Pay (0.51)% Receive Schneider Electric 09/03/2021	EUR	3,266,161	(518)	(0.05)
Equity Total Return Swap Merrill Lynch Pay 1.01% Receive Allegion 09/03/2021	USD	3,585,871	(715)	(0.07)
Inflation Rate Swap J.P. Morgan Pay floating UKRPI 1 month Receive fixed 3.31% 15/04/2028	GBP	87,750,000	1,900	0.19
Inflation Rate Swap Morgan Stanley Pay floating UKRPI 1 month Receive fixed 3.59% 15/02/2027	GBP	20,750,000	1,111	0.11
Swaps total			5,451	0.53
Swaptions 0.00% (2.83%)				
Option 0.00% ((0.37)%)				
Forward Currency Contracts (3.79)% ((0.18)%)				
Buy AUD 2,895,227 sell GBP 1,441,651 dated 15/04/2020			(13)	–
Buy AUD 58,160,000 sell USD 37,979,062 dated 22/04/2020			(1,917)	(0.19)
Buy BRL 205,507,724 sell USD 43,794,000 dated 17/04/2020			(3,400)	(0.33)
Buy CNH 809,570,000 sell USD 115,468,050 dated 15/10/2020			(1,325)	(0.13)
Buy CZK 93,320,444 sell USD 4,100,000 dated 22/04/2020			(292)	(0.03)
Buy EUR 4,092,278 sell GBP 3,549,245 dated 15/04/2020			73	0.01
Buy EUR 3,478,568 sell GBP 3,113,699 dated 15/04/2020			(35)	–
Buy EUR 9,422,000 sell GBP 8,214,263 dated 22/04/2020			126	0.01
Buy EUR 49,471,000 sell GBP 45,174,275 dated 22/04/2020			(1,381)	(0.14)
Buy EUR 35,590,431 sell GBP 32,191,454 dated 12/06/2020			(651)	(0.06)
Buy EUR 16,837,407 sell GBP 14,900,000 dated 19/06/2020			24	–
Buy EUR 7,082,338 sell GBP 6,500,000 dated 19/06/2020			(222)	(0.02)
Buy EUR 11,956,826 sell USD 13,161,359 dated 12/06/2020			(4)	–
Buy GBP 3,168,526 sell AUD 6,046,213 dated 15/04/2020			185	0.02
Buy GBP 12,758,334 sell CHF 16,047,675 dated 12/06/2020			(647)	(0.06)
Buy GBP 831,830 sell EUR 882,453 dated 15/04/2020			51	0.01
Buy GBP 14,814,822 sell EUR 17,375,170 dated 15/04/2020			(564)	(0.06)

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
Forward Currency Contracts (3.79)% ((0.18)% (continued))				
Buy GBP 14,976,804 sell EUR 16,431,000 dated 22/04/2020			432	0.04
Buy GBP 222,942,733 sell EUR 265,227,885 dated 22/04/2020			(11,845)	(1.16)
Buy GBP 95,034,537 sell EUR 112,054,812 dated 12/06/2020			(4,271)	(0.42)
Buy GBP 21,400,000 sell EUR 23,540,183 dated 19/06/2020			535	0.05
Buy GBP 4,661,459 sell HKD 47,490,294 dated 15/04/2020			(278)	(0.03)
Buy GBP 478,204 sell JPY 63,268,400 dated 15/04/2020			5	–
Buy GBP 1,906,692 sell JPY 270,358,336 dated 15/04/2020			(114)	(0.01)
Buy GBP 6,400,000 sell SEK 76,957,157 dated 22/04/2020			135	0.01
Buy GBP 3,599,362 sell SGD 6,421,546 dated 15/04/2020			(38)	–
Buy GBP 5,609,313 sell USD 6,703,127 dated 15/04/2020			205	0.02
Buy GBP 21,355,177 sell USD 28,061,136 dated 15/04/2020			(1,270)	(0.12)
Buy GBP 44,400,000 sell USD 58,045,801 dated 22/04/2020			(2,393)	(0.23)
Buy GBP 7,076,067 sell USD 8,486,000 dated 28/04/2020			236	0.02
Buy GBP 18,888,394 sell USD 23,434,644 dated 12/06/2020			13	–
Buy GBP 120,416,216 sell USD 156,288,820 dated 12/06/2020			(5,467)	(0.54)
Buy GBP 232,100,000 sell USD 286,167,695 dated 19/06/2020			1,627	0.16
Buy GBP 10,411,853 sell USD 12,716,000 dated 25/06/2020			171	0.02
Buy GBP 114,992,277 sell USD 143,715,000 dated 25/06/2020			(743)	(0.07)
Buy HKD 1,832,187 sell GBP 182,125 dated 15/04/2020			8	–
Buy HUF 1,213,960,800 sell USD 4,100,000 dated 22/04/2020			(327)	(0.03)
Buy IDR 607,750,570,000 sell USD 43,805,000 dated 22/04/2020			(5,239)	(0.51)
Buy INR 3,147,092,757 sell USD 43,821,000 dated 22/04/2020			(1,980)	(0.19)
Buy JPY 10,398,538,743 sell AUD 156,607,500 dated 19/06/2020			621	0.06
Buy JPY 3,437,339,440 sell AUD 52,202,500 dated 19/06/2020			(9)	–
Buy JPY 100,385,144 sell GBP 705,482 dated 15/04/2020			45	–
Buy JPY 80,563,721 sell GBP 617,908 dated 15/04/2020			(16)	–
Buy JPY 15,490,930,347 sell USD 145,000,000 dated 19/06/2020			(828)	(0.08)
Buy KRW 4,980,990,000 sell USD 4,200,000 dated 17/04/2020			(92)	(0.01)
Buy KRW 29,974,680,000 sell USD 25,178,457 dated 22/04/2020			(471)	(0.05)
Buy MXN 836,961,052 sell USD 43,789,000 dated 22/04/2020			(6,636)	(0.65)
Buy RUB 2,716,231,593 sell USD 43,795,000 dated 22/04/2020			(7,358)	(0.72)
Buy SAR 150,811,771 sell USD 38,012,821 dated 18/01/2022			1,622	0.16
Buy SAR 133,620,698 sell USD 33,512,820 dated 24/01/2022			1,570	0.15
Buy SAR 41,118,807 sell USD 10,055,096 dated 07/02/2022			690	0.07
Buy SAR 41,257,064 sell USD 10,055,096 dated 09/02/2022			719	0.07
Buy SAR 20,555,633 sell USD 5,027,548 dated 14/02/2022			344	0.03
Buy SAR 101,392,823 sell USD 24,859,569 dated 15/02/2022			1,647	0.16
Buy SAR 77,385,208 sell USD 19,010,259 dated 16/02/2022			1,227	0.12
Buy SAR 78,988,236 sell USD 19,424,292 dated 22/02/2022			1,235	0.12
Buy SAR 52,578,964 sell USD 12,949,527 dated 02/03/2022			806	0.08
Buy SAR 43,167,148 sell USD 10,618,613 dated 07/03/2022			671	0.07
Buy SAR 18,091,800 sell USD 4,500,000 dated 15/08/2022			232	0.02
Buy SEK 59,793,085 sell GBP 4,800,000 dated 22/04/2020			67	0.01
Buy SEK 19,343,645 sell GBP 1,600,000 dated 22/04/2020			(25)	–
Buy SEK 38,760,373 sell USD 4,100,000 dated 22/04/2020			(150)	(0.01)
Buy SGD 448,633 sell GBP 251,612 dated 15/04/2020			2	–
Buy SGD 886,422 sell GBP 508,350 dated 15/04/2020			(6)	–
Buy SGD 53,140,000 sell USD 38,273,666 dated 22/04/2020			(758)	(0.07)
Buy USD 75,512,876 sell AUD 112,882,792 dated 22/04/2020			5,171	0.51
Buy USD 4,000,000 sell BRL 18,702,000 dated 17/04/2020			321	0.03
Buy USD 40,100,600 sell CLP 32,371,456,771 dated 05/05/2020			1,677	0.16
Buy USD 74,073,233 sell CNH 520,422,000 dated 15/10/2020			728	0.07
Buy USD 75,569,123 sell CNH 542,570,000 dated 15/10/2020			(574)	(0.06)
Buy USD 43,900,000 sell CZK 998,354,484 dated 22/04/2020			3,152	0.31
Buy USD 6,301,839 sell GBP 4,943,125 dated 15/04/2020			138	0.01
Buy USD 4,333,158 sell GBP 3,634,620 dated 15/04/2020			(141)	(0.01)
Buy USD 57,297,410 sell GBP 44,400,000 dated 22/04/2020			1,790	0.18
Buy USD 365,000 sell GBP 297,255 dated 28/04/2020			(3)	–
Buy USD 42,578,986 sell GBP 33,744,446 dated 12/06/2020			551	0.05
Buy USD 28,000,000 sell GBP 23,865,931 dated 12/06/2020			(1,313)	(0.13)
Buy USD 55,396,299 sell GBP 47,170,000 dated 19/06/2020			(2,555)	(0.25)

