AVIVA INVESTORS INVESTMENT FUNDS ICVC

Annual Report and Financial Statements

For the year ended 15 October 2017





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 $[\]mbox{\ensuremath{^{\star}}}$ These items comprise the ACD 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 3DO

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.

Changes to Registered Office

With effect from 19 December 2016, the registered office for the ACD was changed to St Helen's, 1 Undershaft, London, EC3P 3DQ. Prior to this date, the registered office was No. 1 Poultry, London, EC2R 8EJ.

DIRECTORS

I Buckle

J Misselbrook (resigned 23 November 2017)

S Ebenston

D Skinner (appointed 10 February 2017)

J Leadsom (appointed 6 April 2017)

D Clayton (appointed 5 April 2017)

G Miller (appointed 20 December 2017)

M Craston (appointed 1 November 2017)

REGISTRAR AND ADMINISTRATOR

DST Financial Services Europe Ltd DST House St Nicholas Lane Basildon Essex, SS15 5FS

Changes to Registrar and Administrator name

With effect from 14 August 2017, the name of the Registrar and Administrator was changed to DST Financial Services Europe Ltd. Prior to this date, the name was International Financial Data Services (UK) Limited.

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.

Changes to Registered Office

With effect from 19 December 2016, the registered office for the Investment Manager was changed to St Helen's, 1 Undershaft, London, EC3P 3DQ. Prior to this date, the registered office was No. 1 Poultry, London, EC2R 8EJ.

TRUSTEE AND DEPOSITARY

Citibank Europe plc, UK Branch Citigroup Centre 25 Canada Square, Canary Wharf London, E14 5LB

Citibank Europe plc is authorised and regulated by the Central Bank of Ireland, however, the UK branch is subject to Financial Conduct Authority (FCA) regulation.

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP Atria One 144 Morrison St Edinburgh, EH3 8EB

PricewaterhouseCoopers LLP have been reappointed as auditors of the Company.

REPORT OF THE AUTHORISED CORPORATE DIRECTOR

THE COMPANY

Aviva Investors Investment Funds ICVC ("the Company") is an Open-Ended Investment Company (OEIC) with variable capital incorporated in England and Wales on 9 September 1998. The property of the Company is entrusted to Citibank Europe plc, UK Branch ("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, money market instruments, units in collective investment schemes, deposits and derivatives and forward transactions in accordance with the COLL Sourcebook with the aim of spreading investment risk and giving its shareholders the benefit of the results of the management of that property.

The Company has an umbrella structure which means that it contains many Funds, 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 the end of the period to which these accounts relate, there were 17 Funds in the Aviva Investors Investment Funds ICVC. A further Fund, known as the Aviva Investors Global Equity Endurance Fund, was launched on the 19 December 2017, but given the date of its launch it has not been reported in these accounts.

REMUNERATION POLICY

UCITS V came into effect on 18 March 2016 and the ACD has been subject to the UCITS Remuneration Code from that date. Up to date details of its remuneration policy, including but not limited to (i) a description of how remuneration and benefits are calculated and (ii) the identities of persons responsible for awarding remuneration and benefits, including the composition of the Aviva Investors Remuneration Committee, are available from the ACD's website at https://www.avivainvestors.com/en-gb/individual/about-us/disclosures.html. A paper copy of the information available from the ACD's website in relation to remuneration is also available free of charge on request from the ACD.

The ACD is also required to disclose a range of information in relation to UCITS remuneration paid in respect of each full performance period after the implementation of UCITS V. As the first full performance period for the ACD will be the period from 1 January 2017 to 31 December 2017, that information is therefore not available to the ACD for this annual accounting period and as such no remuneration disclosures have been included in these financial statements. A full remuneration disclosure setting out the information required by COLL 4.5.7R(7) will be included in the annual financial statements from the year ended 15 October 2018.

AUTHORISED STATUS

From 9 September 1998 the Company has been 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). The Company is a UCITS Scheme operating under the COLL Sourcebook and is constituted as an "umbrella company" under the Regulations, which means that the Company issues shares linked to different Funds.

THE FINANCIAL STATEMENTS

We are pleased to present the annual financial statements of the Company for the year ended 15 October 2017. 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 year. We hope that you find our review useful and informative.

ANNUAL GENERAL MEETINGS

The Company will not be holding Annual General Meetings.

REPORT OF THE AUTHORISED CORPORATE DIRECTOR (CONTINUED)

CHANGES TO THE PROSPECTUS

Aviva Investors Multi-Strategy Target Return Fund – changes to Share Class 3

With effect from 24 October 2016, the AMC in share class 3 of the Aviva Investors Multi-Strategy Target Return Fund was increased to 0.67%. The eligibility criteria for share class 3, which is aimed at institutional investors, were also changed. Please refer to the Prospectus for full details.

Aviva Investors Strategic Bond Fund – launch of Share Class 5 On 28 October 2016, a new share class 5 (income) was launched in the Aviva Investors Strategic Bond Fund. Full details of this class are set out in the Prospectus.

Aviva Investors UK Index Tracking Fund – AMC Reduction The AMC for Share Class A of the Aviva Investors UK Index Tracking Fund was changed from 0.15% to 0.10% with effect from 1 November 2016.

Aviva Investors Multi-Strategy Target Return Fund – Addition of Eligible Markets

On 8 November 2016, following approval from the depositary, the Mauritius Stock Exchange, the Pakistan Stock Exchange, the Abu Dhabi Securities Market, the Dubai Financial Market and the NASDAQ Dubai have been added as eligible securities markets for the Aviva Investors Multi-Strategy Target Return Fund.

Aviva Investors Global Equity Endurance Fund – Fund Launch On 19 December 2017, the ACD launched a new sub-fund of the company, the Aviva Investors Global Equity Endurance Fund.

SIGNIFICANT INFORMATION

On 18 March 2017, Aviva Investors UK Fund Services Limited replaced Aviva Investors UK Funds Limited as the ISA Manager of all Aviva Investors ISA accounts. Other than the identity of the registered ISA Manager, no changes were made to the ISAs or the way they are run as a result of this change.

Interest distributions

Up to 5 April 2017, the distributions payable were calculated after the deduction of basic rate income tax. From 6 April 2017, distributions payable are calculated without deducting this tax. The tax treatment of distributions will depend on an investor's individual circumstances.

MANAGER'S MARKET REVIEW

EQUITY MARKET REVIEW

Equity markets posted attractive returns in the twelve months in review as investors grew more confident that the global economy's recovery from the financial crisis was sustainable. Equities also drew strength from the continued support of the main central banks, who had been sponsoring growth by holding interest rates at or near historic lows and pumping extra money into their respective economies with unconventional monetary policies. The period was notable for a marked improvement in the Eurozone economy, which began to benefit from stronger confidence from business and consumers, despite a number of political uncertainties. US shares pushed on to a succession of new highs as a subdued economy looked poised to accelerate on the back of hopes that the new Trump administration would deliver on its pledge for infrastructure investment and tax cuts. The brighter outlook for global trade helped emerging market equities recover from a period of weakness in the aftermath of the financial crisis. Their relative attractions were also helped by the weakness of the US Dollar over the period. Returns by UK equities were less attractive as Brexit uncertainties hung over the economy. While growth had held up well in the months immediately after the vote to leave the European Union, rising inflation and low wage pressures led to a marked slowdown from the start of 2017.

FIXED INCOME – CORPORATE AND HIGH-YIELD BONDS

Fixed income markets posted negative returns in the twelve months in review as concerns grew that central banks would be forced to prematurely wind down their monetary support. This was in response to an acceleration of global inflation as the performance of the developed economies picked up. The main monetary policy developments included an announcement by the European Central Bank that it was reducing the scale of its monthly bond purchases through the quantitative easing programme and three rises in interest rates by the US central bank. Speculation also rose that the Bank of England was poised to raise interest rates in response to a rise in inflation to a full percentage point above its target. Corporate bonds outperformed government bonds as the prospects for company finances improved and income-hungry investors were attracted by more competitive yields. The best performance was posted by markets that are more heavily geared into strengthening global growth, such as emerging markets and high-yield.

November 2017

Source of market data: FactSet, Bloomberg

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. 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 securities.

STATEMENT OF CROSS HOLDINGS

There are no cross holdings as at 15 October 2017.

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 and in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practices and UK GAAP FRS 102) and with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association (IMA), now Investment Association, in May 2014, (the 'IMA SORP'). Both of which became effective for the accounting periods commencing 1 January 2015.

All of the Funds have been prepared on a going concern basis.

b Share classes

The Funds have three types of share classes; retail shares (classes 1, A, 2*, 4 and 6), institutional shares (classes 2* and R3) and shares held by associated undertakings of Aviva Plc (classes 3, 5 and 8). Each class bears different charges and consequently the level of revenue allocated to each share class will differ. Some share classes consist of accumulation shares only, some consist of income shares only, whilst others consist of both accumulation and income shares.

* For the Aviva Investors Cash Fund only, share class 2 has been deemed to be a retail share class, rather than an institutional share class.

Share class 1 of the following funds is priced in accordance with the CAT standard (Charges, Access, Terms standard).

- Aviva Investors UK Equity
- Aviva Investors UK Equity Income
- Aviva Investors UK Growth
- Aviva Investors UK Index Tracking
- Aviva Investors Higher Income Plus
- Aviva Investors European Equity
- Aviva Investors Corporate Bond

With the exception of the Aviva Investors UK Index Tracking Fund, the total charges borne by share class 1 in these Funds are limited to the ACD's periodic charge, which will be no more than 0.60% per annum. All other expenses for share class 1 are rebated by the ACD. In respect of the Aviva Investors UK Index Tracking Fund, additional expenses may be levied against share class 1, although the total charges borne by the share class will not exceed 0.70% per annum at any time.

With the exception of the Aviva Investors UK Index Tracking Fund, share class 1 in these Funds has been closed to new investment from 3 March 2003 and all new retail investments are shown in the share class A. This is not a CAT standard class and hence the total charges borne by the share class may exceed 1%.

The expenses of share class A of Aviva Investors UK Index Tracking Fund are limited to the ACD's periodic charge. All other expenses for this share class are rebated by the ACD.

The expenses of share classes 2, 5 and 6 of the Aviva Investors Multi-Strategy Target Return Fund are limited to the ACD's periodic charge and the registration fee. All other expenses for these share classes are rebated by the ACD.

c Recognition of revenue

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

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

d Treatment of derivatives

In determining the accounting treatment for derivatives, consideration is given to the instrument itself and the Funds' objectives for investment in derivative instruments. Where positions are held to protect capital, the returns are treated as capital. Where positions are held to generate revenue, the returns are treated as revenue. Where positions generate total returns, these returns are apportioned between capital and revenue to properly reflect the nature of the transaction.

The revenue element in respect of futures is calculated by reference to the quoted yield of the relevant index compared to LIBOR. This revenue element will either be revenue or an expense, depending on whether the position held is "long" or "short"

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

e 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.

f 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.

POLICIES AND RISKS (CONTINUED)

ACCOUNTING POLICIES (CONTINUED)

g Basis of valuation of investments Quoted investments

The quoted investments of the Company have been valued at bid market value at midday on the last working day of the accounting period with the exception of Aviva Investors UK Index Tracking Fund which was valued at bid market value at 5.00 p.m and Aviva Investors Multi-Strategy Target Return Fund which was valued at bid market value at 11.59 p.m.

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 the aggregate positions in each currency.

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.

Exchange traded derivatives (ETDs)

 $\ensuremath{\mathsf{ETDs}}$ 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.

h 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 except for the Aviva Investors UK Index Tracking Fund which is translated at 5.00 p.m and Aviva Investors Multi-Strategy Target Return Fund which was valued at bid market value at 11.59 p.m. Revenue and expenditure items are translated at the rate ruling at the date of the transaction.

i 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 and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided using the liability method on all timing differences, and is calculated at the rate at which it is anticipated the timing differences will reverse. 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.

j 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. The following Funds were more than 60% invested in qualifying investments and so have proposed interest distributions:

- Aviva Investors Higher Income Plus Fund
- Aviva Investors Managed High Income Fund
- Aviva Investors Monthly Income Plus Fund
- Aviva Investors Distribution Fund
- Aviva Investors Corporate Bond Fund
- Aviva Investors Cash Fund
- Aviva Investors High Yield Bond Fund
- Aviva Investors Strategic Bond Fund

All other Funds have 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 are charged to revenue on an accruals basis. For the purposes of the distribution, 100% of the ACD's periodic charge of the Aviva Investors UK Equity Income Fund and the Aviva Investors Global Equity Income Fund, and 50% of the ACD's periodic charge of the Aviva Investors Distribution Fund, is deducted from capital.

FINANCIAL INSTRUMENTS

The Company's 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 Company also enters into derivative transactions in the form of forward foreign currency contracts, credit default swaps, interest rate swaps, equity variance swaps, options and stock index futures. The Aviva Investors Multi-Strategy Target Return 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. All other Funds use these financial instruments for the purposes of efficient portfolio management. 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.

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 risk through 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.

POLICIES AND RISKS (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

In accordance with requirements set out in the Collective Investment Schemes Sourcebook of the Financial Conduct Authority, such scheme transactions must be economically appropriate, any exposure must be fully covered and the transactions must be entered into with the aim of reducing risk and/or costs and/or generating additional capital or revenue for the scheme with no, or an acceptably low level of risk.

The Company's use of financial instruments satisfies these requirements and no trading in financial instruments is undertaken. 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.

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. The Funds are exposed to the risk that a bond issuer may default on the interest payments or the redemption of the bond. The Funds manage this risk by due consideration to interest rate and redemption profiles and maintaining a balanced portfolio with the credit worthiness of the bond issuer.

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 the Counterparty will not be able to settle its obligations under the agreement. This is mitigated by an assessment of the credit worthiness of the 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.

AVIVA INVESTORS UK EQUITY FUND

INVESTMENT OBJECTIVE

Long term capital appreciation and income.

INVESTMENT POLICY

Diversified investment within the UK equity market. Individual security selections will be based on price and long term total return prospects.

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

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 14.45 per cent (share class 1), net of fees, compared with an average return of 14.33 per cent for its peer group the Investment Association UK All Companies sector. The FTSE® All-Share Index, the Fund's benchmark, returned 12.77 per cent.

Review

In the immediate aftermath of the Brexit vote last summer many economists and market participants were forecasting the UK economy would slide into recession during the fourth quarter of 2016. Whilst the economic and political uncertainty has heightened over the last twelve months, particularly as the June General Election resulted in a hung parliament and Brexit negotiations began, UK economic indicators and corporate earnings growth have undoubtedly exceeded expectations, leading to a strong performance from the UK equity market.

2017 so far is turning out to be the opposite of 2016 in many respects; style leadership in equity markets, the performance of sterling and the underperformance of large versus mid cap and smaller companies. Year to date market leadership has been driven by growth stocks showing positive earnings momentum with value and higher yielding stocks having underperformed the broader market. This change in style leadership emerged in the final quarter of 2016 as bond yields in the US and the UK moved higher as the Federal Reserve signalled a gradual tightening of monetary policy. From a sector standpoint, perceived bond correlated defensive sectors such as utilities, telecommunications and healthcare subsequently underperformed. In view of the political and economic headwinds facing the UK, the strength of sterling against the dollar was not anticipated, nor was the outperformance of the more domestically exposed mid cap FTSE® 250 index versus the FTSE® 100.

The Fund outperformed its benchmark during the year under review, while performance was marginally ahead of the average return for the peer group. The most significant contribution came from stock selection in the industrial and financial sectors.

In the industrials sector, contributors covered a diverse array of companies, most of which would not be categorised as typical of industrials exposure. These include Worldpay, Ashtead, Rentokil, BBA Aviation and BCA Marketplace. Worldpay is the UK's leading payment processor. In August, the company announced the terms of its takeover by US group Vantiv, which was well received by the market. Rental equipment company Ashtead, which derives a substantial proportion of its earnings from the US, reported a better outlook in both the US and UK construction markets with an anticipated increase in US demand for its tool fleet for rebuilding work following the hurricane season. Aircraft servicing group BBA returned to profitability during the first half of 2017 after an impairment charge against its engine repair business had wiped out pre-tax profits the previous year. Revenues from the company's flight support business have been boosted by last year's acquisition of US-based Landmark Aviation. Investors reacted positively to the confident tone in used car auctioneer BCA Marketplace's recent results. We believe BCA's exposure to the used car market is well supported over the medium-term given the strong growth seen in the new car market in the five years to 2017 and the strategic developments of adding logistics, digital and financing capabilities which have further strengthened its market position.

Amongst financials, the Fund's holding in Intermediate Capital, a specialist investor in alternative assets such as real estate and mezzanine capital, a higher risk form of debt, was the standout performer. The company is continuing a strategic shift towards fund management activities. Its ICG Enterprise investment trust, a private equity fund-of-funds trust, reported an improvement in performance during 2016, outperforming its benchmark during its first year under Intermediate Capital's management after the company had acquired Graphite Capital's private equity business at the end of 2015. Investors have also reacted favourably to the company's progressive dividend policy, as it is aiming to pay out between 80 and 100 per cent of post-tax profits.

The main factors that detracted from performance relative to the All Share Index were the Fund's exposure to the telecommunications sector, as well as an underweight position in mining stocks which outperformed the index. Industrial metal prices strengthened as economic growth in China, the major destination for commodity exports, stabilised after picking up in late 2016.

Amongst telecoms, the holding in BT was a key detractor with the shares losing ground after the company disclosed revenues in its Italian business had been overstated. Subsequently, industry regulator Ofcom levied a fine on the company adjudging BT had failed to provide sufficient compensation to other telecom providers, which rely on its networking division Openreach, when these services were not delivered on time. Subsequently, concerns surrounding BT's underfunded pension scheme weakened the shares as investors questioned the sustainability of the company's dividend.

AVIVA INVESTORS UK EQUITY FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

Outlook

Ongoing Brexit negotiations and the febrile US political backdrop are likely to dominate the headlines going forward, but as the last year has highlighted equity markets can be highly resilient to such uncertainty. It is also significant that the UK equity market includes a broad spread of world-leading global companies whose earnings prospects in many cases are largely detached from the UK economy. In view of positive global economic data, encouraging earnings momentum and broadly supportive historic and relative valuations, we believe UK equities can make further progress. This is subject to the proviso that a gradual withdrawal of monetary stimulus from the major central banks will require a measured approach to policy changes and communication that is adroit and subtle, while the global economic outlook remains positive.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied.

Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on pages 12 and 13 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 securities. 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.