PORTFOLIO STATEMENT (CONTINUED)

As at 31 March 2020

Investment	Currency	Holding	Market Value £000	% of Net Assets
Forward Currency Contracts (3.79)% ((0.18)%) (continued)				
Buy USD 29,129,000 sell GBP 24,841,829 dated 25/06/2020			(1,384)	(0.14)
Buy USD 43,900,000 sell HUF 13,117,759,000 dated 22/04/2020			3,205	0.31
Buy USD 4,000,000 sell IDR 57,960,000,000 dated 22/04/2020			356	0.03
Buy USD 4,100,000 sell INR 305,724,700 dated 22/04/2020			66	0.01
Buy USD 13,282,000 sell JPY 1,414,190,989 dated 19/06/2020			112	0.01
Buy USD 15,000,000 sell JPY 1,654,138,987 dated 19/06/2020			(301)	(0.03)
Buy USD 43,917,000 sell KRW 52,398,251,040 dated 17/04/2020			754	0.07
Buy USD 62,477,564 sell KRW 74,004,242,000 dated 22/04/2020			1,417	0.14
Buy USD 4,000,000 sell MXN 85,110,000 dated 22/04/2020			310	0.03
Buy USD 4,000,000 sell RUB 289,560,000 dated 22/04/2020			245	0.02
Buy USD 38,012,821 sell SAR 150,811,771 dated 18/01/2022			(1,622)	(0.16)
Buy USD 33,512,820 sell SAR 133,620,698 dated 24/01/2022			(1,570)	(0.15)
Buy USD 10,055,096 sell SAR 41,118,807 dated 07/02/2022			(690)	(0.07)
Buy USD 10,055,096 sell SAR 41,257,064 dated 09/02/2022			(719)	(0.07)
Buy USD 5,027,548 sell SAR 20,555,633 dated 14/02/2022			(344)	(0.03)
Buy USD 24,859,569 sell SAR 101,392,823 dated 15/02/2022			(1,646)	(0.16)
Buy USD 19,010,259 sell SAR 77,385,208 dated 16/02/2022			(1,227)	(0.12)
Buy USD 19,424,292 sell SAR 78,988,236 dated 22/02/2022			(1,235)	(0.12)
Buy USD 12,949,527 sell SAR 52,578,964 dated 02/03/2022			(806)	(0.08)
Buy USD 10,618,613 sell SAR 43,167,148 dated 07/03/2022			(671)	(0.07)
Buy USD 4,500,000 sell SAR 18,091,800 dated 15/08/2022			(232)	(0.02)
Buy USD 43,900,000 sell SEK 415,342,290 dated 22/04/2020			1,579	0.15
Buy USD 75,542,473 sell SGD 103,595,000 dated 22/04/2020			2,227	0.22
Forward Currency Contracts total			(38,675)	(3.79)
Futures 1.26% (0.43%)				
Euro-Bund 08/06/2020	EUR	(2242)	6,298	0.61
EURO STOXX 50 Index 19/06/2020	EUR	(1717)	(2,545)	(0.25)
EURO STOXX Bank Index 19/06/2020	EUR	8117	73	0.01
FTSE 100 Index 19/06/2020	GBP	(839)	(2,773)	(0.27)
S&P 500 Emini Index 19/06/2020	USD	(1274)	(222)	(0.02)
STOXX Europe 600 Equity Index 19/06/2020	EUR	(3887)	(5,118)	(0.50)
US 10 Year Note 19/06/2020	USD	4243	7,277	0.71
US Ultra Bond 19/06/2020	USD	625	9,904	0.97
Futures total			12,894	1.26
Investment assets (including investment liabilities)			749,662	73.44
Net other assets			271,153	26.56
Net assets			1,020,815	100.00

The comparative percentage figures in brackets are as at 31 March 2019.

All holdings are ordinary shares or debt securities and admitted to an official stock exchange unless otherwise stated.

STATEMENT OF TOTAL RETURN

For the year ended 31 March 2020

	Notes	£000	Year ended 31.03.20 £000	£000	Year ended 31.03.19 £000
Income					
Net capital losses	2		(104,390)		(68,522)
Revenue	3	64,578		95,540	
Expenses	4	(8,365)		(11,749)	
Net revenue before taxation		56,213		83,791	
Taxation	5	(9,481)		(14,138)	
Net revenue after taxation			46,732		69,653
Total return before distributions			(57,658)		1,131
Distributions	6		(52,639)		(78,450)
Change in net assets attributable to shareholders from investment activities			(110,297)		(77,319)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 March 2020

	£000	Year ended 31.03.20 £000	£000	Year ended 31.03.19 £000
Opening net assets attributable to shareholders		1,241,624		2,065,334
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	41,519		136,092	
Amounts payable on cancellation of shares	(152,087)		(883,557)	
		(110,568)		(747,465)
Dilution adjustment		56		1,074
Change in net assets attributable to shareholders from investment activities (see above)		(110,297)		(77,319)
Closing net assets attributable to shareholders		1,020,815		1,241,624

BALANCE SHEET

As at 31 March 2020

	Notes	As at 31.03.20 £000	As at 31.03.19 £000
Assets:			
Investments		842,956	1,067,968
Current assets:			
Debtors	8	66,382	19,035
Cash and bank balances	9	217,196	259,470
Total assets		1,126,534	1,346,473
Liabilities:			
Investment liabilities		(93,294)	(45,296)
Provisions for liabilities	10	(5)	(81)
Creditors:			
Distribution payable		(6,819)	(8,198)
Other creditors	11	(5,601)	(51,274)
Total liabilities		(105,719)	(104,849)
Net assets attributable to shareholders		1,020,815	1,241,624

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policies

Please see pages 6 to 8 for accounting basis and policies.

2 Net capital losses

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Net capital losses on investment during the year comprise:		
Currency gains/(losses)	21,892	(10,339)
Derivative contracts gains/(losses)	74,692	(60,172)
Expenses relating to the purchase and sale of investments	–	(18)
Forward currency contracts losses	(56,509)	(25,767)
Non-derivative securities (losses)/gains	(144,465)	27,774
Net capital losses	(104,390)	(68,522)

3 Revenue

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Bank and deposit interest	1,477	2,008
Interest on debt securities	32,349	32,829
Income from derivatives	12,309	29,855
Overseas dividends	14,055	25,187
Property income distributions	287	396
Scrip dividends	–	40
UK dividends	4,101	5,225
Total revenue	64,578	95,540

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Expenses

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
Fund Management Fee/ACD's periodic charge*	7,385	10,860
Registration fees	–	108
	7,385	10,968
Payable to the Depository, associates of the Depository or agents of either of them:		
Depository's fee	–	22
Interest payable	977	749
Safe custody fee	–	18
	977	789
Other expenses:		
Audit fee**	–	3
Dividend collection charges	3	4
Fund accounting fees	–	3
Statement fees	–	1
	3	11
Total expenses	8,365	11,768
Less those expenses rebated by the ACD	–	(19)
Net expenses	8,365	11,749

* From 4 June 2018 the Fund changed to a single fixed charge known as the Fund Management Fee (FMF). The FMF covers fees and expenses in relation to the operation and administration of the Company and the Fund.

** The audit fee was £18,167 (2019: £17,817) net of VAT. With effect 4 June 2018, the audit fee was no longer accrued for separately and now forms part of the FMF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Taxation**a Analysis of tax charge**

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Corporation tax	7,399	11,735
Adjustments in respect of prior period	67	(49)
Double tax relief	–	(936)
Overseas tax suffered	2,091	3,333
Total current tax	9,557	14,083
Deferred tax	(76)	55
Total current tax (see note 5b)	9,481	14,138

b Factors affecting current tax charge

The tax assessed for the year is lower (2019: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2019: 20%).

The differences are explained below:

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Net revenue before taxation	56,213	83,791
Corporation tax at 20%	11,243	16,758
Effects of:		
Adjustments in respect of prior period	67	(49)
Deferred tax	(76)	55
Double tax relief	(760)	(936)
Overseas dividends not subject to corporation tax	(2,415)	(3,896)
Overseas tax suffered	2,091	3,333
Revenue taxable in different periods	151	(97)
UK dividends not subject to corporation tax	(820)	(1,030)
Current tax charge (see note 5a)	9,481	14,138

Authorised Investment Funds are exempt from tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c Deferred tax

The deferred tax provision is made up as follows:

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
Provision at the start of the year	81	26
Movement in deferred tax for the year (Note 5(a))	(76)	55
Provision at the end of the year	5	81

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 Distributions

	Year ended 31.03.20 £000	Year ended 31.03.19 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Net dividend distribution for the six months ended 30 September	24,793	39,012
Net dividend distribution for the five months ended 29 February	20,801	27,026
Net dividend distribution for the month ended 31 March	6,819	8,198
	52,413	74,236
Add: Revenue deducted on cancellation of shares	403	4,544
Deduct: Revenue received on issue of shares	(177)	(330)
Total distributions	52,639	78,450
Reconciliation of distributions for the year to net revenue after taxation		
Distributions for the year	52,639	78,450
Fund Management Fee/ACD's periodic charge borne by the capital account	(7,385)	(10,860)
Other fees borne by capital account	–	(136)
Tax relief on capitalised Fund Management Fee/ACD's periodic charge and other fees	1,478	2,199
Net revenue after taxation	46,732	69,653

Details of the distributions per share are set out in the distribution tables on pages 59 to 64.

7 Fair value hierarchy

Valuation technique	As at 31.03.20		As at 31.03.19	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1: Quoted prices	402,949	(10,658)	497,716	(7,529)
Level 2: Observable market data	440,007	(82,636)	570,013	(37,767)
Level 3: Unobservable data	–	–	239	–
Total value	842,956	(93,294)	1,067,968	(45,296)

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities.

The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority is given to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

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

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

Level 3: Valuation techniques using unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 Debtors

	As at 31.03.20 £000	As at 31.03.19 £000
Accrued revenue	7,464	8,705
Amounts receivable on issue of shares	2,421	2,444
Derivative income receivable	–	3,162
Corporation tax recoverable	257	–
Income tax recoverable	8	14
Overseas tax recoverable	441	429
Sales awaiting settlement	55,791	4,281
Total debtors	66,382	19,035

9 Cash and bank balances

	As at 31.03.20 £000	As at 31.03.19 £000
Amounts held at futures clearing houses and brokers	42,566	42,742
Cash and bank balances	174,630	216,728
Total cash and bank balances	217,196	259,470

10 Provisions

	As at 31.03.20 £000	As at 31.03.19 £000
Deferred tax provision	5	81
Total provisions for liabilities	5	81

11 Other creditors

	As at 31.03.20 £000	As at 31.03.19 £000
Accrued expenses	539	574
Amounts payable for cancellation of shares	1,427	2,664
Corporation tax payable	–	4,055
Purchases awaiting settlement	3,635	43,981
Total other creditors	5,601	51,274

12 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2019: £nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13 Related party transactions

Aviva Investors UK Fund Services Limited, Aviva Investors Global Services Limited and the Aviva group are deemed to be related parties per section 33.10 of FRS 102 as they are entities with control, joint control or significant influence over the entity.

Fund Management Fee/ACD periodic charges paid to Aviva Investors UK Fund Services Limited ("the ACD") are shown in note 4 and details of shares issued and cancelled by the ACD are shown in the statement of change in net assets attributable to shareholders. The balance due to the ACD at the year end in respect of Fund Management Fee/ACD periodic charges was £538,870 (2019: £573,454). Any balance due from the ACD in respect of issues is shown in note 8. Any balance due to the ACD in respect of cancellations is shown in note 11.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £46,272,860 (2019: £49,003,449). The amount outstanding at the year end was £6,116,034 (2019: £7,058,152). Related parties of the ACD are deemed to be all companies under the control of Aviva Plc. This will include companies which hold shares in the Fund on behalf of other external investors.

Annual management charge rebates received or receivable from the Manager of £nil (2019: £19,286) are disclosed under Expense in the Notes to the Accounts. Amounts due from the Manager at the balance sheet date of £nil (2019: £nil) are disclosed under Debtors in the Notes to the Accounts.

Any investments managed and advised by Aviva Investors Global Services Limited or associated with the Aviva Group are identified on the portfolio statement.

The total purchases and sales on these investments during the year amounted to £nil (2019: £nil) and £nil (2019: £2,831,625) respectively. The income received during the year amounted to £nil (2019: £39,543).

Holdings at the year end and movements during the year are as follows:

	Holdings at 31.03.20 (shares)	Movement (shares)	Holdings at 31.03.19 (shares)
ACD and related parties (Class 2 Income shares)	36,566	36,566	–
ACD and related parties (Class 3 Income shares)	1,146,824,379	(57,669,433)	1,204,493,812
ACD and related parties (Class 9 Income shares)	13,972,717	(2,469,163)	16,441,880

The ACD and related parties of the ACD are ineligible to vote at any general meeting.

14 Shareholder funds

The Fund currently has five share classes: Class 1 (Retail), Class 2 (Institutional) and Classes 3, 5 and 9 (Associated undertakings of Aviva Plc). The Fund Management Fees are as follows:

Class 1:	1.10%
Class 2:	0.85%
Class 3:	0.58%
Class 5:	0.69%
Class 9:	0.80%

The net asset value per share class, the net asset value per share and the number of shares in the class are shown on pages 30 and 31. The distributions per share class are given in the distribution tables on pages 59 to 64. All the share classes have the same rights on winding up.