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Material Portfolio Changes	
Purchases	Sales
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP	Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP
British American Tobacco	ВР
Unilever	Imperial Brands
GlaxoSmithKline	Worldpay Group
Sherborne Investors Guernsey C	Cineworld Group
BBA Aviation	BCA Marketplace
Melrose Industries	Prudential
Alfa Financial Software Holdings	Royal Dutch Shell 'B'
Prudential	Inmarsat
Ibstock	Sage Group

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 1 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	113.13	102.42	92.91
Return before operating charges [†]	17.55	14.52	12.87
Operating charges	(1.20)	(1.06)	(1.04)
Return after operating charges [†]	16.35	13.46	11.83
Distributions	(3.00)	(2.75)	(2.32)
Closing net asset value per share	126.48	113.13	102.42
† after direct transaction costs of	(0.11)	(0.11)	(0.10)
Performance			
Return after charges	14.45%	13.14%	12.73%
Other information			
Closing net asset value (£000)	154,940	145,857	145,153
Closing number of shares	122,502,030	128,923,392	141,720,417
Operating charges (%) [‡]	1.00%	1.00%	1.00%
Direct transaction costs (%)#	0.09%	0.10%	0.10%
Prices≈			
Highest share price	128.28	117.05	111.65
Lowest share price	108.48	95.29	89.94

Class 2 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	138.69	125.55	113.89
Return before operating charges [†]	21.53	17.81	15.78
Operating charges	(1.23)	(1.07)	(1.05)
Return after operating charges [†]	20.30	16.74	14.73
Distributions	(3.94)	(3.60)	(3.07)
Closing net asset value per share	155.05	138.69	125.55
† after direct transaction costs of	(0.13)	(0.13)	(0.13)
Performance			
Return after charges	14.64%	13.33%	12.93%
Other information			
Closing net asset value (£000)	20,974	18,299	10,537
Closing number of shares	13,527,151	13,194,246	8,392,714
Operating charges (%) [‡]	0.83%	0.82%	0.82%
Direct transaction costs (%)#	0.09%	0.10%	0.10%
Prices≈			
Highest share price	157.39	143.60	136.89
Lowest share price	133.00	116.88	110.25

	2017	2016	2015
Class 2 Accumulation	p per share	p per share	p per share
Change in net assets per share			
Opening net asset value per share	262.99	231.90	205.30
Return before operating charges [†]	41.12	33.07	28.49
Operating charges	(2.35)	(1.98)	(1.89)
Return after operating charges [†]	38.77	31.09	26.60
Distributions	(7.52)	(6.69)	(5.55)
Retained distributions on accumulation shares	7.52	6.69	5.55
Closing net asset value per share	301.76	262.99	231.90
† after direct transaction costs of	(0.25)	(0.24)	(0.23)
Performance			
Return after charges	14.74%	13.41%	12.96%
Other information			
Closing net asset value (£000)	26,742	15,142	26,625
Closing number of shares	8,862,046	5,757,476	11,481,389
Operating charges (%)‡	0.83%	0.82%	0.82%
Direct transaction costs (%)#	0.09%	0.10%	0.10%
Prices≈			
Highest share price	301.98	268.14	249.04
Lowest share price	252.23	215.86	199.10

Class 3 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	224.38	203.08	184.22
Return before operating charges [†]	34.87	28.87	25.53
Operating charges	(0.80)	(0.68)	(0.66)
Return after operating charges [†]	34.07	28.19	24.87
Distributions	(7.54)	(6.89)	(6.01)
Closing net asset value per share	250.91	224.38	203.08
† after direct transaction costs of	(0.21)	(0.21)	(0.21)
Performance			
Return after charges	15.18%	13.88%	13.50%
Other information			
Closing net asset value (£000)	7,593	74,624	66,215
Closing number of shares	3,026,359	33,258,354	32,605,856
Operating charges (%) [‡]	0.33%	0.32%	0.32%
Direct transaction costs (%)#	0.09%	0.10%	0.10%
Prices≈			
Highest share price	255.28	232.85	221.58
Lowest share price	215.23	189.36	178.32

COMPARATIVE TABLES (CONTINUED)

Class A Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	148.04	134.06	121.61
Return before operating charges [†]	22.94	18.96	16.84
Operating charges	(2.56)	(2.25)	(2.20)
Return after operating charges [†]	20.38	16.71	14.64
Distributions	(2.94)	(2.73)	(2.19)
Closing net asset value per share	165.48	148.04	134.06
[†] after direct transaction costs of	(0.14)	(0.14)	(0.14)
Performance			
Return after charges	13.77%	12.46%	12.04%
Other information			
Closing net asset value (£000)	10,852	10,221	12,973
Closing number of shares	6,558,161	6,904,462	9,677,153
Operating charges (%) [‡]	1.63%	1.62%	1.62%
Direct transaction costs (%)#	0.09%	0.10%	0.10%
Prices≈			
Highest share price	167.32	152.74	146.02
Lowest share price	141.91	124.47	117.74

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

pprox 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 Fig	gure*	
Share class	15.10.17	15.10.16
Class 1	1.00%	1.00%
Class 2	0.83%	0.82%
Class 3	0.33%	0.32%
Class A	1.63%	1.62%

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1, when aggregated with certain other payments out of scheme property incurred in respect of it, is capped at 1.00%. Please see the Prospectus for full details.

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.

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

⁽b) The Ongoing Charge 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).

PORTFOLIO STATEMENT

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equities 94.69% (99.36%)				
Consumer Discretionary 11.93% (17.16%)				
Hotels, Restaurants & Leisure 5.78% (7.04%)				
Carnival	GBP	56,093	2,794	1.26
Compass Group	GBP	501,146	8,118	3.67
Merlin Entertainments	GBP	413,123	1,875	0.85
			12,787	5.78
Household Durables 0.34% (0.59%)	CDD	F0C 0F1	750	0.24
McCarthy & Stone	GBP	506,051	759	0.34
			759	0.34
Media 4.20% (6.31%)	CDD	240.622	2 252	1.02
Daily Mail & General Trust 'A' ITV	GBP GBP	340,623 1,912,364	2,252 3,327	1.02 1.51
Sky	GBP	397,547	3,693	1.67
		,,,	9,272	4.20
Specialty Retail 1.61% (3.22%)			3/2/2	20
BCA Marketplace	GBP	1,653,750	3,556	1.61
· · · · · · · · · · · · · · · · · ·		.,,	3,556	1.61
Consumer Discretionary total			26,374	11.93
·			-,-	
Consumer Staples 14.30% (11.61%)				
Beverages 1.09% (0.76%)	CDD	442.042	2.446	4.00
Fevertree Drinks#	GBP	112,012	2,416	1.09
			2,416	1.09
Household Products 3.80% (4.10%)	CDD	447.270	0.405	2.00
Reckitt Benckiser Group	GBP	117,379	8,405	3.80
			8,405	3.80
Personal Products 4.98% (3.03%)	CDD	244.440	44.000	4.00
Unilever	GBP	244,419	11,009	4.98
			11,009	4.98
Tobacco 4.43% (3.72%)	CDD	204.000	0.702	4.42
British American Tobacco	GBP	201,889	9,792	4.43
			9,792	4.43
Consumer Staples total			31,622	14.30
Energy 4.67% (7.71%)				
Oil, Gas & Consumable Fuels 4.67% (7.71%)				
Royal Dutch Shell 'B'	GBP	444,741	10,320	4.67
			10,320	4.67
Energy total			10,320	4.67
Financials 18.22% (15.58%)				
Banks 2.62% (3.36%)				
HSBC Holdings	GBP	781,194	5,802	2.62
			5,802	2.62
Capital Markets 7.97% (5.73%)				
Close Brothers Group	GBP	206,989	2,966	1.34
Intermediate Capital Group	GBP	835,138	8,051	3.64
Rathbone Brothers	GBP	161,086	4,138	1.87
Schroders	GBP	70,671	2,464	1.12
			17,619	7.97

PORTFOLIO STATEMENT (CONTINUED)

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Diversified Financial Services 1.32% (1.13%)				
Sherborne Investors Guernsey B	GBP	1,681,862	790	0.36
Sherborne Investors Guernsey C	GBP	2,042,321	2,124 2,914	0.96
Insurance 6.31% (5.36%)			2,514	1.52
Aviva [†]	GBP	636,354	3,188	1.44
Legal & General Group	GBP	1,151,145	3,059	1.39
Prudential	GBP	421,627	7,699	3.48
Financials total			13,946 40,281	6.31 18.22
Health Care 6.69% (6.31%)			,	
Health Care Equipment & Supplies 2.87% (2.84%)				
Smith & Nephew	GBP	448,309	6,357	2.87
			6,357	2.87
Pharmaceuticals 3.82% (3.47%)	CDD	FFC 020	0.442	2.02
GlaxoSmithKline	GBP	556,039	8,443	3.82
Health Care total			8,443 14,800	3.82 6.69
Industrials 16.85% (14.13%)			14,000	0.03
Building Products 1.07% (1.04%)				
Volution Group	GBP	1,161,151	2,372	1.07
•			2,372	1.07
Commercial Services & Supplies 2.64% (2.15%)				
Rentokil Initial	GBP	1,910,797	5,832	2.64
Floring Fundament 2 240/ /4 FF0/)			5,832	2.64
Electrical Equipment 2.31% (1.55%) Melrose Industries	GBP	2,298,577	5,114	2.31
			5,114	2.31
Professional Services 3.77% (3.32%)				
RELX	GBP	495,444	8,323	3.77
Dood 0 Doil 0 200/ (0 740/)			8,323	3.77
Road & Rail 0.36% (0.74%) Northgate	GBP	178,873	805	0.36
			805	0.36
Trading Companies & Distributors 3.05% (2.41%)				
Ashtead Group	GBP	362,118	6,743	3.05
Transportation Infrastructure 3.65% (2.92%)			0,743	5.05
BBA Aviation	GBP	2,593,997	8,065	3.65
			8,065	3.65
Industrials total			37,254	16.85
Information Technology 7.12% (8.55%)				
Internet Software & Services 0.00% (0.80%)				
IT Services 2.43% (3.03%)	CDD	4 200 454	F 260	2.42
Worldpay Group	GBP	1,308,454	5,369	2.43
Software 4.60% (4.73%)			5,369	2.43
Software 4.69% (4.72%) Alfa Financial Software Holdings	GBP	308,885	1,517	0.69
Sage Group	GBP	1,219,003	8,850	4.00
			10,367	4.69
Information Technology total			15,736	7.12

PORTFOLIO STATEMENT (CONTINUED)

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Materials 7.56% (7.46%)				
Chemicals 1.42% (2.27%)				
Johnson Matthey	GBP	90,810	3,137	1.42
			3,137	1.42
Construction Materials 0.49% (0.00%)				
Ibstock	GBP	442,676	1,089	0.49
			1,089	0.49
Containers & Packaging 2.11% (2.18%) DS Smith	GBP	969,300	4,656	2.11
55 511101	GDI	303,300	4,656	2.11
Metals & Mining 3.54% (3.01%)			.,050	
Rio Tinto	GBP	215,427	7,835	3.54
			7,835	3.54
Materials total			16,717	7.56
Real Estate 1.25% (1.21%)				
Equity Real Estate Investment Trusts (REITs) 1.25% (1.21%)				
Tritax Big Box REIT	GBP	1,862,501	2,753	1.25
			2,753	1.25
Real Estate total			2,753	1.25
Telecommunication Services 4.89% (7.98%)				
Diversified Telecommunication Services 2.07% (4.76%)				
BT Group	GBP	1,647,590	4,578	2.07
			4,578	2.07
Wireless Telecommunication Services 2.82% (3.22%)				
Vodafone Group	GBP	2,879,605	6,243	2.82
Telecommunication Services total			6,243	2.82
			10,821	4.89
Utilities 1.21% (1.66%)				
Multi-Utilities 1.21% (1.66%)	CDD	205 505	2.602	4.24
National Grid	GBP	285,595	2,682	1.21
Utilities total			2,682 2,682	1.21
otilities total			2,002	1.21
Equities total			209,360	94.69
Liquidity Funds 11.76% (0.49%)				
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP [†]	GBP	26,000,000	26,000	11.76
Liquidity Funds total			26,000	11.76
Investment assets			235,360	106.45
Net other liabilities			(14,259)	(6.45)
Net assets			221,101	100.00

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

The comparative percentage figures in brackets are as at 15 October 2016.

 $[\]hbox{\# Security traded on another regulated market}.$

 $[\]dagger$ A related party to the Fund.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

			Year ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital gains	2		30,257		25,749
Revenue	3	9,736		9,285	
Expenses	4	(2,254)		(2,130)	
Net revenue before taxation		7,482		7,155	
Taxation	5	-		_	
Net revenue after taxation			7,482		7,155
Total return before distributions			37,739		32,904
Distributions	6		(7,482)		(7,161)
Change in net assets attributable to shareholders from investment activities			30,257		25,743

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		264,143		261,503
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	25,145		13,553	
Amounts payable on cancellation of shares	(99,214)		(37,086)	
		(74,069)		(23,533)
Dilution adjustment		170		-
Change in net assets attributable to shareholders from investment activities (see above)		30,257		25,743
Retained distribution on accumulation shares		595		428
Unclaimed distribution monies		5		2
Closing net assets attributable to shareholders		221,101		264,143

BALANCE SHEET

As at 15 October 2017

	As at	As at
	15.10.17	15.10.16
Notes	£000	£000
	235,360	263,742
8	24,808	880
9	16,123	4,411
	276,291	269,033
	(2,630)	(3,890)
10	(52,560)	(1,000)
	(55,190)	(4,890)
	221,101	264,143
	8 9	Notes 15.10.17 £000 235,360 8 24,808 9 16,123 276,291 (2,630) 10 (52,560) (55,190)

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policies

Please see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Expenses relating to the purchase and sale of investments	(1)	(2)
Non-derivative securities gains	30,258	25,751
Net capital gains	30,257	25,749

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	20	9
Overseas dividends	_	53
Property income distributions	82	85
UK dividends	9,614	9,101
Underwriting commission	20	37
Total revenue	9,736	9,285

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	2,176	2,052
Registration fees	49	48
	2,225	2,100
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	38	32
Interest payable	-	3
Safe custody fee	5	5
	43	40
Other expenses:		
Audit fee*	11	10
Statement fees	10	11
	21	21
Total expenses	2,289	2,161
Less those expenses rebated by the ACD	(35)	(31)
Net expenses	2,254	2,130

^{*} The audit fee was £8,848 (2016: £8,848) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Corporation tax	-	_
Total current tax (see note 5b)	-	_

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	7,482	7,155
Corporation tax at 20%	1,496	1,431
Effects of:		
Movement in excess expenses	426	400
Overseas dividends not subject to corporation tax	_	(11)
UK dividends not subject to corporation tax	(1,922)	(1,820)
	(1,496)	(1,431)
Current tax charge (see note 5a)		_

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 year end (2016: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £46,690,000 (2016: £44,558,000) creating a potential deferred tax asset of £9,338,000 (2016: £8,912,000). 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 15.10.17 £000	Year ended 15.10.16 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Interim distribution	3,275	2,849
Final distribution	3,009	4,122
	6,284	6,971
Add: Revenue deducted on cancellation of shares	1,395	271
Deduct: Revenue received on issue of shares	(197)	(81)
Total distributions	7,482	7,161
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	7,482	7,161
Equalisation on conversions	-	(6)
Net revenue after taxation	7,482	7,155

Details of the distributions per share are set out in the distribution tables on page 25.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Assets at 15.10.16 £000
Level 1: Quoted prices	209,360	262,442
Level 2: Observable market data	26,000	1,300
Total value	235,360	263,742

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

- 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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	492	704
Accrued expense fee rebate	4	4
Amounts receivable on issue of shares	797	46
Sales awaiting settlement	23,515	126
Total debtors	24,808	880

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Cash and bank balances	16,123	4,411
Total cash and bank balances	16,123	4,411

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	310	280
Amounts payable for cancellation of shares	52,250	210
Purchases awaiting settlement	_	510
Total creditors	52,560	1,000

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: fnil).

12 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.

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 ACD periodic charges was £266,000 (2016: £251,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £1,383,000 (2016: £2,421,000). The amount outstanding at the year end was £193,000 (2016: £1,425,000). 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.

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 £53,200,000 (2016: £26,700,000) and £29,030,000 (2016: £25,400,000) respectively. The income received during the year amounted to £188,000 (2016: £168,000).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 1 Income shares)	821	(241,125)	241,946
ACD and related parties (share class 2 Income shares)	770,457	(33,159)	803,616
ACD and related parties (share class 2 Accumulation shares)	1,120,505	(447,430)	1,567,935
ACD and related parties (share class 3 Income shares)	3,026,359	(30,231,995)	33,258,354
ACD and related parties (share class A Income shares)	51,730	48,365	3,365

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

13 Shareholder funds

The Fund currently has four share classes: Class 1 and A (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 1.00% Class 2: 0.70% Class 3: 0.30% Class A: 1.50%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 12 and 13. The distributions per share are given in the distribution tables on page 25. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

14 Shares in 133de reconcinación					
	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Share class 1 Income	128,923,392	3,086,393	(8,971,178)	(536,577)	122,502,030
Share class 2 Income	13,194,246	1,830,975	(1,949,643)	451,573	13,527,151
Share class 2 Accumulation	5,757,476	5,280,766	(2,176,196)	_	8,862,046
Share class 3 Income	33,258,354	32,001,125	(62,233,120)	_	3,026,359
Share class A Income	6,904,462	515,861	(849,000)	(13,162)	6,558,161

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency risk

At the year end date, none (2016: none) of the net assets of the Fund were denominated in currencies other than sterling and as such the currency risk is not considered significant.

Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

At the year end date 19.05% (2016: 2.16%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

Market price risk

At the year end date, 106.45% (2016: 99.85%) 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 10.65%.

16 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.

15.10.17	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases						
Equities	(26,865)	(22)	(151)	(27,038)	0.08%	0.56%
Funds	(53,200)	_	_	(53,200)	0.00%	0.00%
	(80,065)	(22)	(151)	(80,238)		
Sales						
Equities	108,431	(74)	_	108,357	0.07%	0.00%
Funds	28,500	_	_	28,500	0.00%	0.00%
	136,931	(74)	_	136,857		
Total	_	(96)	(151)			
Percentage of Fund average net assets	_	0.04%	0.05%			

16 Direct transaction costs (continued)

15.10.16	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(37,457)	(40)	(170)	(37,667)	0.11%	0.45%
Funds	(26,700)	_	_	(26,700)	0.00%	0.00%
Purchases (include corporate actions activity only)						
Equities	(5,667)	_	_	(5,667)	0.00%	0.00%
	(69,824)	(40)	(170)	(70,034)		
Sales						
Equities	64,099	(64)	_	64,035	0.10%	0.00%
Funds	25,400	_	_	25,400	0.00%	0.00%
	89,499	(64)	_	89,435		
Total	_	(104)	(170)			
Percentage of Fund average net assets	_	0.04%	0.06%			

Dealing spread

As at 15 October 2017, the average portfolio dealing spread was 0.13% (2016: 0.20%). 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.