15 Shares in issue reconciliation

	Number of shares in issue at 31.03.19	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 31.03.20
Class 1 Income shares	1,598,897	354,832	(49,007)	23,205	1,927,927
Class 2 Income shares	149,659,961	7,437,115	(66,858,676)	(9,078)	90,229,322
Class 3 Income shares	1,204,493,812	32,702,967	(90,372,400)	–	1,146,824,379
Class 5 Income shares	50,242,856	5,336,869	(11,956,334)	(13,691)	43,609,700
Class 9 Income shares	16,441,880	1,731,652	(4,200,815)	–	13,972,717

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 7 and 8.

Fair value of financial assets and financial liabilities

There is no significant difference between the carrying values of the financial assets and liabilities and their fair values (2019: £nil).

Value at risk

The Fund enters into derivative transactions in the form of forward currency contracts, futures, options and swaps for the purpose of efficient portfolio management. The commitment approach has been used to calculate the global exposure.

The Investment Adviser assesses the market risk of the Fund's investments, including derivative exposure, using historical simulation methodology. This process provides an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a given period of time in all but a given percentage of circumstances. The VaR is calculated on a 99% confidence level with a 20 day horizon & 250 days of history.

The VaR calculated for the year ended 31 March 2020 was as follows:

	31.03.20 %	31.03.19 %
As at 31 March, the company's value at risk is		
During the financial year, the highest utilisation of value at risk was	5.00	(2.33)
During the financial year, the average utilisation of value at risk was	2.24	(3.86)
During the financial year, the lowest utilisation of value at risk was	1.51	(5.43)

Further information on the derivative risks can be found in the accounting policies note on pages 6 and 8.

Leverage

Average leverage is calculated as the sum of the net asset value and the incremental exposure generated through the use of derivatives (calculated in accordance with the commitment approach (CESR/10-788)) divided by the net asset value.

As at 31 March 2020 the average leverage was 514.51% (2019: 450.66%).

Interest rate exposures

The Aviva Investors Investment Risk Team performs regular stress testing across all portfolios to determine market sensitivities and risk exposures using BlackRock's Aladdin risk model and stress testing methodology. Under this methodology, if 5Y GBP interest rates had increased by 1% as at the balance sheet date, the net asset value of the Fund would have decreased by £52,161,778.

If interest rates had decreased by 1% as at the balance sheet date, the net asset value of the Fund would have increased by £52,161,778. These calculations assume the interest rate shock is propagated to all risk factors the Fund is exposed to, based on historical market correlations and volatilities between factors.

Market price risk

At the year end date, 73.44% (2019: 82.37%) of the net assets of the Fund were invested in ordinary shares or stock units or debt securities admitted to an official stock exchange. If the market value were to change by 10%, the value of the Fund would change by 7.34% (2019: 8.24%).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17 Counterparty exposure

Financial derivative exposure

The types of derivatives held at the year end date were forward currency contracts, futures contracts, credit default swaps, equity variance swaps, interest rate swaps, inflation linked swaps, option contracts and swaption contracts. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the year end date was as follows:

	Total return £000	Credit default swaps £000	Equity variance swaps £000	Forward currency contracts £000	Futures contracts £000	Inflation rate swaps £000	Interest rate swaps £000	Options contracts £000	Total £000
31.03.20									
Barclays	-	-	-	276	23,552	-	-	-	23,828
BNP Paribas	-	-	-	(4,433)	-	-	-	-	(4,433)
Canadian Imperial Bank of Commerce	-	-	-	(4,630)	-	-	-	-	(4,630)
Citibank	-	-	-	1,808	-	-	-	-	1,808
Goldman Sachs	-	-	-	(920)	-	-	-	-	(920)
HSBC	-	-	-	(4,100)	-	-	-	-	(4,100)
J.P. Morgan	711	6,567	-	(621)	-	1,900	-	-	8,557
Merrill Lynch	-	-	-	(2,799)	-	-	-	-	(2,799)
Morgan Stanley	-	-	-	(2,072)	-	1,111	-	-	(961)
Royal Bank of Canada	-	-	-	(6,686)	-	-	-	-	(6,686)
Royal Bank of Scotland	-	-	-	1,462	-	-	-	-	1,462
Société Générale	-	-	-	(2,100)	-	-	-	-	(2,100)
Standard Chartered	-	-	-	(3,514)	-	-	-	-	(3,514)
UBS	-	-	-	(10,346)	-	-	-	-	(10,346)
Total	711	6,567	-	(38,675)	23,552	3,011	-	-	(4,834)

	Total return £000	Credit default swaps £000	Equity variance swaps £000	Forward currency contracts £000	Futures contracts £000	Inflation rate swaps £000	Interest rate swaps £000	Options contracts £000	Total £000
31.03.19									
Barclays	-	-	-	4,576	-	-	5,317	-	9,893
BNP Paribas	-	-	-	(3,904)	-	-	5,366	-	1,462
Canadian Imperial Bank of Commerce	-	-	-	604	-	-	-	-	604
Citibank	-	-	-	154	-	-	-	49	203
Citigroup Global Markets	-	-	-	-	-	-	1,102	20	1,122
Goldman Sachs	-	-	-	(202)	-	-	3,792	-	3,590
HSBC	-	-	-	(498)	-	-	-	-	(498)
J.P. Morgan	-	-	709	(3,685)	-	624	12,135	-	9,783
Merrill Lynch	-	-	989	2,396	-	451	-	-	3,836
Morgan Stanley	-	-	-	-	-	647	4,568	-	5,215
Nomura	-	-	-	122	-	-	10,693	-	10,815
Royal Bank of Canada	-	-	-	41	-	-	-	-	41
Royal Bank of Scotland	-	-	-	2,306	-	-	-	-	2,306
Société Générale	-	-	160	(1,708)	-	-	-	-	(1,548)
Standard Chartered	-	-	-	(2,527)	-	-	-	-	(2,527)
UBS	-	-	-	57	6,073	469	-	2,164	8,763
Total	-	-	1,858	(2,268)	6,073	2,191	42,973	2,233	53,060

The counterparty exposure on forward currency contracts is reported at their mark to market values but for futures contracts, options contracts and swaps it is only the positive mark to market values that are reported.

Collateral

There is £62,187,503 (2019: £7,816,640) of collateral held on the above derivatives in the form of cash.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18 Debt security credit analysis

	Market value £000		Total net assets %	
	31.03.20	31.03.19	31.03.20	31.03.19
Investment grade securities	107,783	143,975	10.56%	11.59%
Below investment grade securities	282,561	288,340	27.69%	23.23%
Unrated securities	251	775	0.02%	0.06%
Total debt securities	390,595	433,090	38.27%	34.88%

Credit rating designations BBB or above are considered investment grade whereas credit rating designations BBB- or lower are considered below investment grade.

19 Direct transaction costs

In the case of shares, broker commissions and transfer taxes, stamp duty is paid by the Fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread.