17 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: fnil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the six months ended 15 October 2017

Income shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	1.7054	_	1.7054	1.6639
	Group 2	0.8947	0.8107	1.7054	1.6639
Share Class 2	Group 1	2.2281	-	2.2281	2.1577
	Group 2	0.7805	1.4476	2.2281	2.1577
Share Class 3	Group 1	4.1986	-	4.1986	4.0306
	Group 2	2.4980	1.7006	4.1986	4.0306
Share Class A	Group 1	1.7198	_	1.7198	1.7349
	Group 2	0.7571	0.9627	1.7198	1.7349

Accumulation shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 2	Group 1	4.2781	_	4.2781	4.0275
	Group 2	1.2217	3.0564	4.2781	4.0275

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

Interim distribution paid in pence per share for the six months ended 15 April 2017

Income shares		Net revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 1	Group 1	1.2924	-	1.2924	1.0837
	Group 2	0.6743	0.6181	1.2924	1.0837
Share Class 2	Group 1	1.7092	_	1.7092	1.4444
	Group 2	1.0596	0.6496	1.7092	1.4444
Share Class 3	Group 1	3.3384	_	3.3384	2.8545
	Group 2	2.2988	1.0396	3.3384	2.8545
Share Class A	Group 1	1.2205	-	1.2205	0.9913
	Group 2	0.6852	0.5353	1.2205	0.9913

Accumulation shares		Net revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 2	Group 1	3.2426	-	3.2426	2.6631
	Group 2	1.9733	1.2693	3.2426	2.6631

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS UK EQUITY INCOME FUND

INVESTMENT OBJECTIVE

A dividend yield above that obtainable on the FTSE® All-Share Index.

INVESTMENT POLICY

Investment principally in UK equities judged to offer high yield, above average prospects of dividend growth and long term capital growth.

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

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 11.16 per cent (share class 1), net of fees, compared with an average return of 11.29 per cent for its peer group the Investment Association UK Equity Income sector. The Fund's benchmark the FTSE® All-Share Index, returned 12.77 per cent.

Review

In the immediate aftermath of the Brexit vote last summer many economists and market participants were forecasting the UK economy would slide into recession during the fourth quarter of 2016. Whilst the economic and political uncertainty has heightened over the last twelve months, particularly as the June General Election resulted in a hung parliament and Brexit negotiations began, UK economic indicators and corporate earnings growth have undoubtedly exceeded expectations, leading to a strong performance from the UK equity market.

2017 so far is turning out to be the opposite of 2016 in many respects; style leadership in equity markets, the performance of sterling and the underperformance of large versus mid cap and smaller companies. Year to date market leadership has been driven by growth stocks showing positive earnings momentum with value and higher yielding stocks, favoured by income investors, having underperformed the broader market. This change in style leadership emerged in the final quarter of 2016 as bond yields in the US and the UK moved higher as the Federal Reserve signalled a gradual tightening of monetary policy. From a sector standpoint, perceived bond correlated defensive sectors such as utilities, telecommunications and healthcare subsequently underperformed. In view of the political and economic headwinds facing the UK, the strength of sterling against the dollar was not anticipated, nor was the outperformance of the more domestically exposed mid cap FTSE® 250 index versus the FTSE® 100.

The Fund underperformed its benchmark during the year under review, although performance was in line with the average return for the peer group. The main factors that detracted from performance relative to the All Share Index were the Fund's exposure to the telecommunications and technology sectors, as well as an underweight position in mining stocks which outperformed the index. Industrial metal prices strengthened as economic growth in China, the major destination for commodity exports, stabilised after picking up in late 2016.

Amongst telecoms, BT was a key detractor with the shares losing ground after the company disclosed revenues in its Italian business had been overstated. Subsequently, industry regulator Ofcom levied a fine on the company adjudging BT had failed to provide sufficient compensation to other telecom providers, which rely on its networking division Openreach, when these services were not delivered on time. Subsequently, concerns surrounding BT's underfunded pension scheme weakened the shares as investors questioned the sustainability of the company's dividend. Holdings in KCom and Inmarsat also detracted. KCom reported a decline in interim earnings, as the company is streamlining its business and focusing increasingly on higher margin cloud-based services, while accelerating its fibre optic deployment in the East Yorkshire region. The company's most recent trading statement was more encouraging as its fibre optic broadband service continues to gain more customers. Satellite operator Inmarsat reported a sharp fall in free cash flows during the half-year to June, largely attributable to an extensive capital spending programme. The company's modernised network is attracting new customers in the maritime, aviation and government divisions although recently the shares have been held back by concerns over competitive pressures in the aviation market.

In the technology sector, accountancy software group Sage detracted. Broker reviews questioned the scope for continued revenue growth from subscription sales and highlighted the need for Sage to attract new customers for its cloud accounting solutions. However, the company has recently made its largest ever acquisition with the purchase of US-based cloud software company Intacct and we believe Sage is well placed to benefit from increased demand for cloud-based software solutions amongst small and medium-sized businesses.

The most significant contributions came from stock selection in the financial and industrial sectors. Amongst financials, the Fund's holding in Intermediate Capital, a specialist investor in alternative assets such as real estate and mezzanine capital, a higher risk form of debt, was the standout performer. The company is continuing a strategic shift towards fund management activities. Its ICG Enterprise investment trust, a private equity fund-of-funds trust, reported an improvement in performance during 2016, outperforming its benchmark during its first year under Intermediate Capital's management after the company had acquired Graphite Capital's private equity business at the end of 2015. Investors have also reacted favourably to the company's progressive dividend policy, as it is aiming to pay out between 80 and 100 per cent of post-tax profits.

Amongst industrials, several holdings with substantial US businesses performed well as economic indicators there continued to improve. These included Melrose Industries and BBA Aviation. Engineering group Melrose reported that last year's acquisition of US-based Nortek, which supplies extractor fans, is already making a strong contribution to earnings. Aircraft servicing group BBA returned to profitability during the first half of 2017 after an impairment charge against its engine repair business had wiped out pre-tax profits the previous year. Revenues from the company's flight support business have been boosted by last year's acquisition of US-based Landmark Aviation.

AVIVA INVESTORS UK EQUITY INCOME FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

Outlook

Ongoing Brexit negotiations and the febrile US political backdrop are likely to dominate the headlines going forward, but as the last year has highlighted equity markets can be highly resilient to such uncertainty. It is also significant that the UK equity market includes a broad spread of world-leading global companies whose earnings prospects in many cases are largely detached from the UK economy. In view of positive global economic data, encouraging earnings momentum and broadly supportive historic and relative valuations, we believe UK equities can make further progress. This is subject to the proviso that a gradual withdrawal of monetary stimulus from the major central banks will require a measured approach to policy changes and communication that is adroit and subtle, while the global economic outlook remains positive.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on pages 28 to 30 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 securities. 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.

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Material Portfolio Changes				
Purchases	Sales			
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP	Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP			
Unilever	Centrica			
WPP	BBA Aviation			
RELX	Sky			
Ibstock	Inmarsat			
BAE Systems	Sage Group			
Phoenix Group Holdings	Worldpay Group			
GlaxoSmithKline	Aviva			
Sherborne Investors Guernsey C	Pearson			
Intermediate Capital Group	Novae Group			

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'.
- The level of targeted income is not guaranteed and may not be achieved.
- 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 1 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	89.53	83.72	78.13
Return before operating charges [†]	10.92	10.34	10.20
Operating charges	(0.93)	(0.86)	(0.87)
Return after operating charges [†]	9.99	9.48	9.33
Distributions	(4.00)	(3.67)	(3.74)
Closing net asset value per share	95.52	89.53	83.72
† after direct transaction costs of	(0.07)	(0.04)	(0.18)
Performance			
Return after charges	11.16%	11.32%	11.94%
Other information			
Closing net asset value (£000)	143,317	139,287	138,861
Closing number of shares	150,037,296	155,582,460	165,866,162
Operating charges (%) [‡]	1.00%	1.00%	1.00%
Direct transaction costs (%)#	0.07%	0.05%	0.21%
Prices [≈]			
Highest share price	98.26	93.33	92.07
Lowest share price	85.65	78.00	75.88

Class 2 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share	PP	1111111	
Opening net asset value per share	143.59	133.91	124.60
Return before operating charges [†]	17.55	16.55	16.27
Operating charges	(1.22)	(1.12)	(1.13)
Return after operating charges [†]	16.33	15.43	15.14
Distributions	(6.30)	(5.75)	(5.83)
Closing net asset value per share	153.62	143.59	133.91
† after direct transaction costs of	(0.11)	(0.07)	(0.29)
Performance			
Return after charges	11.37%	11.52%	12.15%
Other information			
Closing net asset value (£000)	143,027	143,406	125,679
Closing number of shares	93,103,331	99,870,076	93,854,102
Operating charges (%) [‡]	0.82%	0.81%	0.81%
Direct transaction costs (%)#	0.07%	0.05%	0.21%
Prices≈			
Highest share price	157.86	149.62	146.98
Lowest share price	137.40	124.83	121.01

	2017	2016	2015
Class 2 Accumulation	p per share	p per share	p per share
Change in net assets per share			
Opening net asset value per share	180.15	161.37	143.92
Return before operating charges [†]	22.24	20.14	18.76
Operating charges	(1.54)	(1.36)	(1.31)
Return after operating charges [†]	20.70	18.78	17.45
Distributions	(7.99)	(7.00)	(6.80)
Retained distributions on accumulation shares	7.99	7.00	6.80
Closing net asset value per share	200.85	180.15	161.37
† after direct transaction costs of	(0.13)	(0.08)	(0.34)
Performance			
Return after charges	11.49%	11.64%	12.12%
Other information			
Closing net asset value (£000)	56,773	71,162	59,340
Closing number of shares	28,266,645	39,501,131	36,773,502
Operating charges (%)‡	0.82%	0.81%	0.81%
Direct transaction costs (%)#	0.07%	0.05%	0.21%
Prices [≈]			
Highest share price	201.56	183.70	171.61
Lowest share price	172.42	150.41	139.87

Class 3 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share	P P C C C C C C C C C C C C C C C C C C	F F	p p o o o o o o o o o o o o o o o o o o
Opening net asset value per share	197.62	183.51	170.06
Return before operating charges [†]	24.21	22.76	22.20
Operating charges	(0.65)	(0.60)	(0.59)
Return after operating charges [†]	23.56	22.16	21.61
Distributions	(8.85)	(8.05)	(8.16)
Closing net asset value per share	212.33	197.62	183.51
† after direct transaction costs of	(0.15)	(0.09)	(0.40)
Performance			
Return after charges	11.92%	12.08%	12.71%
Other information			
Closing net asset value (£000)	534,019	506,551	500,206
Closing number of shares	251,498,975	256,329,095	272,582,752
Operating charges (%) [‡]	0.32%	0.31%	0.31%
Direct transaction costs (%)#	0.07%	0.05%	0.21%
Prices≈			
Highest share price	217.86	205.96	201.09
Lowest share price	189.23	171.35	165.16

COMPARATIVE TABLES (CONTINUED)

Class 3 Accumulation	2017 p per share	2016 p per share	2015 p per share	Class 4 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share				Change in net assets per share			
Opening net asset value per share	291.59	259.89	230.63	Opening net asset value per share	145.84	131.35	117.20
Return before operating charges [†]	36.10	32.55	30.06	Return before operating charges [†]	17.99	16.00	15.61
Operating charges	(0.97)	(0.85)	(0.80)	Operating charges	(1.72)	(1.51)	(1.46)
Return after operating charges†	35.13	31.70	29.26	Return after operating charges [†]	16.27	14.49	14.15
· 5 5	(42.40)			_	(5.45)	(F.60)	
Distributions	(13.19)	(11.52)	(11.19)	Distributions	(6.46)	(5.68)	(5.53)
Retained distributions on accumulation shares	13.19	11.52	11.19	Retained distributions on accumulation shares	6.46	5.68	5.53
Closing net asset value per share	326.72	291.59	259.89	Closing net asset value per share	162.11	145.84	131.35
[†] after direct transaction costs of	(0.22)	(0.13)	(0.54)	† after direct transaction costs of	(0.11)	(0.07)	(0.28)
Performance				Performance			
Return after charges	12.05%	12.20%	12.69%	Return after charges	11.16%	11.03%	12.07%
Other information				Other information			
Closing net asset value (£000)	8,809	9,015	9,430	Closing net asset value (£000)	234	163	125
Closing number of shares	2,696,185	3,091,577	3,628,507	Closing number of shares	144,354	111,548	95,164
Operating charges (%) [‡]	0.32%	0.31%	0.31%	Operating charges (%) [‡]	1.12%	1.11%	1.11%
Direct transaction costs (%)#	0.07%	0.05%	0.21%	Direct transaction costs (%)#	0.07%	0.05%	0.21%
Prices≈				Prices≈			
Highest share price	327.29	297.30	275.85	Highest share price	162.87	148.73	139.51
Lowest share price	279.27	242.63	224.15	Lowest share price	139.53	122.00	113.91
	2017	2016	2015		2017	2016	2015
Class 4 Income	p per share	p per share	p per share	Class A Income	p per share	p per share	p per share
Change in net assets per share				Change in net assets per share			
Opening net asset value per share	125.16	117.07	109.26	Opening net asset value per share	118.50	111.41	104.51
Return before operating charges [†]	15.28	14.44	14.28	Return before operating charges [†]	14.43	13.68	13.64
Operating charges	(1.45)	(1.33)	(1.36)	Operating charges	(1.99)	(1.83)	(1.87)
Return after operating charges [†]	13.83	13.11	12.92	Return after operating charges [†]	12.44	11.85	11.77
Distributions	(5.49)	(5.02)	(5.11)	Distributions	(5.18)	(4.76)	(4.87)
Closing net asset value per share	133.50	125.16	117.07	Closing net asset value per share	125.76	118.50	111.41
† after direct transaction costs of	(0.09)	(0.06)	(0.26)	† after direct transaction costs of	(0.09)	(0.06)	(0.24)
Performance				Performance			
Return after charges	11.05%	11.20%	11.83%	Return after charges	10.50%	10.64%	11.26%
Other information				Other information			
Closing net asset value (£000)	36,468	35,099	33,679	Closing net asset value (£000)	24,699	25,812	41,600
Closing number of shares	27,317,640	28,043,610	28,768,358	Closing number of shares	19,639,814	21,782,282	37,340,508
Operating charges (%) [†]	1.12%	1.11%	1.11%	Operating charges (%) [‡]	1.62%	1.61%	1.61%
Direct transaction costs (%)#	0.07%	0.05%	0.21%	Direct transaction costs (%)#	0.07%	0.05%	0.21%
Prices≈				Prices≈			
Highest share price	137.33	130.42	128.69	Highest share price	129.61	123.51	122.79
Lowest share price	119.71	109.03	106.11	Lowest share price	113.27	103.59	101.50

COMPARATIVE TABLES (CONTINUED)

Class A Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	148.80	134.35	120.79
Return before operating charges [†]	18.30	16.68	15.74
Operating charges	(2.52)	(2.23)	(2.18)
Return after operating charges [†]	15.78	14.45	13.56
Distributions	(6.57)	(5.80)	(5.69)
Retained distributions on accumulation shares	6.57	5.80	5.69
Closing net asset value per share	164.58	148.80	134.35
† after direct transaction costs of	(0.11)	(0.07)	(0.28)
Performance			
Return after charges	10.60%	10.76%	11.23%
Other information			
Closing net asset value (£000)	5,239	4,937	4,678
Closing number of shares	3,183,513	3,318,555	3,481,733
Operating charges (%) [‡]	1.62%	1.61%	1.61%
Direct transaction costs (%)#	0.07%	0.05%	0.21%
Prices≈			
Highest share price	165.65	151.77	143.35
Lowest share price	142.26	124.90	117.39

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

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

2*	
15.10.17	15.10.16
1.00%	1.00%
0.82%	0.81%
0.32%	0.31%
1.12%	1.11%
1.62%	1.61%
	15.10.17 1.00% 0.82% 0.32% 1.12%

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1, when aggregated with certain other payments out of scheme property incurred in respect of it, is capped at 1.00%. Please see the Prospectus for full details.

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.

⁽b) The Ongoing Charge 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).

 $[\]approx$ 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.