31.03.20	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases						
Bonds	(285,889)	–	–	(285,889)	0.00%	0.00%
Equities	(676,954)	(165)	(912)	(678,031)	0.02%	0.13%
Funds	(178,990)	–	–	(178,990)	0.00%	0.00%
Purchases (corporate action activity only)						
Equities	(211)	–	–	(211)	0.00%	0.00%
	(1,142,044)	(165)	(912)	(1,143,121)		
Sales						
Bonds	282,265	–	–	282,265	0.00%	0.00%
Equities	688,565	(113)	(88)	688,364	0.02%	0.01%
Funds	253,994	–	–	253,994	0.00%	0.00%
	1,224,824	(113)	(88)	1,224,623		
Derivative purchases and sales						
		(651)	–			
Total						
		(929)	(1,000)			
Percentage of fund average net assets						
		0.08%	0.08%			

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Direct transaction costs (continued)

31.03.19	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases						
Bonds	(571,098)	–	–	(571,098)	0.00%	0.00%
Equities	(700,251)	(175)	(965)	(701,391)	0.02%	0.14%
Funds	(519,413)	–	–	(519,413)	0.00%	0.00%
	(1,790,762)	(175)	(965)	(1,791,902)		
Sales						
Bonds	577,535	–	–	577,535	0.00%	0.00%
Equities	1,109,672	(328)	(324)	1,109,020	0.03%	0.03%
Funds	859,965	–	–	859,965	0.00%	0.00%
	2,547,172	(328)	(324)	2,546,520		
Derivative purchases and sales		(1,234)	(2)			
Total		(1,737)	(1,291)			
Percentage of fund average net assets		0.10%	0.08%			

Dealing spread

As at 31 March 2020, the average portfolio dealing spread was 0.79% (2019: 0.29%). This spread represents the difference between the values determined retrospectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

20 Post balance sheet events

As a result of market movements and foreign exchange rates, since the balance sheet date on 31 March 2020, the price of each unit class has changed as follows:

	Number of shares in issue at 31.03.20	Number of shares in issue at 22.07.20	% change	Price at 31.03.20 (p)	Price at 22.07.20 (p)	% change
Class 1 Income	1,927,927	2,068,615	7.30%	76.91	79.10	2.85%
Class 2 Income	90,229,322	83,505,483	-7.45%	77.74	80.00	2.91%
Class 3 Income	1,146,824,379	1,145,342,432	-0.13%	78.83	81.18	2.98%
Class 5 Income	43,609,700	32,078,894	-26.44%	78.69	81.02	2.96%
Class 9 Income	13,972,717	12,419,692	-11.11%	77.90	80.18	2.93%

A high level of uncertainty remains on the ultimate scenario for COVID-19, or the likelihood of any particular outcome, with a number of varying projections being publicised. During this period of uncertainty, the Funds are exposed to a higher liquidity risk resulting from the Funds liability to shareholders for any cancellation of shares. While the Fund may have experienced higher than average cancellation of shares the liquidity measures within the Fund remain within normal range and there is no immediate or material uncertainty about the viability of the Fund as a going concern.

DISTRIBUTION TABLES

Final distribution payable in pence per share for the month ended 31 March 2020

Income shares		Net revenue	Equalisation	Final distribution payable 30 April 2020	Final distribution paid 30 April 2019
Class 1	Group 1	0.4775	–	0.4775	0.4992
	Group 2	0.0359	0.4416	0.4775	0.4992
Class 2	Group 1	0.5139	–	0.5139	0.5583
	Group 2	0.2477	0.2662	0.5139	0.5583
Class 3	Group 1	0.5272	–	0.5272	0.5786
	Group 2	0.0433	0.4839	0.5272	0.5786
Class 5	Group 1	0.5275	–	0.5275	0.5899
	Group 2	0.1773	0.3502	0.5275	0.5899
Class 9	Group 1	0.5008	–	0.5008	0.5410
	Group 2	0.2115	0.2893	0.5008	0.5410

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 29 February 2020.

Group 2 shares are those shares purchased after 12:00 noon on 29 February 2020.

Interim distribution paid in pence per share for the month ended 29 February 2020

Income shares		Net revenue	Equalisation	Interim distribution paid 31 March 2020	Interim distribution paid 31 March 2019
Class 1	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0017	0.3083	0.3100	0.3100
Class 2	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0612	0.2488	0.3100	0.3100
Class 3	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 5	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.1105	0.1995	0.3100	0.3100
Class 9	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.1864	0.1236	0.3100	0.3100

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 31 January 2020.

Group 2 shares are those shares purchased after 12:00 noon on 31 January 2020.

DISTRIBUTION TABLES (CONTINUED)

Interim distribution paid in pence per share for the month ended 31 January 2020

Income shares		Net revenue	Equalisation	Interim distribution paid 29 February 2020	Interim distribution paid 28 February 2019
Class 1	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 2	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.1174	0.1926	0.3100	0.3100
Class 3	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 5	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0979	0.2121	0.3100	0.3100
Class 9	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0647	0.2453	0.3100	0.3100

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 31 December 2019.

Group 2 shares are those shares purchased after 12:00 noon on 31 December 2019.

Interim distribution paid in pence per share for the month ended 31 December 2019

Income shares		Net revenue	Equalisation	Interim distribution paid 31 January 2020	Interim distribution paid 31 January 2019
Class 1	Group 1	0.2945	–	0.2945	0.3100
	Group 2	0.0000	0.2945	0.2945	0.3100
Class 2	Group 1	0.2975	–	0.2975	0.3100
	Group 2	0.1617	0.1358	0.2975	0.3100
Class 3	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 5	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.1932	0.1168	0.3100	0.3100
Class 9	Group 1	0.2992	–	0.2992	0.3100
	Group 2	0.1082	0.1910	0.2992	0.3100

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 30 November 2019.

Group 2 shares are those shares purchased after 12:00 noon on 30 November 2019.

DISTRIBUTION TABLES (CONTINUED)

Interim distribution paid in pence per share for the month ended 30 November 2019

Income shares		Net revenue	Equalisation	Interim distribution paid 31 December 2019	Interim distribution paid 31 December 2018
Class 1	Group 1	0.2866	–	0.2866	0.3100
	Group 2	0.0488	0.2378	0.2866	0.3100
Class 2	Group 1	0.3071	–	0.3071	0.3100
	Group 2	0.1387	0.1684	0.3071	0.3100
Class 3	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 5	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.1627	0.1473	0.3100	0.3100
Class 9	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.1442	0.1658	0.3100	0.3100

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 31 October 2019.

Group 2 shares are those shares purchased after 12:00 noon on 31 October 2019.

Interim distribution paid in pence per share for the month ended 31 October 2019

Income shares		Net revenue	Equalisation	Interim distribution paid 30 November 2019	Interim distribution paid 30 November 2018
Class 1	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.1290	0.1810	0.3100	0.3100
Class 2	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0560	0.2540	0.3100	0.3100
Class 3	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 5	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0830	0.2270	0.3100	0.3100
Class 9	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.1287	0.1813	0.3100	0.3100

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 30 September 2019.

Group 2 shares are those shares purchased after 12:00 noon on 30 September 2019.

DISTRIBUTION TABLES (CONTINUED)

Interim distribution paid in pence per share for the month ended 30 September 2019

Income shares		Net revenue	Equalisation	Interim distribution paid 31 October 2019	Interim distribution paid 31 October 2018
Class 1	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 2	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 3	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 5	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 9	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 31 August 2019.

Group 2 shares are those shares purchased after 12:00 noon on 31 August 2019.

Interim distribution paid in pence per share for the month ended 31 August 2019

Income shares		Net revenue	Equalisation	Interim distribution paid 30 September 2019	Interim distribution paid 30 September 2018
Class 1	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 2	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 3	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 5	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 9	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0151	0.2949	0.3100	0.3100

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 31 July 2019.

Group 2 shares are those shares purchased after 12:00 noon on 31 July 2019.

DISTRIBUTION TABLES (CONTINUED)

Interim distribution paid in pence per share for the month ended 31 July 2019

Income shares		Net revenue	Equalisation	Interim distribution paid 31 August 2019	Interim distribution paid 31 August 2018
Class 1	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 2	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0094	0.3006	0.3100	0.3100
Class 3	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 5	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 9	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 30 June 2019.

Group 2 shares are those shares purchased after 12:00 noon on 30 June 2019.

Interim distribution paid in pence per share for the month ended 30 June 2019

Income shares		Net revenue	Equalisation	Interim distribution paid 31 July 2019	Interim distribution paid 31 July 2018
Class 1	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 2	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0146	0.2954	0.3100	0.3100
Class 3	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 5	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 9	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 31 May 2019.

Group 2 shares are those shares purchased after 12:00 noon on 31 May 2019.

DISTRIBUTION TABLES (CONTINUED)

Interim distribution paid in pence per share for the month ended 31 May 2019

Income shares		Net revenue	Equalisation	Interim distribution paid 30 June 2019	Interim distribution paid 30 June 2018
Class 1	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 2	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0096	0.3004	0.3100	0.3100
Class 3	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100
Class 5	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0472	0.2628	0.3100	0.3100
Class 9	Group 1	0.3100	–	0.3100	0.3100
	Group 2	0.0000	0.3100	0.3100	0.3100

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 30 April 2019.

Group 2 shares are those shares purchased after 12:00 noon on 30 April 2019.

Interim distribution paid in pence per share for the month ended 30 April 2019

Income shares		Net revenue	Equalisation	Interim distribution paid 31 May 2019	Interim distribution paid 31 May 2018
Class 1	Group 1	0.2338	–	0.2338	0.3100
	Group 2	0.1459	0.0879	0.2338	0.3100
Class 2	Group 1	0.2359	–	0.2359	0.3100
	Group 2	0.1075	0.1284	0.2359	0.3100
Class 3	Group 1	0.2387	–	0.2387	0.3100
	Group 2	0.0000	0.2387	0.2387	0.3100
Class 5	Group 1	0.2384	–	0.2384	0.3100
	Group 2	0.1736	0.0648	0.2384	0.3100
Class 9	Group 1	0.2363	–	0.2363	0.3100
	Group 2	0.0884	0.1479	0.2363	0.3100

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 31 March 2019.

Group 2 shares are those shares purchased after 12:00 noon on 31 March 2019.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the period. It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to the holders of these shares as 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.

SECURITIES FINANCING TRANSACTIONS (UNAUDITED)

As defined in Article 3 of Regulation (EU) 2015/2365, Securities Financing Transactions ("SFT's") 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. The only Fund impacted by this regulation is the Aviva Investors Multi-Strategy Target Income Fund. Whilst the Fund does not engage in such SFT's, it does engage in Total Return Swaps ("TRS") therefore, in accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to TRS for the accounting year ended 31 March 2020 are detailed below.

Amount of assets engaged in TRS

The following table represents the fair value of assets engaged in TRS as at the balance sheet date:

	Value £000	% of AUM
TRS	5,549	0.54

Counterparties

The following table provides details of the counterparties, their country of incorporation and the gross volume of outstanding transactions (underlying exposure per counterparty, on a gross absolute basis), in respect of TRS, as at the balance sheet date.

Counterparty	Country of incorporation	Value £000
BNP Paribas	France	4,925
J.P. Morgan	United States	6,765
Merrill Lynch	United States	11,727

Type and quality of collateral

No collateral was received in relation to TRS as at the balance sheet date.

Maturity tenor of TRS

The following table provides an analysis of the maturity tenor of open TRS positions as at the balance sheet date.

Maturity	Value £000
3 to 12 months	5,549
	5,549

The above maturity tenor analysis has been based on the contractual maturity date of the relevant TRS.

Settlement and clearing

OTC derivative transactions are entered into by the Fund under an International Swaps and Derivatives Associations, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement. An ISDA Master Agreement is a bilateral agreement between the Fund and a counterparty that governs OTC derivative transactions (including TRS) entered into by the parties. All OTC derivative transactions entered under an ISDA Master agreement are netted together for collateral purposes, therefore any collateral disclosures provided in this report are in respect of all OTC derivative transactions entered into by the Fund with the applicable TRS counterparties under the ISDA Master agreement, not just TRS.

Share of collateral received that is reused and reinvestment return

As at the balance sheet date, all cash collateral received in respect of OTC derivative transactions (including TRS) with the counterparty noted (Citigroup) was re-invested in other instruments in accordance with prospectus provisions. Returns generated by the Fund from the reinvestment of cash collateral, net of any interest payable to the relevant counterparty, for the year ended 31 March 2020 is included in Note 2 to the financial statements for the Aviva Investors Multi-Strategy Target Income Fund.

Safekeeping of collateral

No collateral was pledged by the Fund in respect of TRS at the balance sheet date.

Return and cost

All returns from TRS will accrue to the Fund and are not subject to any return sharing arrangements with the Authorised Fund anager, Investment Manager or any other third parties. Returns from those instruments are disclosed in Note 2 and Note 3 to the financial statements for the Aviva Investors Multi-Strategy Target Income Fund.

STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Collective Investment Schemes Sourcebook of the Financial Conduct Authority requires the Authorised Corporate Director (ACD) to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company at the period end and of the net revenue and net gains or losses on the scheme property of the Company for the period then ended.

In preparing the financial statements the ACD is required to:

- follow applicable accounting standards;
- make judgements and estimates that are reasonable and prudent;
- select suitable accounting policies and then apply them consistently;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future; and
- comply with the Instrument of Incorporation of the Company and the Statement of Recommended Practice for Authorised Funds.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the Regulations and the Instrument of Incorporation.

The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUTHORISED CORPORATE DIRECTOR'S STATEMENT

We hereby approve the Report and Financial Statements of Aviva Investors Funds ICVC for the year ended 31 March 2020 on behalf of Aviva Investors UK Fund Services Limited in accordance with the requirements of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority.

I K Buckle
Director

S Ebenston
Director
30 July 2020

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES

The Depositary is responsible for the safe keeping of all of the property of the Company (other than tangible moveable property) which is entrusted to it and for the collection of revenue that arises from that property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed by the Authorised Corporate Director in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("the COLL Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) ("the OEIC Regulations") and the Company's Instrument of Incorporation and Prospectus, as appropriate, in relation to the pricing of, and dealings in, shares in the Company; the application of Revenue of the Company; and the investment and borrowing powers of the Company.

DEPOSITARY'S REPORT TO THE SHAREHOLDERS

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

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's revenue in accordance with the COLL Sourcebook, and, where applicable, the OEIC Regulations and the Company's Instrument of Incorporation and Prospectus.
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

J.P. Morgan Europe Limited
London
30 July 2020

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AVIVA INVESTORS FUNDS ICVC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, the financial statements of Aviva Investors Funds ICVC (the "Company"):

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

Aviva Investors Funds ICVC is an Open Ended Investment Company ("OEIC") with 3 sub-funds. The financial statements of the company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheets as at 31 March 2020; the statements of total return, the statements of change in net assets attributable to shareholders for the year then ended; the distribution tables; the accounting policies (within the Policies and Risks section); and the notes to the financial statements.

BASIS FOR OPINION

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

Independence

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

EMPHASIS OF MATTER – BASIS OF PREPARATION

In forming our opinion on the financial statements, which is not modified, we draw your attention to accounting policy A (within the Policies and Risks section) which describes the Authorised Corporate Director's reasons why the financial statements of the Aviva Investors Global Balanced Income Fund and the Aviva Investors Global Cautious Income Fund have been prepared on a basis other than going concern.