PORTFOLIO STATEMENT

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equities 97.28% (96.62%)				
Consumer Discretionary 8.64% (10.36%)				
Distributors 0.67% (0.54%)				
Headlam Group	GBP	1,054,324	6,426	0.67
2.4 2			6,426	0.67
Hotels, Restaurants & Leisure 2.24% (2.20%) Compass Group	GBP	1,318,360	21,357	2.24
		1,2 1 2,2 2 2	21,357	2.24
Household Durables 0.81% (0.95%)				
DFS Furniture	GBP	3,502,786	7,671	0.81
			7,671	0.81
Media 4.02% (5.58%)	CDD	0.550.470	4.4.00.4	4.57
TV JBM	GBP GBP	8,559,478 1,276,814	14,894 8,797	1.57 0.92
VPP	GBP	1,058,936	14,603	1.53
			38,294	4.02
Specialty Retail 0.90% (1.09%)				
BCA Marketplace	GBP	3,991,136	8,581	0.90
Consumer Disputing and Add I			8,581	0.90
Consumer Discretionary total			82,329	8.64
Consumer Staples 12.39% (9.95%)				
Personal Products 5.32% (2.02%)	CDD	1 125 264	E0 C0C	ГЭЭ
Jnilever	GBP	1,125,364	50,686 50,686	5.32
Tobacco 7.07% (7.93%)			30,000	3.32
British American Tobacco	GBP	811,890	39,377	4.14
mperial Brands	GBP	885,714	27,931	2.93
			67,308	7.07
Consumer Staples total			117,994	12.39
Energy 7.79% (7.99%)				
Oil, Gas & Consumable Fuels 7.79% (7.99%)				
BP Royal Dutch Shell 'B'	GBP GBP	5,173,210 2,098,006	25,481 48,684	2.68 5.11
Noyal Dutch Shell B	GDF	2,090,000	74,165	7.79
Energy total			74,165	7.79
Financials 25.63% (21.40%)			<u> </u>	
Capital Markets 10.86% (7.84%)				
Close Brothers Group	GBP	834,468	11,958	1.26
ntermediate Capital Group	GBP	4,633,573	44,668	4.69
Rathbone Brothers	GBP	620,687	15,945	1.67
River & Mercantile Group	GBP	3,932,522	13,125	1.38
Schroders	GBP	508,790	17,736	1.86
Diversified Einancial Convices 0.719/ (0.439/)			103,432	10.86
Diversified Financial Services 0.71% (0.42%) Sherborne Investors Guernsey B	GBP	3,780,229	1,777	0.18
	951	-,. 00,220		0.10
Sherborne Investors Guernsey C	GBP	4,857,185	5,051	0.53

PORTFOLIO STATEMENT (CONTINUED)

As at 15 October 2017

			Market Value	
Investment	Currency	Holding	£000	% of Net Assets
Insurance 14.06% (13.14%)	CDD	F 471 000	27.410	2.00
Aviva⁺ Beazley	GBP GBP	5,471,008 2,188,352	27,410 10,929	2.88 1.15
Hiscox	GBP	1,503,677	20,510	2.15
Legal & General Group	GBP	8,990,153	23,887	2.51
Phoenix Group Holdings	GBP	3,240,804	24,905	2.61
Prudential	GBP	1,439,630	26,288	2.76
			133,929	14.06
Financials total			244,189	25.63
Health Care 5.83% (5.73%)				
Pharmaceuticals 5.83% (5.73%)				
AstraZeneca	GBP	316,282	16,200	1.70
GlaxoSmithKline	GBP	2,591,661	39,354	4.13
			55,554	5.83
Health Care total			55,554	5.83
Industrials 12.46% (10.86%)				
Aerospace & Defense 1.98% (1.10%)				
BAE Systems	GBP	3,065,293	18,836	1.98
Duilding Duadunts 0.700/ /0.000/			18,836	1.98
Building Products 0.70% (0.60%) Volution Group	GBP	3,290,704	6,721	0.70
			6,721	0.70
Electrical Equipment 2.53% (2.06%)				
Melrose Industries	GBP	10,835,604	24,109	2.53
			24,109	2.53
Professional Services 2.98% (1.35%) RELX	GBP	1,690,226	28,396	2.98
	GBI	1,030,220	28,396	2.98
Road & Rail 0.24% (0.58%)				
Northgate	GBP	500,735	2,255	0.24
			2,255	0.24
Transportation Infrastructure 4.03% (5.17%)				
BBA Aviation	GBP	12,343,924	38,377	4.03
Industrials total			38,377 118,694	4.03 12.46
			110,034	12.40
Information Technology 2.68% (4.52%)				
Electronic Equipment, Instruments & Components 0.49% (0.60%) Laird	GBP	3,199,662	4,728	0.49
	95.	37.337662	4,728	0.49
IT Services 0.00% (0.61%)				
Software 2.19% (3.31%)				
Sage Group	GBP	2,870,248	20,838	2.19
			20,838	2.19
Information Technology total			25,566	2.68

PORTFOLIO STATEMENT (CONTINUED)

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Investment Funds 3.80% (4.02%)				
Investment Companies 3.80% (4.02%)				
Foresight Solar Fund	GBP	5,000,000	5,525	0.58
Greencoat UK Wind Fund	GBP	10,054,902	11,935	1.25
P2P Global Investments Fund	GBP	1,595,960	12,505	1.31
Ranger Direct Lending Fund	GBP	787,885	6,228	0.66 3.80
Investment Funds total			36,193	3.80
Materials 8.32% (5.80%)				
Construction Materials 1.22% (0.00%)				
Ibstock	GBP	4,729,886	11,635	1.22
			11,635	1.22
Containers & Packaging 1.82% (1.57%)				
DS Smith	GBP	3,597,728	17,280	1.82
			17,280	1.82
Metals & Mining 5.28% (4.23%)	CDD	1 5 4 7 6 4 5	21 400	2.20
BHP Billiton Rio Tinto	GBP GBP	1,547,615 792,018	21,496 28,806	2.26 3.02
nio finto	QDI	732,010	50,302	5.28
Materials total			79,217	8.32
Real Estate 0.48% (0.42%)			73,217	0.52
Equity Real Estate Investment Trusts (REITs) 0.48% (0.42%) GCP Student Living	GBP	3,103,489	4,531	0.48
		2,132,133	4,531	0.48
Real Estate total			4,531	0.48
Telecommunication Services 7.01% (10.04%)				
Diversified Telecommunication Services 3.78% (6.63%)				
BT Group	GBP	7,286,327	20,249	2.12
KCOM Group	GBP	15,853,224	15,813	1.66
			36,062	3.78
Wireless Telecommunication Services 3.23% (3.41%)				
Vodafone Group	GBP	14,173,762	30,729	3.23
			30,729	3.23
Telecommunication Services total			66,791	7.01
Utilities 2.25% (5.53%)				
Multi-Utilities 2.25% (5.53%)				
National Grid	GBP	2,282,095	21,429	2.25
Hailising span			21,429	2.25
Utilities total			21,429	2.25
Equities total			926,652	97.28
Liquidity Funds 1.47% (2.70%)				
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP [†]	GBP	14,000,000	14,000	1.47
Liquidity Funds total			14,000	1.47
Investment assets			940,652	98.75
Net other assets			11,933	1.25
Net assets			952,585	100.00

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

The comparative percentage figures in brackets are as at 15 October 2016. † A related party to the Fund.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

		Ye	ear ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital gains	2		71,717		70,344
Revenue	3	40,997		39,435	
Expenses	4	(5,702)		(5,510)	
Net revenue before taxation		35,295		33,925	
Taxation	5	(15)		(157)	
Net revenue after taxation			35,280		33,768
Total return before distributions			106,997		104,112
Distributions	6		(40,401)		(38,760)
Change in net assets attributable to shareholders from investment activities			66,596		65,352

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		935,432		913,598
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	59,760		35,223	
Amounts payable on cancellation of shares	(112,131)		(82,041)	
		(52,371)		(46,818)
Dilution adjustment		65		-
Change in net assets attributable to shareholders from investment activities (see above)		66,596		65,352
Retained distribution on accumulation shares		2,851		3,285
Unclaimed distribution monies		12		15
Closing net assets attributable to shareholders		952,585		935,432

BALANCE SHEET

		As at 15.10.17	As at 15.10.16
	Notes	£000	£000
Assets:			
Investments		940,652	929,115
Current assets:			
Debtors	8	3,452	3,838
Cash and bank balances	9	31,211	22,832
Total assets		975,315	955,785
Liabilities:			
Creditors:			
Distribution payable on income shares		(21,325)	(18,815)
Other creditors	10	(1,405)	(1,538)
Total liabilities		(22,730)	(20,353)
Net assets attributable to shareholders		952,585	935,432

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policies Please see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Currency gains	-	191
Expenses relating to the purchase and sale of investments	(3)	(3)
Non-derivative securities gains	71,720	70,156
Net capital gains	71,717	70,344

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	3	-
Interest on debt securities	17	99
Overseas dividends	3,165	3,318
Property income distributions	182	78
UK dividends	37,535	35,803
Underwriting commission	95	137
Total revenue	40,997	39,435

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	5,311	5,129
Registration fees	274	269
	5,585	5,398
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	75	62
Interest payable	2	3
Safe custody fee	15	16
	92	81
Other expenses:		
Audit fee*	11	10
Printing & postage expenses	3	9
Statement fees	31	30
	45	49
Total expenses	5,722	5,528
Less those expenses rebated by the ACD	(20)	(18)
Total expenses	5,702	5,510

^{*} The audit fee was £8,848 (2016 £8,848) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Adjustments in respect of prior periods	(153)	-
Overseas tax suffered	168	157
Total tax for the year (see note 5b)	15	157

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	35,295	33,925
Corporation tax at 20%	7,059	6,785
Effects of:		
Adjustments in respect of prior periods	(153)	-
Movement in excess expenses	775	886
Overseas dividends not subject to corporation tax	(633)	(664)
Overseas tax suffered	168	157
UK dividends not subject to corporation tax	(7,201)	(7,007)
	(7,044)	(6,628)
Current tax charge (see note 5a)	15	157

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 year end (2016: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £46,925,000 (2016: £43,052,000) creating a potential deferred tax asset of £9,385,000 (2016: £8,610,000). 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	Year ended
	15.10.17	15.10.16
	£000	£000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Interim distribution	16,671	17,653
Final distribution	22,989	20,640
	39,660	38,293
Add: Revenue deducted on cancellation of shares	1,252	823
Deduct: Revenue received on issue of shares	(511)	(356)
Total distributions	40,401	38,760
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	40,401	38,760
ACD's periodic charge borne by the capital account	(5,311)	(5,129)
Equalisation on conversions	-	1
Other fees borne by capital account	-	(2)
Tax relief on capitalised ACD's periodic charge	190	138
Net revenue after taxation	35,280	33,768

Details of the distributions per share are set out in the distribution tables on page 42 to 43.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Assets at 15.10.16 £000
Level 1: Quoted prices	926,652	903,815
Level 2: Observable market data	14,000	25,300
Total value	940,652	929,115

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	2,105	2,908
Accrued expense fee rebate	2	3
Amounts receivable on issue of shares	587	829
Income tax recoverable	192	98
Sales awaiting settlement	566	-
Total debtors	3,452	3,838

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Cash and bank balances	31,211	22,832
Total cash and bank balances	31,211	22,832

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	767	751
Amounts payable for cancellation of shares	638	787
Total creditors	1,405	1,538

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: £nil).

12 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.

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 ACD periodic charges was £624,000 (2016: £640,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £23,353,000 (2016: £21,886,000). The amount outstanding at the year end was £13,578,000 (2016: £11,766,000). 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.

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 £74,200,000 (2016: £157,900,000) and £86,100,000 (2016: £131,900,000) respectively. The income received during the year amounted to £1,580,000 (2016: £1,591,000).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 1 Income shares)	13,379	(329,763)	343,142
ACD and related parties (share class 2 Income shares)	4,709,778	807,047	3,902,731
ACD and related parties (share class 2 Accumulation shares)	3,472,530	557,117	2,915,413
ACD and related parties (share class 3 Income shares)	251,498,975	(4,830,120)	256,329,095
ACD and related parties (share class 3 Accumulation shares)	2,696,185	(395,392)	3,091,577
ACD and related parties (share class A Income shares)	2,902,060	(289,506)	3,191,566

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

13 Shareholder funds

The Fund currently has five share classes: Class 1, 4, and A (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 1.00% Class 2: 0.70% Class 3: 0.30% Class 4: 1.00% Class A: 1.50%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 28 to 30. The distributions per share are given in the distribution tables on page 42 and 43. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Class 1 Income	155,582,460	5,552,319	(9,831,704)	(1,265,779)	150,037,296
Class 2 Income	99,870,076	3,295,073	(11,474,203)	1,412,385	93,103,331
Class 2 Accumulation	39,501,131	6,016,202	(17,437,170)	186,482	28,266,645
Class 3 Income	256,329,095	17,601,600	(22,431,720)	_	251,498,975
Class 3 Accumulation	3,091,577	_	(395,392)	_	2,696,185
Class 4 Income	28,043,610	958,566	(1,665,232)	(19,304)	27,317,640
Class 4 Accumulation	111,548	56,870	(24,064)	-	144,354
Class A Income	21,782,282	1,241,772	(2,587,301)	(796,939)	19,639,814
Class A Accumulation	3,318,555	220,881	(173,864)	(182,059)	3,183,513

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency risk

At the year end date, none (2016: none) of the net assets of the Fund were denominated in currencies other than sterling and as such the currency risk is not considered significant.

Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

At the year end date 4.75% (2016: 2.44%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

Market price risk

At the year end date, 98.75% (2016: 96.62%) of the net assets of the Fund were invested in ordinary shares or stock units and admitted to an official stock exchange. If the market were to change by 10%, the value of the Fund will change by 9.88% (2016: 9.66%).

16 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.

15.10.17	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(81,047)	(64)	(494)	(81,605)	0.08%	0.61%
Funds	(74,200)	_	_	(74,200)	0.00%	0.00%
Purchases (corporate action activity only)						
Equities	(7,274)	_	_	(7,274)	0.00%	0.00%
	(162,521)	(64)	(494)	(163,079)		
Sales						
Equities	136,654	(81)	_	136,573	0.06%	0.00%
Bonds	85,500	_	_	85,500	0.00%	0.00%
	222,154	(81)	_	222,073		
Total	_	(145)	(494)			
Percentage of Fund average net assets	_	0.02%	0.05%			

15.10.16	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(55,752)	(71)	(292)	(56,115)	0.13%	0.52%
Funds	(157,900)	_	_	(157,900)	0.00%	0.00%
Purchases (corporate action activity only)						
Equities	(24,570)	_	_	(24,570)	0.00%	0.00%
	(238,222)	(71)	(292)	(238,585)		
Sales						
Equities	147,788	(134)	_	147,654	0.09%	0.00%
Funds	132,600	_	_	132,600	0.00%	0.00%
	280,388	(134)	_	280,254		
Total	_	(205)	(292)			
Percentage of Fund average net assets	_	0.02%	0.03%			

Dealing spread

As at 15 October 2017, the average portfolio dealing spread was 0.19% (2016: 0.24%). 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.

17 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: £nil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the six months ended 15 October 2017

Income shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	2.3254	_	2.3254	1.9965
	Group 2	1.2361	1.0893	2.3254	1.9965
Share Class 2	Group 1	3.6772	_	3.6772	3.1349
	Group 2	1.6762	2.0010	3.6772	3.1349
Share Class 3	Group 1	5.1475	_	5.1475	4.3874
	Group 2	2.4488	2.6987	5.1475	4.3874
Share Class 4	Group 1	3.1981	_	3.1981	2.7348
	Group 2	1.6938	1.5043	3.1981	2.7348
Share Class A	Group 1	3.0170	_	3.0170	2.5931
	Group 2	1.3909	1.6261	3.0170	2.5931

Accumulation shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 2	Group 1	4.6953	-	4.6953	3.8492
	Group 2	2.1570	2.5383	4.6953	3.8492
Share Class 3	Group 1	7.7330	_	7.7330	6.3332
	Group 2	7.7330	0.0000	7.7330	6.3332
Share Class 4	Group 1	3.7926	_	3.7926	3.1187
	Group 2	3.6844	0.1082	3.7926	3.1187
Share Class A	Group 1	3.8558	_	3.8558	3.1865
	Group 2	2.0276	1.8282	3.8558	3.1865

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

DISTRIBUTION TABLES (CONTINUED)

Interim distribution paid in pence per share for the six months ended 15 April 2017

		Net	F 10 00	Interim distribution paid	Interim distribution paid
Income shares		revenue	Equalisation	15 June 2017	15 June 2016
Share Class 1	Group 1	1.6783	_	1.6783	1.6717
	Group 2	0.8017	0.8766	1.6783	1.6717
Share Class 2	Group 1	2.6266	_	2.6266	2.6163
	Group 2	1.4382	1.1884	2.6266	2.6163
Share Class 3	Group 1	3.7001	_	3.7001	3.6618
	Group 2	3.0549	0.6452	3.7001	3.6618
Share Class 4	Group 1	2.2874	_	2.2874	2.2852
	Group 2	1.0830	1.2044	2.2874	2.2852
Share Class A	Group 1	2.1625	_	2.1625	2.1711
	Group 2	0.9797	1.1828	2.1625	2.1711

Accumulation shares		Net revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 2	Group 1	3.2959	-	3.2959	3.1521
	Group 2	1.9315	1.3644	3.2959	3.1521
Share Class 3	Group 1	5.4608	_	5.4608	5.1876
	Group 2	5.4608	0.0000	5.4608	5.1876
Share Class 4	Group 1	2.6660	_	2.6660	2.5565
	Group 2	0.8805	1.7855	2.6660	2.5565
Share Class A	Group 1	2.7161	-	2.7161	2.6182
	Group 2	0.8661	1.8500	2.7161	2.6182

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS UK GROWTH FUND

INVESTMENT OBJECTIVE

Long term capital appreciation.

INVESTMENT POLICY

Investment principally in UK equities based on price and prospects of above average earnings growth.

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

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 20.20 per cent, net of fees, compared with an average return of 14.34 per cent for its peer group the Investment Association All-Companies sector. The FTSE® All Share Index, the Fund's benchmark returned 12.77 per cent.

Review

In the immediate aftermath of the Brexit vote last summer many economists and market participants were forecasting the UK economy would slide into recession during the fourth quarter of 2016. Whilst the economic and political uncertainty has heightened over the last twelve months, particularly as the June General Election resulted in a hung parliament and Brexit negotiations began, UK economic indicators and corporate earnings growth have undoubtedly exceeded expectations, leading to a strong performance from the UK equity market. The experience of the last twelve months, backed by numerous studies, has illustrated that stock market returns and economic growth are lowly correlated.

2017 so far is turning out to be the opposite of 2016 in many respects; style leadership in equity markets, the performance of sterling and the underperformance of large versus mid cap and smaller companies. Year to date market leadership has been driven by quality companies showing positive earnings momentum with value and income styles underperforming. This change in style leadership emerged in the final quarter of 2016 as bond yields in the US and the UK moved higher as the Federal Reserve signalled a gradual tightening of monetary policy. From a sector standpoint, perceived bond correlated defensive sectors such as utilities, telecommunications and healthcare subsequently underperformed. In view of the political and economic headwinds facing the UK, the strength of sterling against the dollar was not anticipated, nor was the outperformance of the more domestic exposed FTSE® 250 index versus the FTSE® 100. The mid cap index outperformed the latter by 3.89 per cent over the reporting period.

The Fund materially outperformed its benchmark and the peer group during the year under review. Strong stock selection was the main driver of performance, with the Fund's positioning favourable in view of the market trends discussed above.

The most significant contribution came from stock selection in the industrial, healthcare and consumer goods sectors. This more than offset the Fund's underweight position in banks, which performed well on the prospect of an improvement in lending margins and the basic materials sector, which rose in conjunction with the rally in industrial metal prices.

In the industrials sector, contributors covered a diverse array of companies, none of which would be categorised as typical of industrials exposure. These include Sanne Group, Keywords Studios, Ashtead, Rentokil and BCA Marketplace. Sanne Group, a provider of fund administration services in alternative asset markets, and Keywords Studios, an outsourced technical services provider in the global video games industry, both delivered standout financial results in the period, a function of better organic growth delivery and their ability to add value through acquisitions in highly fragmented industries. In both instances, we are of the view that there is a meaningful amount of upside to each companies' long-term growth and scale potential.

The Fund's positions in healthcare positively contributed and have not been plagued with concerns over potential regulation on human drug pricing that have circulated since President Trump's inauguration. Positions include Dechra Pharmaceuticals, a business focused on therapeutic drugs for animals, Abcam, the world's largest ecommerce supplier of research-grade antibodies into the global life sciences research market and BTG, which has a portfolio of minimally invasive image-guided therapies designed to treat cancer, emphysema and varicose veins. In particular, Dechra Pharmaceuticals performed well, continuing its long financial track record of outperforming the global animal health market. The company's outlook remains bright as they intend to expand their capabilities geographically beyond their heartland in Europe, while the company's balance sheet affords plenty of scope for acquisitions.

We have become increasingly nervous of a slowdown in UK consumer spending over the course of the last year, with big ticket purchases such as cars and electrical goods sales slowing over the period. The Fund's exposure is via discount retailer, B&M European Value Retail, which has seen its sales accelerate over the period with consumers trading down as inflation has started to squeeze discretionary incomes. One area of the domestic economy where we believe the fundamentals remain favourable is the UK housing market, on the premise there is a chronic supply shortage of homes across the residential, private rented and local authority housing sectors. The Fund's holdings in housebuilder Countryside Properties, PRS Real Estate Investment Trust and property regeneration specialist St Modwen are a play on this theme and performed well over the reporting period.

We witnessed a high degree of M&A takeover activity over the period, all of which added to the Fund's performance. These included the takeout of equipment rental group Lavendon by French peer Loxam, the takeover of the UK's largest food wholesaler, Booker by Tesco and the acquisition of online payment processor Paysafe by a private equity consortium consisting of CVC and Blackstone. The position in Booker was sold, taking advantage of the small discount to the takeover price, and in view of it being some time away from completion as the Competition Markets Authority looks to investigate the proposed takeover.

AVIVA INVESTORS UK GROWTH FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

New holdings during the year under review included Tritax Big Box REIT, London Stock Exchange, and a recent IPO – Alfa Financial Software. Tritax invests in large logistics facilities and is well placed given the growth in online retail and the challenges this places on UK retailers in meeting consumers' delivery requirements. The position in London Stock Exchange was started following the collapse of the proposed deal with Deutsche Bourse, which left the shares on an attractive valuation for sector leading growth, margin expansion and the potential for ongoing industry consolidation. The position in Moneysupermarket was trimmed on valuation grounds and concerns that the company's three-year investment programme will bring less differentiation to their technology offering than previously anticipated. The holding in Johnson Matthey was sold on the grounds the business is vulnerable as diesel-led autocatalytic converter growth slows, in addition to having concerns about whether the business can successfully manage the transition to battery technology underpinning the growing market in electric vehicles.

Outlook

Ongoing Brexit negotiations and the febrile US political backdrop are likely to dominate the headlines going forward, but as the last year has highlighted equity markets can be highly resilient to such uncertainty. It is also significant that the UK equity market includes a broad spread of world-leading global companies whose earnings prospects in many cases are largely detached from the UK economy. In view of positive global economic data, encouraging earnings momentum and broadly supportive historic and relative valuations, we believe UK equities can make further progress. This is subject to the proviso that a gradual withdrawal of monetary stimulus from the major central banks will require a measured approach to policy changes and communication that is adroit and subtle, while the global economic outlook remains positive.

November 2016

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on pages 46 and 47 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 securities. 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.

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Material Portfolio Changes				
Purchases	Sales			
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP	Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP			
Keywords Studios	RPC Group			
Royal Dutch Shell 'B'	BCA Marketplace			
BHP Billiton	Sanne Group			
Shire	Lavendon Group			
London Stock Exchange Group	Worldpay Group			
British American Tobacco	BT Group			
First Derivatives	Sage Group			
Sherborne Investors Guernsey C	Paysafe Group			
Rio Tinto	Daily Mail & General Trust 'A'			

Synthetic Risk and Reward Indicator	
Lower risk	Higher risk
(
Typically lower rewards	Typically higher rewards

Typically lower rewards

1 2 3 4 5 6 7

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 1 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	160.15	145.75	132.37
Return before operating charges [†]	34.20	15.89	14.86
Operating charges	(1.73)	(1.49)	(1.48
Return after operating charges [†]	32.47	14.40	13.38
Distributions	(2.73)	(1.92)	(1.79)
Retained distributions on accumulation shares	2.73	1.92	1.79
Closing net asset value per share	192.62	160.15	145.75
† after direct transaction costs of	(0.16)	(0.31)	(0.09
Performance			
Return after charges	20.27%	9.88%	10.11%
Other information			
Closing net asset value (£000)	153,775	139,242	142,963
Closing number of shares	79,833,867	86,947,413	98,089,638
Operating charges (%) [‡]	1.00%	1.00%	1.00%
Direct transaction costs (%)#	0.09%	0.21%	0.06%
Prices [≈]			
Highest share price	192.95	163.14	158.50
Lowest share price	153.22	135.11	128.73

Prices≈			
Highest share price	192.95	163.14	158.50
Lowest share price	153.22	135.11	128.73
	2017	2016	2015
Class 2 Accumulation	p per share	p per share	p per share
Change in net assets per share			
Opening net asset value per share	242.30	220.14	199.57
Return before operating charges [†]	51.81	24.02	22.41
Operating charges	(2.17)	(1.86)	(1.84)
Return after operating charges [†]	49.64	22.16	20.57
Distributions	(4.59)	(3.30)	(3.11)
Retained distributions on accumulation shares	4.59	3.30	3.11
Closing net asset value per share	291.94	242.30	220.14
† after direct transaction costs of	(0.24)	(0.47)	(0.13)
Performance			
Return after charges	20.49%	10.07%	10.31%
Other information			
Closing net asset value (£000)	13,677	12,441	3,920
Closing number of shares	4,685,112	5,134,369	1,780,786
Operating charges (%) [‡]	0.83%	0.83%	0.82%
Direct transaction costs (%)#	0.09%	0.21%	0.06%
Closing number of shares Operating charges (%) [‡]	4,685,112 0.83%	5,134,369 0.83%	1,780,7

292.44

231.85

246.82

204.31

239.22

194.09

Class 3 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share	p per siture	p per siture	p per siture
Opening net asset value per share	234.43	215.96	198.58
opening her asset value per share		213.50	150.50
Return before operating charges†	49.96	23.52	22.29
Operating charges	(0.83)	(0.72)	(0.72)
Return after operating charges [†]	49.13	22.80	21.57
Distributions	(5.70)	(4.33)	(4.19)
Closing net asset value per share	277.86	234.43	215.96
† after direct transaction costs of	(0.23)	(0.46)	(0.13)
Performance			
Return after charges	20.96%	10.56%	10.86%
Other information			
Closing net asset value (£000)	13,272	12,278	11,612
Closing number of shares	4,776,366	5,237,516	5,376,926
Operating charges (%) [‡]	0.33%	0.33%	0.32%
Direct transaction costs (%)#	0.09%	0.21%	0.06%
Prices≈			
Highest share price	281.24	241.08	236.77
Lowest share price	224.38	199.30	193.06

Class 3 Accumulation	2017 p per share	2016 p per share	2015§ p per share
Change in net assets per share			
Opening net asset value per share	_	_	243.70
Return before operating charges [†]	_	_	(243.00)
Operating charges	-	-	(0.70)
Return after operating charges [†]	-	_	(243.70)
Distributions	_	_	(2.28)
Retained distributions on accumulation shares	-	-	2.28
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	_	_	293.02
Lowest share price			237.02

Prices≈ Highest share price

Lowest share price

COMPARATIVE TABLES (CONTINUED)

Class A Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	146.49	134.16	122.60
Return before operating charges [†]	31.18	14.55	13.78
Operating charges	(2.58)	(2.22)	(2.22)
Return after operating charges [†]	28.60	12.33	11.56
Distributions	(1.50)	(0.90)	(0.79)
Retained distributions on accumulation shares	1.50	0.90	0.79
Closing net asset value per share	175.09	146.49	134.16
[†] after direct transaction costs of	(0.14)	(0.29)	(0.08)
Performance			
Return after charges	19.52%	9.19%	9.43%
Other information			
Closing net asset value (£000)	10,588	9,139	9,509
Closing number of shares	6,047,069	6,238,916	7,087,637
Operating charges (%) [‡]	1.63%	1.63%	1.62%
Direct transaction costs (%)#	0.09%	0.21%	0.06%
Prices≈			
Highest share price	175.40	149.25	146.26
Lowest share price	140.11	123.81	119.24

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

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

Ongoing Charges Fig	gure*	
Share class	15.10.17	15.10.16
Class 1	1.00%	1.00%
Class 2	0.83%	0.83%
Class 3	0.33%	0.33%
Class A	1.63%	1.63%

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1, when aggregated with certain other payments out of scheme property incurred in respect of it, is capped at 1.00%. Please see the Prospectus for full details.

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.

⁽b) The Ongoing Charge 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 $6.3.6\,\mathrm{G}$ (4).

pprox 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.

[§] Class 3 Accumulation closed on 30 July 2015.

PORTFOLIO STATEMENT

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equities 95.07% (94.58%)				
Consumer Discretionary 13.87% (18.49%)				
Auto Components 0.02% (0.51%)			2.0	
Torotrak	GBP	14,318,766	39	0.02
Diversified Consumer Services 0.95% (0.72%)			23	0.02
Dignity	GBP	78,734	1,820	0.95
			1,820	0.95
Hotels, Restaurants & Leisure 3.96% (5.69%) Compass Group	GBP	317,405	5,142	2.69
Merlin Entertainments	GBP	538,300	2,443	1.27
			7,585	3.96
Household Durables 1.92% (2.19%)		004.440	2.400	
Countryside Properties McCarthy & Stone	GBP GBP	891,142 650,507	3,188 483	1.67 0.25
	93.	030,307	3,671	1.92
Internet & Direct Marketing Retail 0.16% (0.59%)				
AO World	GBP	543,409	306	0.16
A. I. A. 740/ (2.040)			306	0.16
Media 2.74% (3.04%) ITV	GBP	781,442	1,360	0.71
Next Fifteen Communications Group#	GBP	964,702	3,878	2.03
			5,238	2.74
Multiline Retail 0.95% (0.63%) B&M European Value Retail	GBP	459,346	1,817	0.95
bawi Lulopean value Netali	ODI	433,340	1,817	0.95
Specialty Retail 1.89% (3.81%)			, ,	
BCA Marketplace	GBP	1,677,135	3,606	1.89
			3,606	1.89
Textiles, Apparel & Luxury Goods 1.28% (1.31%) Ted Baker	GBP	88,787	2,450	1.28
ied bakei	QDI	00,707	2,450	1.28
Consumer Discretionary total			26,532	13.87
Consumer Staples 12.47% (9.97%)				
Beverages 2.89% (1.41%)				
Fevertree Drinks#	GBP	256,677	5,537	2.89
5			5,537	2.89
Food & Staples Retailing 0.00% (0.79%)				
Household Products 1.60% (1.84%) Reckitt Benckiser Group	GBP	42,794	3,064	1.60
'		•	3,064	1.60
Personal Products 3.86% (2.42%)				
Unilever	GBP	163,805	7,378	3.86
T-b 4.420/ /2.540/)			7,378	3.86
Tobacco 4.12% (3.51%) British American Tobacco	GBP	162,615	7,887	4.12
		. ,	7,887	4.12
Consumer Staples total			23,866	12.47

Investment	Currency	Holding	Market Value £000	% of Net Assets
Energy 7.48% (6.25%)				
Oil, Gas & Consumable Fuels 7.48% (6.25%)				
Cairn Energy	GBP	1,102,486	2,175	1.14
Faroe Petroleum#	GBP	2,575,544	2,556	1.33
Royal Dutch Shell 'B'	GBP	413,094	9,586	5.01
Energy total			14,317 14,317	7.48 7.48
			14,517	7.40
Financials 12.87% (9.35%)				
Banks 1.32% (1.00%) Barclays	GBP	1,317,544	2,523	1.32
		.,,.	2,523	1.32
Capital Markets 5.34% (3.86%)			,-	
London Stock Exchange Group	GBP	59,051	2,306	1.21
River & Mercantile Group	GBP	460,850	1,538	0.80
Sanne Group	GBP	1,559,501	6,372	3.33
			10,216	5.34
Diversified Financial Services 0.97% (0.00%)				
Sherborne Investors Guernsey C	GBP	1,788,331	1,860	0.97
			1,860	0.97
Insurance 5.24% (4.49%)	CDD	700 522	2.550	1.00
Aviva [†] Prudential	GBP	708,532	3,550	1.86
Prudential	GBP	354,155	6,467 10,017	3.38 5.24
Financials total			24,616	12.87
Health Care 8.86% (7.22%)				
Biotechnology 2.30% (1.48%)				
Abcam#	GBP	274,500	2,748	1.44
Circassia Pharmaceuticals	GBP	145,984	125	0.06
Shire	GBP	40,000	1,536	0.80
			4,409	2.30
Health Care Equipment & Supplies 1.01% (1.19%)				
Smith & Nephew	GBP	136,547	1,936	1.01
			1,936	1.01
Pharmaceuticals 5.55% (4.55%)				
BTG Dechra Pharmaceuticals	GBP GBP	481,100 332,643	3,396 7,212	1.78 3.77
Decilia Filatifiaceuticais	GDF	332,043	10,608	5.55
Health Care total			16,953	8.86
Industrials 9.79% (9.48%)				
Aerospace & Defense 0.71% (0.00%)				
Ultra Electronics Holdings	GBP	73,446	1,367	0.71
		-,	1,367	0.71
Building Products 0.99% (1.03%)				
Volution Group	GBP	928,358	1,896	0.99
			1,896	0.99
Commercial Services & Supplies 2.00% (1.64%)				
		4 5		
Rentokil Initial	GBP	1,255,757	3,833	2.00

Investment	Currency	Holding	Market Value £000	% of Net Assets
Electrical Equipment 2.05% (2.00%)				
Flowgroup#	GBP	3,714,666	33	0.02
Melrose Industries	GBP	1,746,342	3,886	2.03
- (3,919	2.05
Professional Services 0.37% (0.00%) Alpha Financial Markets Consulting#	GBP	421,139	703	0.37
in the find that the second and the	GD1	721,133	703	0.37
Frading Companies & Distributors 3.67% (4.81%)				
Ashtead Group	GBP	239,434	4,458	2.33
lowden Joinery Group	GBP	601,209	2,563	1.34
ndustrials total			7,021	3.67
			18,739	9.79
Information Technology 14.74% (13.95%)				
Communications Equipment 0.00% (0.12%)				
Electronic Equipment, Instruments & Components 3.68% (3.01%)	CDD	162.027	4.022	1.04
Halma Renishaw	GBP GBP	163,037 105,501	1,922 5,107	1.01 2.67
ichishaw	GD1	103,301	7,029	3.68
nternet Software & Services 4.46% (4.40%)			,	
GlobalData#	GBP	294,765	1,651	0.86
Moneysupermarket.com Group	GBP	992,803	1,581	0.83
ZPG	GBP	1,456,395	5,297	2.77
			8,529	4.46
T Services 4.40% (3.53%) irst Derivatives#	GBP	69,940	2,099	1.10
reywords Studios#	GBP	444,964	6,323	3.30
,		,	8,422	4.40
oftware 2.20% (2.89%)				
Alfa Financial Software Holdings	GBP	273,035	1,341	0.70
zodia^ age Group	GBP GBP	4,032,078 395,419	2,871	1.50
age Group	QDI	393,419	4,212	2.20
nformation Technology total			28,192	14.74
nvestment Funds 0.71% (2.47%)			·	
nvestment Companies 0.71% (2.47%)				
electra Private Equity	GBP	81,002	1,359	0.71
			1,359	0.71
nvestment Funds total			1,359	0.71
Materials 6.80% (7.97%)				
Chemicals 1.39% (2.27%)				
/ictrex	GBP	108,434	2,651	1.39
			2,651	1.39
Containers & Packaging 1.08% (3.39%)	CDD	247.055	2.075	1.00
RPC Group	GBP	217,955	2,075	1.08
Matals & Mining / 23% /2 21%)			2,073	1.00
Metals & Mining 4.33% (2.31%) HP Billiton	GBP	125,438	1,743	0.91
Rio Tinto	GBP	179,738	6,537	3.42
			8,280	4.33
Materials total			13,006	6.80

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Real Estate 4.35% (3.11%)				
Equity Real Estate Investment Trusts (REITs) 1.43% (0.77%)				
PRS REIT	GBP	1,063,878	1,104	0.57
Tritax Big Box REIT	GBP	1,109,572	1,640	0.86
			2,744	1.43
Real Estate Management & Development 2.92% (2.34%)				
Savills	GBP	280,510	2,624	1.37
St Modwen Properties	GBP	770,291	2,964	1.55
·			5,588	2.92
Real Estate total			8,332	4.35
Telecommunication Services 3.13% (6.32%)				
Diversified Telecommunication Services 1.10% (3.82%)				
CityFibre Infrastructure Holdings#	GBP	8,844,635	2,099	1.10
,			2.099	1.10
Wireless Telecommunication Services 2.03% (2.50%)			,	
Vodafone Group	GBP	1,789,420	3,880	2.03
voudione droup	GDI	1,705,420		
			3,880	2.03
Telecommunication Services total			5,979	3.13
Equities total			181,891	95.07
Liquidity Funds 2.72% (3.87%)				
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP [†]	GBP	5,200,200	5,200	2.72
Liquidity Funds total			5,200	2.72
Investment assets			187,091	97.79
Net other assets			4,221	2.21
Net assets			191,312	100.00

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated. The comparative percentage figures in brackets are as at 15 October 2016. # Security traded on another regulated market.

[†] A related party to the Fund.