CONCLUSIONS RELATING TO GOING CONCERN

With the exception of the circumstances described in the Emphasis of matter paragraph above regarding the Aviva Investors Global Balanced Income Fund and Aviva Investors Global Cautious Income Fund, we have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

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

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

REPORTING ON OTHER INFORMATION

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

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

Authorised Corporate Director's Report

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

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AVIVA INVESTORS FUNDS ICVC (CONTINUED)

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of the Authorised Corporate Director's Responsibilities set out on page 66, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

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

OTHER REQUIRED REPORTING

OPINION ON MATTER REQUIRED BY THE COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK

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

COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK EXCEPTION REPORTING

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

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

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
30 July 2020

SECURITIES FINANCING TRANSACTIONS REGULATION DISCLOSURE (UNAUDITED)

As defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions 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. The only fund impacted by this regulation is the Aviva Investors Multi- Strategy Target Income Fund which is permitted to engage in Total Return Swaps ("TRS") and Repurchase transactions ("Repos").

During the year, Aviva Investors Multi-Strategy Target Income Fund did not undertake securities financing transactions or use TRS and Repos.

GENERAL INFORMATION

Investments in Aviva Investors Funds ICVC are intended to be medium to long term investments and should not be considered as a short term investment.

Past performance is not a guide to the future.

The value of an investment in the Funds and the revenue from it may go down as well as up, and you may not get back the original amount invested.

Where Funds are invested abroad, the value of your investment may rise and fall purely on account of movement in exchange rates.

Please refer to the Prospectus (which is available on the internet at www.avivainvestors.com or from the ACD on request) for a full description of the risks involved when investing in the Funds.

Any future returns and opinions expressed are those of the Investment Managers and should not be relied upon as indicating any guarantee of return from investment in the Funds.

The performance figure given for each Fund are based on 11.59pm values.

The information contained within this document should not be construed as a recommendation to purchase or sell stocks.

Publication of Prices

Information on the prices of Shares will be available by calling 0800 051 2003 or on the internet at www.avivainvestors.com. Calls to this number may be recorded for training or monitoring purposes. Calls are free from landlines and mobiles.

VALUE ASSESSMENT APPROACH

AVIVA INVESTORS UK FUND SERVICES LIMITED ("THE COMPANY")

INTRODUCTION

An Authorised Fund Manager ('AFM') must conduct an assessment of value for each share class in each of the Funds that it manages at least annually. The Financial Conduct Authority (FCA) rules prescribe a minimum set of components which need to be considered to determine if 'value' is being provided to investors, and that costs and charges are justified in this context. The following describes how the Company, as AFM of the Funds, approaches the assessment and the range of factors considered by the Company's board of directors ('the Board') for each component.

This annual exercise is performed in addition to and in conjunction with the regular Fund reviews which the Company undertakes in line with its product governance obligations. The Fund reviews include extensive assessments of service and performance for each of the Funds, with appropriate action taken throughout the course of the year. If the result of the value assessment is that charges are not considered to be justified in the context of overall value, appropriate action will be taken by the Company.

THE COMPONENTS OF THE VALUE ASSESSMENT

1. Quality of Service

Consideration is given to the range, nature, extent and quality of the services provided directly to investors or those services undertaken on their behalf, and whether investors have benefited appropriately from the services. This covers the services performed by the Company and its suppliers, as well as their reputation, expertise, resources and relative capabilities. This includes:

- The quality of the Investment Manager, including their processes (trading, risk management, compliance, technology, research and operational capabilities) and any Environmental, Social & Governance (ESG) factors which are integrated into the investment process.
- The quality of the administrative and investor services provided to the Fund, using appropriate investor satisfaction surveys, complaints and data relating to operational accuracy to assess the positioning of the Company and its products and services over time, and relative to other similar firms.
- The timely delivery of clear communications, and the appropriateness of information provided to investors to assist them in making informed decisions regarding their investments.

2. Performance

Consideration is given to whether Fund performance, before and after deduction of expenses, is within a reasonable range of outcomes relative to its objective, policy and strategy when measured over appropriate time periods. The time periods assessed will be any specific time period expressed in the investment objective or policy of the Fund, and performance over 1, 3, 5 and 7 years, or since inception if there is not a full seven year's performance data. Performance is also considered in the context of the relevant peer group and whether the Fund operated in accordance with its respective risk limits and investment restrictions.

Performance as measured against the respective Fund's objectives is assessed in the regularly scheduled Fund review, and this will be taken into account in reaching the Fund performance conclusions for the value assessment.

If the performance is not considered to be satisfactory then the following may be taken into account where relevant:

- Explanations for any underperformance provided by the Investment Manager as part of the Company's fund performance governance model; and
- Any appropriate steps (such as consideration of changing the investment objective, policy, strategy or investment personnel) that have been taken or are intended to be made and aim to improve Fund performance.

The Company could consider changing the Investment Manager or closing the Fund where no other viable options are available.

Further information on the specific performance of individual Funds is included in the Fund Manager Report section of the Report and Accounts covering the period relevant to that report. More topical information is available in the regular fund fact sheets and fund updates available on our website.

3. AFM Costs & Charges

Consideration is given to whether charges are reasonable taking into account the underlying costs for the services provided and the performance objectives set for the Fund.

The Company undertook a thorough review of charges across the fund range in 2018 which resulted in the introduction of a single Fund Management Fee ('FMF'). The FMF is the only direct charge deducted from the Funds and is a simpler charging basis for investors. The review resulted in a number of charges being lowered.

The underlying fees, costs and expenses covered by the FMF are expressly listed in the Prospectus of the relevant Fund, but in summary cover the following payments:

- the fees and expenses of the Company as AFM;
- the fees and expenses of the Investment Manager;
- the fees and expenses of the Depositary;
- the fees and expenses of the Custodian;
- the fees and expenses of the Auditor;
- the permitted costs in connection with periodic statements and accounts; and
- FCA fees.

To assist with the value assessment, a costs and charges model is used which enables the Company to assess the costs attributable to each Fund. The model is refreshed semi-annually and enables a comparison of the FMF for each respective Fund against all elements of cost which must be paid out of the proceeds of the FMF. This enables the Company to determine whether the FMF is a fair reflection of the costs of the services provided for the relevant share class of each Fund, with an appropriate allowance for the level of income earned for the Company from these activities.

VALUE ASSESSMENT APPROACH (CONTINUED)

4. Economies of Scale

Consideration is given to whether investors have participated appropriately in any savings or benefits derived from the size of the Fund. Consideration is also given to whether investors have benefited from the scale of the Aviva Group and the ability to negotiate favourable pricing with service providers due to the wide range of other products and services offered across the Group along with the scale and range of other funds and assets managed by the Company.

The Board considers whether economies of scale have been realised in relation to the costs and operating expenses of each share class and the extent to which investors in the Funds might also reasonably benefit from any financial savings that result. For example, whether the FMF fairly reflects the fees charged in respect of the third party supplied services – which should be competitive due to the scale of Aviva and the potential breadth of other Aviva product ranges which the third-party supplier also provides services for.

The assessment of the underlying service costs of running the Fund, and the appropriate level of FMF, takes place on an annual basis. Any changes to the underlying costs will therefore be reflected in this analysis, and may result in a change to the FMF.

In looking at whether investors have benefited appropriately, either directly or indirectly, in any savings or benefits in relation to the management of the Fund, the Board acknowledges the wider, albeit intangible benefits to investors, such as the reputation, brand, and financial strength of the Aviva Group.

The Board may also deem it appropriate to reinvest scale-driven cost savings directly into the Company in order to finance product development or retain savings from a commercial perspective. Consideration will be given to the drivers of the scale generated in determining whether benefits should be shared or reinvested.