[^] Unlisted, suspended or delisted security.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

			Year ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital gains	2		30,702		13,743
Revenue	3	4,621		3,808	
Expenses	4	(1,745)		(1,626)	
Net revenue before taxation		2,876		2,182	
Taxation	5	(4)		(2)	
Net revenue after taxation			2,872		2,180
Total return before distributions			33,574		15,923
Distributions	6		(2,868)		(2,183)
Change in net assets attributable to shareholders from investment activities			30,706		13,740

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		173,100		168,004
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	2,427		3,624	
Amounts payable on cancellation of shares	(17,456)		(14,191)	
		(15,029)		(10,567)
Change in net assets attributable to shareholders from investment activities (see above)		30,706		13,740
Retained distribution on accumulation shares		2,535		1,923
Closing net assets attributable to shareholders		191,312		173,100

BALANCE SHEET

		As at 15.10.17	As at 15.10.16
	Notes	£000	£000
Assets:			
Investments		187,091	170,423
Current assets:			
Debtors	8	405	3,555
Cash and bank balances	9	4,340	1,278
Total assets		191,836	175,256
Liabilities:			
Creditors:			
Distribution payable		(138)	(119)
Other creditors	10	(386)	(2,037)
Total liabilities		(524)	(2,156)
Net assets attributable to shareholders		191,312	173,100

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policies Please see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Expenses relating to the purchase and sale of investments	(5)	(1)
Non-derivative securities gains	30,707	13,744
Net capital gains	30,702	13,743

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	1	1
Interest on debt securities	11	14
Overseas dividends	163	107
Property income distributions	35	-
Stock dividends	-	22
UK dividends	4,396	3,655
Underwriting commission	15	9
Total revenue	4,621	3,808

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	1,718	1,598
Registration fees	22	19
	1,740	1,617
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	25	21
Interest payable	-	1
Safe custody fee	3	3
	28	25
Other expenses:		
Audit fee*	11	10
Statement fees	7	7
	18	17
Total expenses	1,786	1,659
Less those expenses rebated by the ACD	(41)	(33)
Net expenses	1,745	1,626

^{*} The audit fee was £8,848 (2016: £8,848) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Overseas tax suffered	4	2
Total tax for the year (see note 5b)	4	2

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	2,876	2,182
Corporation tax at 20%	575	436
Effects of:		
Expenses not deductible for tax purposes	(1)	-
Movement in excess expenses	337	320
Overseas dividends not subject to corporation tax	(32)	(21)
Overseas tax suffered	4	2
Stock dividends not taxable	_	(4)
UK dividends not subject to corporation tax	(879)	(731)
	(571)	(434)
Total tax for the year (see note 5a)	4	2

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 year end (2016: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £32,614,000 (2016: £30,927,000) creating a potential deferred tax asset of £6,522,000 (2016: £6,185,000). 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 15.10.17	Year ended 15.10.16
	£000	£000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Interim distribution	1,430	1,006
Final distribution	1,385	1,143
	2,815	2,149
Add: Revenue deducted on cancellation of shares	62	45
Deduct: Revenue received on issue of shares	(9)	(11)
Total distributions	2,868	2,183
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	2,868	2,183
Equalisation on conversions	-	(3)
Other fees borne by capital account	4	-
Net revenue after taxation	2,872	2,180

Details of the distributions per share are set out in the distribution tables on page 60.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Assets at 15.10.16 £000
Level 1: Quoted prices	181,891	163,723
Level 2: Observable market data	5,200	6,700
Total value	187,091	170,423

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

- 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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	214	142
Accrued expense fee rebate	5	4
Amounts receivable on issue of shares	20	3
Sales awaiting settlement	166	3,406
Total debtors	405	3,555

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Cash and bank balances	4,340	1,278
Total cash and bank balances	4,340	1,278

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	242	220
Amounts payable for cancellation of shares	144	474
Purchases awaiting settlement	-	1,343
Total creditors	386	2,037

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: fnil).

12 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.

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 ACD periodic charges was £212,000 (2016: £198,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £320,000 (2016: £251,000). The amount outstanding at the year end was £158,000 (2016: £133,000). 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.

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 £35,200,000 (2016: £55,300,000l) and £36,800,000 (2016: £50,149,000) respectively. The income received during the year amounted to £183,000 (2016: £114,000).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 1 Accumulation shares)	4,176	(231,548)	235,724
ACD and related parties (share class 2 Accumulation shares)	378,164	155,469	222,695
ACD and related parties (share class 3 Income shares)	4,776,366	(461,150)	5,237,516
ACD and related parties (share class A Accumulation shares)	1,466,825	54,583	1,412,242

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

13 Shareholder funds

The Fund currently has four share classes: Class 1 and A (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 1.00% Class 2: 0.70% Class 3: 0.30% Class A: 1.50%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 46 and 47. The distributions per share are given in the distribution tables on page 60. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Class 1 Accumulation	86,947,413	534,289	(7,299,273)	(348,562)	79,833,867
Class 2 Accumulation	5,134,369	176,584	(866,279)	240,438	4,685,112
Class 3 Income	5,237,516	180,279	(641,429)	_	4,776,366
Class A Accumulation	6,238,916	366,353	(541,282)	(16,918)	6,047,069

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency risk

At the year end date, none (2016: none) of the net assets of the Fund were denominated in currencies other than sterling and as such the currency risk is not considered significant.

Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

At the year end date 4.99% (2016: 4.61%) of the net assets of the Fund were interest bearing. and as such the interest rate risk is not considered significant.

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

Market price risk

At the year end date, 97.79% (2016: 98.45%) 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 9.78% (2016: 9.85%).

16 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.

15.10.17	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(28,842)	(18)	(109)	(28,969)	0.06%	0.38%
Funds	(35,200)	_	_	(35,200)	0.00%	0.00%
Purchases (corporate action activity only)						
Equities	(988)	_	_	(988)	0.00%	0.00%
	(65,030)	(18)	(109)	(65,157)		
Sales						
Equities	41,805	(33)	_	41,772	0.08%	0.00%
Funds	36,700	-	_	36,700	0.00%	0.00%
	78,505	(33)	_	78,472		
Total	-	(51)	(109)			
Percentage of Fund average net assets	_	0.03%	0.06%			

16 Direct transaction costs (continued)

15.10.16	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(61,804)	(57)	(217)	(62,078)	0.09%	0.35%
Funds	(56,000)	_	_	(56,000)	0.00%	0.00%
Purchases (corporate action activity only)						
Equities	(3,035)	_	_	(3,035)	0.00%	0.00%
	(120,839)	(57)	(217)	(121,113)		
Sales						
Equities	77,956	(81)	_	77,875	0.10%	0.00%
Funds	49,300	_	_	49,300	0.00%	0.00%
	127,256	(81)	_	127,175		
Total	_	(138)	(217)			
Percentage of Fund average net assets	_	0.08%	0.13%			

Dealing spread

As at 15 October 2017, the average portfolio dealing spread was 0.35% (2016: 0.56%). 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.

17 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: £nil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the six months ended 15 October 2017

Income shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 3	Group 1	2.8953	_	2.8953	2.2776
	Group 2	1.0665	1.8288	2.8953	2.2776

Accumulation shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	1.3705	_	1.3705	1.0360
	Group 2	0.6723	0.6982	1.3705	1.0360
Share Class 2	Group 1	2.3204	-	2.3204	1.7663
	Group 2	1.0246	1.2958	2.3204	1.7663
Share Class A	Group 1	0.7278	_	0.7278	0.5197
	Group 2	0.3532	0.3746	0.7278	0.5197

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

Interim distribution paid in pence per share for the six months ended 15 April 2017

		Net		Interim distribution paid	Interim distribution paid
Income shares		revenue	Equalisation	15 June 2017	15 June 2016
Share Class 3	Group 1	2.8045	-	2.8045	2.0492
	Group 2	1.6739	1.1306	2.8045	2.0492

		Net	- 1	Interim distribution paid	Interim distribution paid
Accumulation shares		revenue	Equalisation	15 June 2017	15 June 2016
Share Class 1	Group 1	1.3606	-	1.3606	0.8802
	Group 2	0.6826	0.6780	1.3606	0.8802
Share Class 2	Group 1	2.2738	-	2.2738	1.5326
	Group 2	1.6866	0.5872	2.2738	1.5326
Share Class A	Group 1	0.7728	_	0.7728	0.3816
	Group 2	0.4107	0.3621	0.7728	0.3816

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS UK INDEX TRACKING FUND

INVESTMENT OBJECTIVE

To track the total return (after charges) of the FTSE® All-Share Index

INVESTMENT POLICY

To hold all the stocks and in the same proportion as in the FTSE® All-Share Index, except where prevented by the Financial Conduct Authority regulations.

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

FUND MANAGER'S REPORT

Performance

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 11.93 per cent (share class 1), net of fees. The FTSE® All-Share Index, the Fund's benchmark, returned 12.77 per cent. The sector average return generated by the Fund's peer group, the Investment Association's UK All-Companies sector was 14.33 per cent.

Review

In the immediate aftermath of the Brexit vote last summer many economists and market participants were forecasting the UK economy would slide into recession during the fourth quarter of 2016. While both economic and political uncertainty have heightened over the last twelve months, particularly as the June General Election resulted in a hung parliament and Brexit negotiations began, UK economic indicators and corporate earnings growth have undoubtedly exceeded expectations, leading to a strong performance from the UK equity market.

From a sector standpoint, basic materials were the top performer over the year under review, driven by mining stocks such as Glencore, Rio Tinto, Anglo American and Antofagasta. Industrial metal prices strengthened as economic growth in China, the major destination for commodity exports, has stabilised after picking up in late 2016, supported by expansionary fiscal policy and continued rapid credit growth. Financials, both insurance companies and banking stocks, rallied strongly as investors began to factor in the end of extraordinary central bank monetary support and the prospect of higher interest rates, amid a general improvement in global growth and a rise in inflationary pressures. Industrials also outperformed the All Share Index, with shares in engineering group Rolls Royce testing a two-year high while rental equipment company Ashtead reported a better outlook in the US and UK construction markets. Energy stocks weakened before rallying in line with the oil price during the third quarter of 2017 on evidence that a supply squeeze from OPEC is now impacting on inventories. Sectors that are closely correlated with bond markets, notably utilities, telecoms and healthcare, underperformed as investors factored in the growing likelihood that the Bank of England (BoE) would sanction a hike in interest rates prior to the end of 2017.

In view of the economic and political headwinds facing the UK, the strength in sterling against the US dollar was not anticipated, nor was the outperformance of the more domestically exposed mid cap stocks and smaller companies Index versus more globally-focused FTSE® 100 with higher international earnings.

Outlook

Ongoing Brexit negotiations and the febrile US political backdrop are likely to dominate the headlines going forward, but as the last year has demonstrated equity markets can be highly resilient to such uncertainty. It is also significant that the UK equity market includes a broad spread of world-leading global companies where earnings prospects in many cases are largely detached from the UK economy. In view of positive global economic data, encouraging earnings momentum and broadly supportive historic and relative valuations, we believe UK equities can make further progress. This is subject to the proviso that a gradual withdrawal of monetary stimulus from the major central banks will require a measured approach to policy changes and communication that is adroit and subtle, while the global economic outlook remains positive.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on pages 63 and 64 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 securities. 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.

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Material Portfolio Changes			
Purchases	Sales		
British American Tobacco	HSBC Holdings		
Lloyds Banking Group	British American Tobacco		
BP	BP		
HSBC Holdings	Royal Dutch Shell 'A'		
Royal Dutch Shell 'A'	GlaxoSmithKline		
Melrose Industries	Royal Dutch Shell 'B'		
Micro Focus International	Diageo		
GlaxoSmithKline	AstraZeneca		
Royal Dutch Shell 'B'	National Grid		
ConvaTec Group	Vodafone Group		

AVIVA INVESTORS UK INDEX TRACKING FUND (CONTINUED)

Lower risk Higher risk Typically lower rewards Typically higher rewards 1 2 3 4 5 6 7

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 1 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	74.70	68.11	65.21
Return before operating charges [†]	9.31	9.15	5.46
Operating charges	(0.49)	(0.43)	(0.66)
Return after operating charges [†]	8.82	8.72	4.80
Distributions	(2.56)	(2.13)	(1.90)
Closing net asset value per share	80.96	74.70	68.11
† after direct transaction costs of	(0.03)	(0.03)	(0.01)
Performance			
Return after charges	11.81%	12.80%	7.36%
Other information			
Closing net asset value (£000)	92,617	89,734	93,049
Closing number of shares	114,403,338	120,122,978	136,608,216
Operating charges (%) [‡]	0.63%	0.63%	0.93%
Direct transaction costs (%)#	0.04%	0.05%	0.02%
Prices≈			
Highest share price	82.54	76.60	76.15
Lowest share price	71.60	60.25	64.78

Class 2 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share	p p or or or or	P P	p por entere
Opening net asset value per share	122.31	111.50	106.73
Return before operating charges [†]	15.25	15.12	8.98
Operating charges	(0.29)	(0.26)	(0.27)
Return after operating charges [†]	14.96	14.86	8.71
Distributions	(4.71)	(4.05)	(3.94)
Closing net asset value per share	132.56	122.31	111.50
† after direct transaction costs of	(0.05)	(0.06)	(0.02)
Performance			
Return after charges	12.23%	13.33%	8.16%
Other information			
Closing net asset value (£000)	14,178	13,544	5,763
Closing number of shares	10,695,753	11,074,065	5,168,815
Operating charges (%) [‡]	0.23%	0.23%	0.23%
Direct transaction costs (%)#	0.04%	0.05%	0.02%
Prices≈			
Highest share price	135.42	125.64	125.08
Lowest share price	117.25	98.85	106.32

	2017	2016	2015
Class 3 Accumulation	p per share	p per share	p per share
Change in net assets per share			
Opening net asset value per share	218.87	192.82	178.48
Return before operating charges [†]	27.61	26.49	14.80
Operating charges	(0.52)	(0.44)	(0.46)
Return after operating charges [†]	27.09	26.05	14.34
Distributions	(8.50)	(7.06)	(6.64)
Retained distributions on accumulation shares	8.50	7.06	6.64
Closing net asset value per share	245.96	218.87	192.82
[†] after direct transaction costs of	(0.09)	(0.10)	(0.04)
Performance			
Return after charges	12.38%	13.51%	8.03%
Other information			
Closing net asset value (£000)	606,961	634,165	581,239
Closing number of shares	246,776,772	289,743,273	301,445,279
Operating charges (%)‡	0.23%	0.23%	0.23%
Direct transaction costs (%)#	0.04%	0.05%	0.02%
Prices [≈]			
Highest share price	246.55	221.00	209.85
Lowest share price	209.86	170.93	178.26

COMPARATIVE TABLES (CONTINUED)

Class A Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	95.86	85.27	79.94
Return before operating charges [†]	12.11	10.68	6.64
Operating charges	(0.11)	(0.09)	(1.31)
Return after operating charges [†]	12.00	10.59	5.33
Distributions	(3.85)	(2.29)	(1.84)
Retained distributions on accumulation shares	3.85	2.29	1.84
Closing net asset value per share	107.86	95.86	85.27
[†] after direct transaction costs of	(0.04)	(0.04)	(0.02)
Performance			
Return after charges	12.52%	12.42%	6.67%
Other information			
Closing net asset value (£000)	80,659	71,523	62,142
Closing number of shares	74,782,966	74,608,822	72,875,634
Operating charges (%) [‡]	0.10%	0.10%	1.50%
Direct transaction costs (%)#	0.04%	0.05%	0.02%
Prices≈			
Highest share price	108.12	96.79	93.26
Lowest share price	91.92	75.28	79.84

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

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

pprox 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	15.10.17	15.10.16		
Class 1	0.63%	0.63%		
Class 2	0.23%	0.23%		
Class 3	0.23%	0.23%		
Class A**	0.10%	0.10%		

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1, when aggregated with certain other payments out of scheme property incurred in respect of it, is capped at 0.70%. The OCF for share class A is capped at 0.10%. Please see the Prospectus for full details.

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.

⁽b) The Ongoing Charge 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).

^{**} Please note that with effect from 1 November 2016, the Annual Management Charge on share class A was reduced from 0.15% to 0.10%.

PORTFOLIO STATEMENT

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equities 97.78% (96.90%)				
Consumer Discretionary 9.65% (9.64%)				
Auto Components 0.22% (0.25%)	CDD	FF0 772	4.754	0.22
GKN	GBP	550,772	1,751 1,751	0.22
Distributors 0.19% (0.17%)			1,731	0.22
Connect Group	GBP	78,577	78	0.01
Headlam Group	GBP	26,430	159	0.02
nchcape	GBP	133,321	1,106	0.14
Iohn Menzies	GBP	21,694	151	0.02
Jp Global Sourcing Holdings	GBP	13,510	11	_
			1,505	0.19
Diversified Consumer Services 0.08% (0.13%)	CDD	404 522	240	0.04
AA Dignity	GBP GBP	194,533	310 363	0.04
Dignity	GDF	15,788	673	0.04
Hotels, Restaurants & Leisure 3.52% (3.46%)			073	0.00
1888 Holdings	GBP	68,580	171	0.02
Carnival	GBP	57,633	2,881	0.35
Compass Group	GBP	503,569	8,157	1.02
Domino's Pizza Group	GBP	158,600	537	0.07
DP Eurasia	GBP	23,900	56	0.01
El Group	GBP	151,109	202	0.03
Fuller Smith & Turner 'A'	GBP	9,924	99	0.01
Greene King	GBP	98,703	524	0.07
Greggs	GBP	32,015	412	0.05
GVC Holdings	GBP	93,150	850	0.11
Gym Group	GBP	38,370	82	0.01
Hollywood Bowl Group	GBP	44,990	3 400	0.01
nterContinental Hotels Group D Wetherspoon	GBP GBP	60,943 22,045	2,499 280	0.31 0.04
adbrokes Coral Group	GBP	560,224	725	0.04
Marston's	GBP	201,089	214	0.03
Merlin Entertainments	GBP	224,888	1,018	0.03
Millennium & Copthorne Hotels	GBP	36,608	208	0.03
Witchells & Butlers	GBP	65,901	167	0.02
Paddy Power Betfair	GBP	26,510	2,048	0.26
Rank Group	GBP	52,649	118	0.01
Restaurant Group	GBP	62,380	192	0.02
Sportech	GBP	43,320	42	0.01
SSP Group	GBP	148,720	842	0.11
Thomas Cook Group	GBP	439,220	541	0.07
[U]	GBP	139,576	1,869	0.24
Whitbread	GBP	58,806	2,369 692	0.30
William Hill	GBP	271,214	27,879	0.09 3.52
Household Durables 1.55% (1.12%)			21,019	5.52
Barratt Developments	GBP	319,094	2,171	0.27
Bellway	GBP	39,189	1,379	0.27
Berkeley Group Holdings	GBP	41,040	1,584	0.20
Bovis Homes Group	GBP	43,193	517	0.07
Countryside Properties	GBP	101,030	367	0.05
Crest Nicholson Holdings	GBP	79,198	454	0.06
DFS Furniture	GBP	62,640	137	0.02
Henry Boot	GBP	31,091	93	0.01
McCarthy & Stone	GBP	170,490	259	0.03

Investment	Currency	Holding	Market Value £000	% of Net Assets
Household Durables 1.55% (1.12%) (continued)				
MJ Gleeson	GBP	13,225	89	0.01
Persimmon	GBP	97,893	2,746	0.34
Redrow	GBP	69,585	439	0.06
Taylor Wimpey	GBP	1,035,350	2,096	0.26
			12,331	1.55
Internet & Direct Marketing Retail 0.12% (0.10%)				
AO World	GBP	81,140	90	0.01
Findel	GBP	16,918	30	_
Hostelworld Group	GBP	30,650	108	0.01
N Brown Group	GBP	48,514	168	0.02
Ocado Group	GBP	138,627	427	0.06
On the Beach Group	GBP	34,300	153	0.02
			976	0.12
Leisure Products 0.04% (0.01%)				
Games Workshop Group	GBP	9,540	193	0.03
Photo-Me International	GBP	58,547	100	0.01
			293	0.04
Media 2.12% (2.55%)				
4imprint Group	GBP	8,894	170	0.02
Ascential	GBP	126,410	445	0.06
Bloomsbury Publishing	GBP	24,994	39	_
Cineworld Group	GBP	64,486	446	0.06
Entertainment One	GBP	105,865	304	0.04
Euromoney Institutional Investor	GBP	17,027	191	0.02
Huntsworth	GBP	73,650	59	0.01
Informa	GBP	263,493	1,812	0.23
ITE Group	GBP	82,882	149	0.02
ITV	GBP	1,187,797	2,050	0.26
Pearson	GBP	263,407	1,670	0.21
Sky	GBP	329,421	3,069	0.38
STV Group	GBP	10,020	36	_
Tarsus Group	GBP	29,450	91	0.01
Trinity Mirror	GBP	84,918	71	0.01
UBM	GBP	124,726	860	0.11
WPP	GBP	394,631	5,438	0.68
			16,900	2.12
Multiline Retail 0.66% (0.63%)				
B&M European Value Retail	GBP	256,480	1,011	0.13
Debenhams	GBP	319,028	150	0.02
Marks & Spencer Group	GBP	524,139	1,839	0.23
Mothercare	GBP	43,758	45	0.01
Next	GBP	44,611	2,190	0.27
			5,235	0.66
Specialty Retail 0.73% (0.88%) Card Factory	GBP	101,600	323	0.04
Carpetright	GBP	17,073	31	0.04
Dixons Carphone	GBP	321,163	601	0.08
Dunelm Group	GBP	31,281	236	0.08
Halfords Group	GBP	63,424	213	0.03
JD Sports Fashion	GBP	116,120	426	0.05
Kingfisher	GBP	703,150	2,172	0.03
Lookers	GBP	94,341	105	0.28
Moss Bros Group	GBP	28,690	27	0.01
Motorpoint group	GBP	15,460	22	_
Pendragon	GBP	436,726	127	0.02
renurayon	GBP	430,720	12/	0.02

Investment	Currency	Holding	Market Value £000	% of Net Assets
Specialty Retail 0.73% (0.88%) (continued)				
Pets at Home Group	GBP	115,530	222	0.03
Sports Direct International	GBP	67,294	268	0.03
SuperGroup	GBP	15,973	282	0.04
Topps Tiles	GBP	46,571	33	-
WH Smith	GBP	33,784	696	0.09
T ::			5,784	0.73
Textiles, Apparel & Luxury Goods 0.42% (0.34%) Burberry Group	GBP	136,682	2,586	0.33
Coats Group	GBP	448,080	390	0.05
Jimmy Choo	GBP	34,820	80	0.01
Ted Baker	GBP	9,093	249	0.03
		.,	3,305	0.42
Consumer Discretionary total			76,632	9.65
Consumer Staples 14.44% (14.33%)				
Beverages 2.86% (2.69%)				
A.G. Barr	GBP	27,166	168	0.02
Britvic	GBP	84,654	654	0.08
Coca-Cola HBC	GBP	62,152	1,616	0.20
Diageo	GBP	789,610	20,144	2.54
Stock Spirits Group	GBP	60,539	154	0.02
			22,736	2.86
Food & Staples Retailing 1.11% (1.25%)				
Booker Group	GBP	530,493	1,083	0.14
J Sainsbury	GBP	516,122	1,247	0.16
McColl's Retail Group	GBP	24,550	64	0.01
Tesco	GBP	2,602,870	4,841	0.60
Wm Morrison Supermarkets	GBP	686,847	1,613 8,848	0.20
Food Products 0.81% (0.72%)			0,040	1.11
Anglo-Eastern Plantations	GBP	6,200	54	0.01
Associated British Foods	GBP	110,833	3,710	0.47
Cranswick	GBP	16,127	488	0.06
Dairy Crest Group	GBP	43,709	265	0.03
Devro	GBP	52,889	125	0.02
Greencore Group	GBP	226,541	427	0.05
Hilton Food Group	GBP	18,580	146	0.02
Premier Foods	GBP	223,160	88	0.01
PureCircle	GBP	40,420	186	0.02
Tate & Lyle	GBP	147,697	978	0.12
			6,467	0.81
Household Products 1.84% (2.11%)				
McBride	GBP	58,292	131	0.02
PZ Cussons	GBP	60,332	198	0.02
Reckitt Benckiser Group	GBP	198,894	14,295	1.80
Developed Products 2 449/ (4 909/)			14,624	1.84
Personal Products 2.14% (1.89%) Unilever	GBP	376,823	16,966	2.14
	32.	3. 2,323	16,966	2.14
Tobacco 5.68% (5.67%)			,	
British American Tobacco	GBP	730,698	35,497	4.47
Imperial Brands	GBP	305,032	9,592	1.21
			45,089	5.68
Consumer Staples total			114,730	14.44

Energy 11.97% (12.32%) Energy Equipment & Services 0.27% (0.39%) Gulf Marine Services Hunting				
Gulf Marine Services				
Hunting	GBP	66,210	30	_
5	GBP	44,368	205	0.03
John Wood Group	GBP	209,161	1,499	0.19
Lamprell	GBP	72,858	59	0.01
Petrofac	GBP	82,824	2,142	0.04
Oil, Gas & Consumable Fuels 11.70% (11.93%)			2,142	0.27
BP	GBP	6,156,876	30,218	3.80
Cairn Energy	GBP	183,869	361	0.05
EnQuest	GBP	333,359	84	0.01
James Fisher & Sons	GBP	13,087	203	0.03
Nostrum Oil & Gas	GBP	27,500	112	0.01
Ophir Energy	GBP	218,357	156	0.02
Premier Oil	GBP	160,466	104	0.01
Royal Dutch Shell 'A'	GBP	1,431,626	32,720	4.12
Royal Dutch Shell 'B'	GBP	1,197,820	27,879	3.51
Soco International	GBP	69,776	83	0.01
Stobart Group Tullow Oil	GBP GBP	98,273 436,324	265 828	0.03 0.10
Tullow Oil	GDI	430,324	93,013	11.70
Energy total			95,155	11.97
Financials 18.91% (17.18%)				
Banks 10.67% (9.47%)				
Aldermore Group	GBP	74,800	227	0.03
Barclays	GBP	5,425,410	10,373	1.31
BGEO Group	GBP	11,596	390	0.05
CYBG	GBP	281,230	862	0.11
HSBC Holdings	GBP	6,411,148	47,378	5.95
Lloyds Banking Group	GBP	22,798,100	15,022	1.88
Metro Bank	GBP	26,250	935	0.12
Royal Bank of Scotland Group	GBP	1,034,474	2,845	0.36
Standard Chartered	GBP	859,018	6,407	0.81
TBC Bank Group	GBP	10,750	176	0.02
Virgin Money Holdings UK	GBP	90,400	258	0.03
			84,873	10.67
Capital Markets 2.54% (2.23%)	600	205 500	2.054	
3i Group	GBP	306,682	2,964	0.37
Allied Minds	GBP	75,080	123	0.02
Ashmore Group	GBP	122,598	464	0.06
Brewin Dolphin Holdings	GBP	86,210	302	0.04
City of London Investment Group	GBP GBP	7,464	31	- 0.00
Close Brothers Group CMC Markets	GBP	48,008 34,950	696 59	0.09 0.01
Hargreaves Lansdown	GBP	78,402	1,204	0.01
IG Group Holdings	GBP	115,480	738	0.13
Intermediate Capital Group	GBP	88,844	859	0.03
Investec	GBP	00,044 202,886	1,130	0.11
IP Group	GBP	202,880	294	0.14
Jupiter Fund Management	GBP	132,616	778	0.04
Liontrust Asset Management	GBP	12,130	60	0.10
London Stock Exchange Group	GBP	99,519	3,902	0.48
Man Group	GBP	518,540	965	0.40
NEX Group	GBP	100,678	665	0.12
Rathbone Brothers	GBP	16,149	414	0.05
Sanne Group	GBP	37,807	308	0.04

Investment	Currency	Holding	Market Value £000	% of Net Assets
Capital Markets 2.54% (2.23%) (continued)	<u> </u>			
Schroders	GBP	35,774	1,254	0.16
St James's Place	GBP	167,746	1,974	0.25
TP ICAP	GBP	177,014	950	0.12
Xafinity	GBP	41,080	70	0.01
			20,204	2.54
Consumer Finance 0.10% (0.25%)				
Arrow Global Group	GBP	46,101	206	0.03
International Personal Finance	GBP	70,284	135	0.02
Provident Financial	GBP	47,467	421	0.05
S&U	GBP	1,312	26	- 0.40
			788	0.10
Insurance 5.52% (5.17%) Admiral Group	GBP	64,509	1,215	0.15
Aviva†	GBP	1,300,154	6,494	0.13
Beazley	GBP	164,088	820	0.10
Charles Taylor	GBP	20,012	54	0.10
Chesnara	GBP	46,670	183	0.01
Direct Line Insurance Group	GBP	438,761	1,652	0.02
esure Group	GBP	91,054	253	0.21
Hansard Global	GBP	26,296	233	0.05
Hastings Group Holdings	GBP	98,140	309	0.04
Hiscox	GBP	88,770	1,211	0.15
Jardine Lloyd Thompson Group	GBP	39,229	496	0.06
Just Group	GBP	179,961	268	0.03
Lancashire Holdings	GBP	64,165	434	0.05
Legal & General Group	GBP	1,885,667	5,020	0.63
Old Mutual	GBP	1,512,228	3,037	0.38
Phoenix Group Holdings	GBP	125,154	967	0.12
Prudential	GBP	826,124	15,097	1.91
RSA Insurance Group	GBP	324,754	1,989	0.25
Saga	GBP	354,720	680	0.09
Standard Life Aberdeen	GBP	862,371	3,770	0.47
			43,971	5.52
Thrifts & Mortgage Finance 0.08% (0.06%)				
OneSavings Bank	GBP	52,010	205	0.03
Paragon Banking Group	GBP	83,771	378	0.04
Real Estate Credit Investments	GBP	33,020	55	0.01
Financials total			638 150,474	0.08 18.91
			130,474	10.31
Health Care 8.41% (9.79%)				
Biotechnology 1.45% (2.10%)	CDD	F0.260	Ε0	0.01
Circassia Pharmaceuticals	GBP	58,369	50	0.01
Genus Oxford Biomedica	GBP	19,583	430	0.05
Oxiora Biomegica Shire	GBP	736,970	10.043	0.01
SILIE	GBP	284,381	10,942	1.38
Health Care Fruingeant & Complies C C70/ (0 530/)			11,488	1.45
Health Care Equipment & Supplies 0.67% (0.52%) Consort Medical	GBP	15,616	169	0.02
ConvaTec Group	GBP	420,780	1,175	0.02
Smith & Nephew	GBP	279,048	3,965	0.50
S	301	2,3,040	5,309	0.67
			5,503	0.07

Investment	Currency	Holding	Market Value £000	% of Net Assets
Health Care Providers & Services 0.34% (0.33%)				
Cambian Group	GBP	22,580	45	0.01
Georgia Healthcare Group	GBP	18,480	61	0.01
Medica Group	GBP	28,810	59	0.01
Mediclinic International	GBP	125,323	851	0.10
NMC Health	GBP	25,682	748	0.09
Spire Healthcare Group	GBP	89,820	204	0.03
UDG Healthcare	GBP	79,085	720	0.09
obd ficatalcare	GDI	75,005	2,688	0.34
Health Care Technology 0.01% (0.01%)			=/	
Servelec Group	GBP	21,780	58	0.01
			58	0.01
Life Sciences Tools & Services 0.01% (0.01%)				
PureTech Health	GBP	41,280	52	0.01
			52	0.01
Pharmaceuticals 5.93% (6.82%)			20.750	2.50
AstraZeneca	GBP	404,712	20,750	2.60
BTG	GBP	122,023	860	0.11
Dechra Pharmaceuticals	GBP	29,076	626	0.08
GlaxoSmithKline	GBP	1,544,183	23,409	2.94
Hikma Pharmaceuticals	GBP	44,920	519	0.07
Indivior	GBP	227,914	765	0.10
Vectura Group	GBP	216,244	216	0.03
			47,145	5.93
Health Care total			66,740	8.41
Industrials 9.58% (9.23%)				
Aerospace & Defense 1.88% (1.79%)				
Avon Rubber	GBP	9,059	86	0.01
BAE Systems	GBP	1,014,607	6,225	0.78
Chemring Group	GBP	89,892	157	0.02
Cobham	GBP	760,848	1,099	0.14
Meggitt	GBP	246,141	1,276	0.16
	GBP	177,665	426	0.10
QinetiQ Group				
Rolls-Royce Holdings	GBP	527,134	4,810	0.61
Senior	GBP	134,210	379	0.05
Ultra Electronics Holdings	GBP	24,129	449	0.06
			14,907	1.88
Air Freight & Logistics 0.15% (0.21%) Royal Mail	GBP	291,499	1,130	0.14
Wincanton	GBP	35,237	85	0.14
			1,215	0.15
Airlines 0.61% (0.41%)				
easyJet	GBP	79,224	1,038	0.13
International Consolidated Airlines Group	GBP	530,060	3,292	0.41
Wizz Air Holdings	GBP	17,780	587	0.07
			4,917	0.61
Building Products 0.08% (0.06%)				
Norcros	GBP	19,891	36	_
Polypipe Group	GBP	59,780	246	0.04
Tyman	GBP	56,705	189	0.02
Volution Group	GBP	60,720	125	0.02
and the second section of the second	351	-0/. 20	596	0.08
			330	0.00

Investment	Currency	Holding	Market Value £000	% of Net Assets
Commercial Services & Supplies 1.08% (1.17%)				
Aggreko	GBP	76,268	683	0.09
Babcock International Group	GBP	161,171	1,330	0.17
Biffa	GBP	54,350	132	0.02
Clipper Logistics	GBP	18,780	79	0.01
Communisis	GBP	66,125	37	_
De La Rue	GBP	32,619	217	0.03
G4S	GBP	496,029	1,395	0.18
HomeServe	GBP	80,915	675	0.08
Interserve	GBP	48,464	54	0.01
IWG	GBP	209,793	680	0.09
Mears Group	GBP	32,706	147	0.02
Mitie Group	GBP	114,506	293	0.04
PayPoint	GBP	20,923	195	0.02
Renewi	GBP	195,455	193	0.02
Rentokil Initial	GBP	590,227	1,804	0.22
RPS Group	GBP	71,513	213	0.03
Serco Group	GBP	348,182	408	0.05
Serco Group	QDI	340,102	8,535	1.08
Construction & Engineering 0.29% (0.34%)			0,333	1.00
Balfour Beatty	GBP	220,777	591	0.08
Carillion	GBP		61	0.00
		137,814		
Costain Group	GBP	32,401	145	0.02
Galliford Try	GBP	25,823	345	0.04
John Laing Group	GBP	116,890	337	0.04
Keller Group	GBP	22,818	210	0.03
Kier Group	GBP	30,000	334	0.04
Morgan Sindall Group	GBP	12,489	177	0.02
Severfield	GBP	94,856	66	0.01
51 15			2,266	0.29
Electrical Equipment 0.20% (0.02%)	CDD	0.205	77	0.01
Dialight	GBP	9,395	77	0.01
Luceco	GBP	23,570	54	0.01
Melrose Industries	GBP	604,790	1,338	0.16
XP Power	GBP	4,741	158	0.02
			1,627	0.20
Industrial Conglomerates 0.52% (0.53%) Carr's Group	GBP	24,270	34	
DCC	GBP	28,536	2,093	0.26
Smiths Group	GBP	126,134	2,021	0.26
			4,148	0.52
Machinery 0.78% (0.70%)	CDD	EO 400	EED	0.07
Bodycote	GBP	59,409	553	0.07
Fenner	GBP	61,746	207	0.03
Goodwin	GBP	970	18	-
IMI	GBP	85,891	1,060	0.13
Morgan Advanced Materials	GBP	90,542	276	0.03
Porvair	GBP	12,004	58	0.01
Renold	GBP	58,649	26	_
Rotork	GBP	274,930	726	0.09
Spirax-Sarco Engineering	GBP	23,353	1,353	0.17
Trifast	GBP	37,720	81	0.01
Vesuvius	GBP	68,508	399	0.05
Weir Group	GBP	71,407	1,431	0.19
			6,188	0.78
			0,100	0.70

Investment	Currency	Holding	Market Value £000	% of Net Assets
Marine 0.03% (0.02%)				
Clarkson	GBP	7,907	233	0.03
			233	0.03
Professional Services 2.00% (2.07%)				
Capita	GBP	211,964	1,210	0.15
Experian	GBP	295,958	4,546	0.57
Hays	GBP	422,697	803	0.10
Hogg Robinson Group	GBP	78,762	65	0.01
Intertek Group	GBP	51,445	2,675	0.34
Pagegroup	GBP	99,818	474	0.06
RELX Ricardo	GBP GBP	338,515 17,071	5,687 140	0.71 0.02
Robert Walters	GBP	21,405	125	0.02
SThree	GBP	40,361	145	0.02
Stillee	dbr	40,301	15,870	2.00
- 1 1 1 1 1 1 1 1 1 1			15,870	2.00
Road & Rail 0.19% (0.22%)	CDD	200 255	422	۸۸۶
Firstgroup	GBP GBP	388,255 13,792	423 235	0.05 0.03
Go-Ahead Group National Express Group	GBP		478	0.03
Northgate	GBP	136,114 42,498	190	0.00
Stagecoach Group	GBP	135,117	217	0.02
stagetoath Group	QDI	133,117		
			1,543	0.19
Trading Companies & Distributors 1.64% (1.57%)	CDD	450 440	2.040	0.27
Ashtead Group	GBP	158,410	2,949	0.37
Bunzl	GBP	107,682	2,458	0.31
Diploma	GBP	35,387	383	0.05
Ferguson	GBP	80,679	4,240	0.53
Grafton Group	GBP GBP	68,509 190,458	563 810	0.07 0.10
Howden Joinery Group HSS Hire Group	GBP	190,438	7	0.10
SIG	GBP	189,704	339	0.04
Speedy Hire	GBP	162,898	83	0.04
Travis Perkins	GBP	80,511	1,188	0.01
Vp	GBP	5,209	42	0.13
••	GDI	3,203	13,062	1.64
Transportation Infractive ture 0.120/ (0.120/)			13,002	1.04
Transportation Infrastructure 0.13% (0.12%) BBA Aviation	GBP	325,085	1,010	0.13
bb/// Widdon	GDI	323,003	1,010	0.13
 Industrials total			76,117	9.58
Information Technology 2.76% (2.40%)				
Communications Equipment 0.02% (0.03%)	CDD	402 205	475	0.03
Spirent Communications	GBP	193,285	175	0.02
			175	0.02
Electronic Equipment, Instruments & Components 0.56% (0.54%)		22.552		
Acal	GBP	22,570	69	0.01
Electrocomponents	GBP	141,451	990	0.12
Halma	GBP	120,358	1,415	0.18
Laird	GBP	155,314	229	0.03
Oxford Instruments	GBP	16,968	166	0.02
Renishaw	GBP	10,832	525	0.07
Spectris TT Flortropics	GBP	38,208 51,659	948 116	0.12
TT Electronics	GBP	21,029	116	0.01
			4,458	0.56