5. Comparable Market Rates

Consideration is given to whether the fees paid for each service provided to the Funds by the Company or on its behalf are reasonable compared to fees for similar services in the market.

An independent consultant is engaged to carry out a periodic survey of the main expenses of the Funds and those of a large number of other fund management groups. The survey provides benchmarks for each of the main expense items associated with running a Fund to help the Board determine whether the Funds are paying a reasonable price for each of the services to which the expenses relate.

The expenses that comprise the survey include the following:

- Transfer agency fees
- Fund accounting fees
- Investment management fees
- Custodian fees
- Depositary fees
- Audit fees

Direct comparisons may be difficult because comparative information is not generally publicly available and is affected by numerous factors. Where specific expenses are highlighted to be outliers in the report, the reasons for this will be considered to determine the extent to which they are appropriate.

The review will also consider the overall costs of comparable products, by benchmarking each Fund against a suitable peer group which will be made up of funds with broadly similar characteristics to the Fund. Where the aggregate charges as calculated by the Ongoing Charges Figure are greater than the average cost of equivalent peer group funds, consideration will be given to whether it would be appropriate to adjust the FMF.

6. Comparable Services

The Board considers whether the fees charged by the Company for the services it performs for the Fund are consistent with those fees charged by the Company and other companies within the wider Aviva Group. This gives consideration to other similar funds or services operated by the Aviva Group that are available in the UK, are of a comparable size, and are managed to similar objectives and policies to the Fund.

As stated in section 3 above, the Company undertook a thorough review of its charging mechanism across the Fund range in 2018 which resulted in the introduction of a single FMF. Part of this exercise was to ensure the fees charged by the Company were appropriate across its UK range of regulated Funds considering their relative nature, investment objectives and the services provided.

7. Classes of Units

The Board assesses whether investors hold shares in the most appropriate share class for their investment, in terms of the fees applied.

As part of the review of its charging mechanism in 2018, the Company undertook an exercise to ensure that investors were invested in the most appropriate share class. The review prompted the closure or merger of a number of share classes, along with the amendment of some minimum investment limits and share class eligibility criteria, and the removal of trail commission to advisers. This resulted in some investors being moved into alternative share classes that either had fees of an equivalent level, or lower than they had been paying previously where an appropriate share class was available.

In addition, the Company operates a process to identify any investors who would be eligible for a share class with lower fees. If any such investors are identified, steps are taken to move them into that share class if possible.

Other factors may be considered by the Company in determining the conclusion of the value assessment, as deemed appropriate by the Board. If such other factors are considered, details will be provided in the value assessment report for the relevant Fund.

VALUE ASSESSMENT REPORT

AVIVA INVESTORS MULTI-STRATEGY TARGET INCOME FUND (“THE FUND”)

In line with the requirement to conduct an assessment of value, the following summarises the conclusions reached by the Board having considered the range of factors as set out in the ‘Value Assessment Approach’ (see the preceding pages of this Report) which describes how we carry out the value assessment. This applies to all share classes in the Fund unless we have specifically noted share class exceptions.

1. Quality of Service

The range, nature, extent and quality of the services provided to investors has been assessed and the Fund’s operating model was considered to be working effectively over the period. Investors received clear communications and relevant information at appropriate times to enable them to make informed decisions regarding their investment, and the service delivered has been timely and of an appropriate quality.

2. Performance

The Fund’s overall performance relative to its investment objectives, policy and strategy, was below the range of expected outcomes over the time periods considered by the review.

The Fund has three objectives: Firstly, it aims to deliver an annual income yield of 4% above the Bank of England Base Rate before corporation tax payable by the Fund regardless of the prevailing market environment (‘Income Target’). In addition, the Fund aims to preserve capital (‘Capital Target’) and manage volatility to less than half that of global equities over rolling three year periods (‘Volatility Target’). Although these aims are not guaranteed, the Fund has successfully met both its Income Target and Volatility Target throughout all periods since launch. However, there has been a marked fall in the capital value of the Fund, meaning that the Capital Target has not been achieved consistently. On a total return basis since launch the performance of the Fund has been broadly flat*.

In 2018 the Investment Manager made changes to its investment personnel, resulting in greater day-to-day involvement from senior management in investment decisions and improvements to the investment process. This resulted in an improvement in the Fund’s performance during 2019 (as at 31 December 2019 the Fund’s capital return for the year was 11.4%**), recovering most of the losses incurred in 2018. This improvement continued in early 2020 with the Fund then suffering further capital losses during March 2020, as a result of the extreme market conditions caused by the COVID-19 pandemic. Since then, the portfolio of the Fund has been rebalanced to reflect the changed outlook for income generation and to help meet the capital preservation objective.

As part of the assessment, the Board took note of the Investment Manager’s conviction that the triple fund objective, whilst challenging, remains achievable in a post-COVID-19 environment and that there are sufficient resources in place to deliver it.

As a result, the Board believes that performance will improve. Nevertheless, the Board considers that performance should be closely monitored and a strategic review of the Fund be undertaken. Any proposed actions identified by this review will be announced in due course.

A detailed explanation of the last 12 months performance to the end of March 2020 is included in the Fund Manager’s Report included in this Report and Accounts.

3. AFM Cost & Charges

The FMF is the single charge paid to the AFM and although it is considered to be reasonable when taking into account the underlying costs for the services provided and the performance objectives set for the Fund, the Board approved making changes to the FMF as detailed in the Overall Assessment Conclusion below.

4. Economies of Scale

The specific benefits derived from economies of scale are returned to investors in various ways including through the FMF review process as referred to in the Value Assessment Approach. The Board concluded that all investors participated appropriately in the general economies of scale derived from investing with the Company based on a range of benefits and services provided and the overall fees charged. There has not been a material change in the size of the Fund during the previous 12 months, and as such no additional savings have been identified.

5. Comparable Market Rates

The fees paid for each of the services provided to the Fund (internally or externally) were reviewed, and as a result of the ongoing exercise that the AFM undertakes to benchmark fees against equivalent funds run by other firms, a decision has been taken to lower the fees charged in order to provide greater value for investors. Further details can be found in the Overall Assessment Conclusion below.

6. Comparable Services

On the basis of the available information and the comparable services considered, the fees were deemed to be reasonable compared to the fees charged by associated companies within the Aviva Group for any comparable products available in the UK of an equivalent size and with a similar investment objective and policy to the Fund.

7. Classes of Units

The pricing of each Share Class of the Fund is considered to be reasonable based on the different Share Class eligibility criteria and target investor for each Share Class. All investors are invested appropriately in the Share Class they are eligible to hold in the Fund at the date of the assessment.

Overall Assessment Conclusion

In conclusion, the Board confirms all components of the assessment have been considered and the charges for each of the Share Classes are justified in the context of overall value being delivered to investors. This conclusion has taken into account the decision to lower the FMF for Share Classes 1, 2, 5 and 9 from 1 October 2020, due to the market rates benchmarking exercise which has been undertaken.

The fee reductions will be as follows:

Share Class 1 – Current FMF of 1.10% will be reduced to 1.00%

Share Class 2 – Current FMF of 0.85% will be reduced to 0.80%

Share Class 5 – Current FMF of 0.69% will be reduced to 0.65%

Share Class 9 – Current FMF of 0.80% will be reduced to 0.75%

* Source: Lipper/Aviva Investors, share class 1, net of charges and taxes from 1 December 2014 to 30 June 2020.

** Source: Lipper/Aviva Investors, share class 1, net of charges and taxes.

Past performance is not a guide to the future. The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