Investment	Currency	Holding	Market Value £000	% of Net Assets
Internet Software & Services 0.59% (0.55%)				
Auto Trader Group	GBP	301,750	1,122	0.14
Gocompare.Com Group	GBP	91,134	98	0.01
Just Eat	GBP	183,591	1,343	0.18
Moneysupermarket.com Group	GBP	169,126	538	0.07
Rightmove	GBP	29,418	1,212	0.15
ZPG	GBP	94,450	343 4,656	0.04
IT Services 0.57% (0.44%)			4,030	0.33
Computacenter	GBP	24,510	250	0.03
Equiniti Group	GBP	85,500	264	0.03
Equiniti Group Rights 16/10/2017	GBP	18,321	21	-
FDM Group Holdings	GBP	26,970	273	0.03
Kainos Group	GBP	17,230	49	0.01
NCC Group	GBP	83,782	198	0.02
Paysafe Group	GBP	153,400	896	0.11
Softcat	GBP	33,670	147	0.02
Worldpay Group	GBP	598,250	2,437 4,535	0.32
Semiconductors & Semiconductor Equipment 0.02% (0.03%)			7,555	0.57
Imagination Technologies Group	GBP	81,292	140	0.02
Nanoco Group	GBP	78,700	21	_
•			161	0.02
Software 0.99% (0.79%)				
Alfa Financial Software Holdings	GBP	30,580	149	0.02
AVEVA Group	GBP	20,459	515	0.06
Fidessa Group	GBP	11,955	270	0.03
Micro Focus International	GBP	120,647	2,909	0.37
Playtech	GBP	93,440	878	0.11
Sage Group	GBP	344,732	2,503	0.32
SDL Sophos Croup	GBP	25,880	125 489	0.02 0.06
Sophos Group	GBP	84,640	7,838	0.06
Technology Hardware, Storage & Peripherals 0.01% (0.02%)			,	
Xaar	GBP	24,195	114	0.01
17 7 1 1			114	0.01
Information Technology total			21,937	2.76
Investment Funds 4.37% (4.01%)				
Investment Companies 4.37% (4.01%) 3i Infrastructure	GBP	221,297	440	0.05
Aberdeen Asian Income Fund	GBP	59,265	129	0.02
Aberdeen Asian Smaller Cos. Investment Trust	GBP	11,136	118	0.01
Aberdeen Diversified Income and Growth Trust	GBP	106,499	128	0.02
Aberdeen New Dawn Investment Trust	GBP	38,489	89	0.01
Aberdeen New India Investment Trust	GBP	18,755	85	0.01
Aberforth Smaller Companies Trust	GBP	30,235	397	0.05
Aberforth Split Level Income Trust	GBP	61,243	61	0.01
Alcentra European Floating Rate Income Fund	GBP	47,580	48	0.01
Alliance Trust	GBP	112,745	827	0.09
Allianz Technology Trust	GBP	8,425	94	0.01
Apax Global Alpha	GBP	83,310	123	0.02
Artemis Alpha Trust	GBP	12,847	38	-
Baillie Gifford Japan Trust	GBP	26,941	198	0.02
Baillie Gifford Shin Nippon	GBP	13,646	104	0.01
Bankers Investment Trust Baring Emerging Europe	GBP GBP	38,628 5,019	324 40	0.04
BB Healthcare Trust	GBP	63,110	73	0.01 0.01
BBGI SICAV	GBP	152,202	221	0.01
	UDI	1 12,202	ZZ I	0.03

Investment	Currency	Holding	Market Value £000	% of Net Asset
Investment Companies 4.37% (4.01%) (continued)				
Beta Global Emerging Markets Investment Trust^	GBP	12,346	_	-
BH Global	GBP	7,097	95	0.01
BH Macro	GBP	4,505	88	0.01
Biotech Growth Trust	GBP	17,787	152	0.02
BlackRock Frontiers Investment Trust	GBP	55,921	87	0.01
BlackRock Greater Europe Investment Trust	GBP	30,541	103	0.01
BlackRock Latin American Investment Trust	GBP	12,667	61	0.01
BlackRock New Energy Investment Trust^	GBP	72,800	_	_
Blackrock North American Income Trust	GBP	23,794	38	- 0.03
BlackRock Smaller Cos. Trust	GBP	15,288	195	0.02
Blackrock Throgmorton Trust	GBP	23,415	108	0.01
BlackRock World Mining Trust	GBP	56,570	219	0.03
Bluefield Solar Income Fund	GBP	111,040	129	0.02
British Empire Trust	GBP	37,625	268	0.03
Brunner Investment Trust	GBP	9,561	71	0.01
Caledonia Investments	GBP	10,417	278	0.03
Capital Gearing Trust	GBP	1,368	54	0.01
City Merchants High Yield Trust	GBP	31,588	63	0.01
City of London Investment Trust	GBP	108,839	473	0.06
CQS New City High Yield Fund	GBP	118,880	75 99	0.01
CVC Credit Partners European Opportunities	GBP	87,620		0.01
Dexion Absolute^	GBP	23,950	_	0.01
Diverse Income Trust	GBP	110,434	111	0.01
Oragon Capital – Vietnam Enterprise Investments 'C' Ounedin Income Growth Investment Trust	GBP	62,820	249	0.03
	GBP	48,130	126	0.02
Ounedin Smaller Companies Investment Trust	GBP	15,896	40	0.01
Cofin Global Utilities and Infrastructure Trust	GBP	32,985	43	0.01
Edinburgh Dragon Trust	GBP GBP	61,911	224 446	0.03
Edinburgh Investment Trust	GBP	62,845		0.06
Edinburgh Worldwide Investment Trust Electra Private Equity	GBP	15,548 8,511	108 144	0.01 0.02
EP Global Opportunities Trust	GBP	14,681	46	0.02
European Investment Trust	GBP	13,465	127	0.01
&C Capital & Income Investment Trust	GBP	31,400	103	0.02
&C Commercial Property Trust	GBP	168,706	245	0.01
&C Global Smaller Companies	GBP	18,690	253	0.03
&C Private Equity Trust 'O'	GBP	23,690	83	0.03
idelity Asian Values	GBP	21,631	83	0.01
Fidelity China Special Situations	GBP	118,647	280	0.04
idelity European Values	GBP	131,030	297	0.04
Fidelity Japanese Values	GBP	43,908	59	0.01
Fidelity Special Values	GBP	58,135	143	0.02
Finsbury Growth & Income Trust	GBP	50,197	379	0.05
Foreign & Colonial Investment Trust	GBP	173,622	1,079	0.13
Foresight Solar Fund	GBP	132,716	147	0.02
Funding Circle SME Income Fund	GBP	53,110	55	0.01
Fundsmith Emerging Equities Trust	GBP	7,910	92	0.01
Fartmore Irish Growth Fund	GBP	2,390	_	_
GCP Asset-Backed Income Fund	GBP	38,490	41	0.01
iCP Infrastructure Investments	GBP	251,221	315	0.04
Genesis Emerging Markets Fund	GBP	42,578	302	0.04
Sovett Strategic Investment Trust^	GBP	17,530	_	-
Greencoat UK Wind Fund	GBP	238,770	284	0.04
lansa Trust	GBP	1,300	13	_
HarbourVest Global Private Equity	GBP	25,370	327	0.04
lenderson Alternative Strategies Trust	GBP	13,588	40	0.01
Henderson Diversified Income Trust	GBP	63,916	60	0.01
Henderson European Focus Trust	GBP	6,830	96	0.01
Henderson EuroTrust	GBP	6,785	80	0.01
Henderson Far East Income	GBP	37,954	146	0.02
Henderson High Income Trust	GBP	41,401	79	0.01

Investment	Currency	Holding	Market Value £000	% of Net Assets
Investment Companies 4.37% (4.01%) (continued)				
Henderson International Income Trust	GBP	51,720	86	0.01
Henderson Smaller Companies Investment Trust	GBP	23,930	197	0.02
Herald Investment Trust	GBP	22,838	260	0.03
HgCapital Trust	GBP	11,045	188	0.02
HICL Infrastructure	GBP	568,073	912	0.10
Highbridge Multi-Strategy Fund	GBP	31,796	68	0.01
ICG Enterprise Trust	GBP	22,249	178	0.02
ICG-Longbow Senior Secured UK Property Debt Investments	GBP	34,452	35	-
Impax Environmental Markets	GBP	58,001	144	0.02
Independent Investment Trust	GBP	9,520	61	0.01
International Biotechnology Trust	GBP	12,033	75	0.01
International Public Partnerships	GBP	428,492	698	0.09
Invesco Asia Trust	GBP	22,310	64	0.01
Invesco Income Growth Trust	GBP	18,759	56	0.01
Invesco Perpetual UK Smaller Cos. Investment Trust	GBP	10,531	53	0.01
John Laing Environmental Assets Group	GBP	103,490	111 348	0.01
John Laing Infrastructure Fund	GBP	270,566	348 290	0.04
JPMorgan Acian Investment Trust	GBP	75,170		0.04
JPMorgan Asian Investment Trust	GBP	30,163	107 67	0.01
JPMorgan Chinese Investment Trust JPMorgan Claverhouse Investment Trust	GBP GBP	23,368 17,955	126	0.01 0.02
JPMorgan Claverhouse investment flust JPMorgan Emerging Markets Investment Trust	GBP	39,533	338	0.02
JPMorgan European Investment Trust	GBP	59,555 51,260	211	0.04
JPMorgan European Investment Trust 'Growth Shares'	GBP	24,745	78	0.03
JPMorgan European Investment Trust (Income Shares)	GBP	30,065	50	0.01
JPMorgan Global Convertibles Income Fund	GBP	54,572	55	0.01
JPMorgan Global Emerging Markets Income Trust	GBP	94,356	127	0.01
JPMorgan Global Growth & Income	GBP	39,640	127	0.02
JPMorgan Indian Investment Trust	GBP	33,748	251	0.02
JPMorgan Japan Smaller Companies Trust	GBP	17,553	68	0.03
JPMorgan Japanese Investment Trust	GBP	51,704	199	0.03
JPMorgan Mid Cap Investment Trust	GBP	7,632	86	0.03
JPMorgan Russian Securities	GBP	16,777	85	0.01
JPMorgan Smaller Companies Investment Trust	GBP	5,797	59	0.01
JPMorgan US Smaller Companies Investment Trust	GBP	5,000	14	_
Jupiter European Opportunities Trust	GBP	33,878	240	0.03
Jupiter US Smaller Companies	GBP	5,687	49	0.01
Keystone Investment Trust	GBP	4,335	76	0.01
Law Debenture	GBP	37,483	225	0.03
Lindsell Train Investment Trust	GBP	60	50	0.01
Lowland Investment	GBP	8,736	132	0.02
Macau Property Opportunities Fund	GBP	19,570	33	_
Majedie Investments	GBP	10,501	31	_
Martin Currie Asia Unconstrained Trust	GBP	12,495	49	0.01
Martin Currie Global Portfolio Trust	GBP	30,501	73	0.01
MedicX Fund	GBP	136,169	124	0.02
Mercantile Investment Trust	GBP	26,666	555	0.06
Merchants Trust	GBP	34,857	169	0.02
Middlefield Canadian Income	GBP	33,953	35	_
Monks Investment Trust	GBP	67,412	494	0.06
Montanaro European Smaller Cos. Trust	GBP	5,755	47	0.01
Montanaro UK Smaller Companies Investment Trust	GBP	10,120	57	0.01
Murray Income Trust	GBP	21,464	169	0.02
Murray International Trust 'O'	GBP	39,109	502	0.06
NB Global Floating Rate Income Fund	GBP	320,080	298	0.04
NB Private Equity Partners	GBP	15,650	157	0.02
NextEnergy Solar Fund	GBP	100,280	114	0.01
North American Income Trust	GBP	9,174	115	0.01
North Atlantic Smaller Cos. Investment Trust	GBP	3,251	87	0.01
P2P Global Investments Fund	GBP	26,069	203	0.03
Pacific Assets Trust	GBP	39,845	101	0.01

Investment Companies 4.37% (4.01%) (continued) Pacific Horizon Investment Trust Pantheon International Perpetual Income and Growth Investment Trust 'O' Pershing Square Holdings Personal Assets Trust Picton Property Income Polar Capital Global Financials Trust Polar Capital Global Healthcare Trust Polar Capital Global Healthcare Trust Polar Capital Technology Trust Ranger Direct Lending Fund RIT Capital Partners Riverstone Energy Ruffer Investment Schroder Asian Total Return Investment Schroder Asian Total Return Investment Schroder Income Growth Fund Schroder Japan Growth Fund Schroder UK Growth Fund Schroder UK Growth Fund Scottish American Investment Scottish American Investment Trust Scottish Mortgage Investment Trust Scottish Mortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust Standard Life Private Equity Trust	Currency	Holding	£000	% of Net Assets
Pacific Horizon Investment Trust Pantheon International Perpetual Income and Growth Investment Trust 'O' Pershing Square Holdings Personal Assets Trust Picton Property Income Polar Capital Global Financials Trust Polar Capital Global Financials Trust Polar Capital Global Healthcare Trust Polar Capital Technology Trust Ranger Direct Lending Fund RIT Capital Partners Riverstone Energy Ruffer Investment Schroder Asian Total Return Investment Schroder Asian Total Return Investment Schroder Japan Growth Fund Schroder Japan Growth Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Nortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland Sequia Economic Infrastructure Income Fund SQN Asset Finance Income Fund	CDD			
Pantheon International Perpetual Income and Growth Investment Trust 'O' Pershing Square Holdings Personal Assets Trust Pictor Property Income Polar Capital Global Financials Trust Polar Capital Global Healthcare Trust Polar Capital Technology Trust Ranger Direct Lending Fund RIT Capital Partners Riverstone Energy Ruffer Investment Schroder Asian Total Return Investment Schroder AsiaPacific Fund Schroder Income Growth Fund Schroder Japan Growth Fund Schroder UK Growth Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Trust Scottish Mortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund C'C' Standard Life Equity Income Trust	GBP	17,073	53	0.01
Pershing Square Holdings Personal Assets Trust Picton Property Income Polar Capital Global Financials Trust Polar Capital Global Healthcare Trust Polar Capital Technology Trust Ranger Direct Lending Fund RIT Capital Partners Riverstone Energy Ruffer Investment Schroder Asian Total Return Investment Schroder Asian Total Return Investment Schroder Japan Growth Fund Schroder Income Growth Fund Schroder UK Growth Fund Schroder UK Growth Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Mortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	10,546	201	0.03
Pershing Square Holdings Personal Assets Trust Picton Property Income Polar Capital Global Financials Trust Polar Capital Global Healthcare Trust Polar Capital Technology Trust Ranger Direct Lending Fund RIT Capital Partners Riverstone Energy Ruffer Investment Schroder Asian Total Return Investment Schroder Asian Total Return Investment Schroder Income Growth Fund Schroder Income Growth Fund Schroder UK Growth Fund Schroder UK Growth Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	77,095	298	0.04
Personal Assets Trust Picton Property Income Polar Capital Global Financials Trust Polar Capital Global Healthcare Trust Polar Capital Technology Trust Ranger Direct Lending Fund RIT Capital Partners Riverstone Energy Ruffer Investment Schroder Asian Total Return Investment Schroder AsiaPacific Fund Schroder Income Growth Fund Schroder Income Growth Fund Schroder Japan Growth Fund Schroder UK Growth Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish American Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund C'C Standard Life Equity Income Trust	GBP	76,500	760	0.09
Polar Capital Global Financials Trust Polar Capital Global Healthcare Trust Polar Capital Technology Trust Ranger Direct Lending Fund RIT Capital Partners Riverstone Energy Ruffer Investment Schroder Asian Total Return Investment Schroder AsiaPacific Fund Schroder Income Growth Fund Schroder Japan Growth Fund Schroder Oriental Income Fund Schroder UK Growth Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Oriental Smaller Companies Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund C'C' Standard Life Equity Income Trust	GBP	627	255	0.03
Polar Capital Global Healthcare Trust Polar Capital Technology Trust Ranger Direct Lending Fund RIT Capital Partners Riverstone Energy Ruffer Investment Schroder Asian Total Return Investment Schroder AsiaPacific Fund Schroder Income Growth Fund Schroder Japan Growth Fund Schroder Oriental Income Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund C'Standard Life Equity Income Trust	GBP	172,935	144	0.02
Polar Capital Technology Trust Ranger Direct Lending Fund RIT Capital Partners Riverstone Energy Ruffer Investment Schroder Asian Total Return Investment Schroder AsiaPacific Fund Schroder Income Growth Fund Schroder Japan Growth Fund Schroder Oriental Income Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland SQN Asset Finance Income Fund SQN Asset Finance Income Fund C'Standard Life Equity Income Trust	GBP	65,345	91	0.01
Ranger Direct Lending Fund RIT Capital Partners Riverstone Energy Ruffer Investment Schroder Asian Total Return Investment Schroder AsiaPacific Fund Schroder Income Growth Fund Schroder Japan Growth Fund Schroder Oriental Income Fund Schroder UK Growth Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Mortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland Squ Asset Finance Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund C'Standard Life Equity Income Trust	GBP	38,615	80	0.01
RIT Capital Partners Riverstone Energy Ruffer Investment Schroder Asian Total Return Investment Schroder AsiaPacific Fund Schroder Income Growth Fund Schroder Japan Growth Fund Schroder Oriental Income Fund Schroder UK Growth Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	42,605	469	0.06
Riverstone Energy Ruffer Investment Schroder Asian Total Return Investment Schroder AsiaPacific Fund Schroder Income Growth Fund Schroder Japan Growth Fund Schroder Oriental Income Fund Schroder UK Growth Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	4,320	34	_
Ruffer Investment Schroder Asian Total Return Investment Schroder AsiaPacific Fund Schroder Income Growth Fund Schroder Japan Growth Fund Schroder Oriental Income Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	40,322	787	0.09
Schroder Asian Total Return Investment Schroder AsiaPacific Fund Schroder Income Growth Fund Schroder Japan Growth Fund Schroder Oriental Income Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund C'Standard Life Equity Income Trust	GBP	17,861	226	0.03
Schroder AsiaPacific Fund Schroder Income Growth Fund Schroder Japan Growth Fund Schroder Oriental Income Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland^ Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	52,934	123	0.02
Schroder Income Growth Fund Schroder Japan Growth Fund Schroder Oriental Income Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Mortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland^ Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	24,456	86	0.01
Schroder Japan Growth Fund Schroder Oriental Income Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Mortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland^ Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	53,676	238	0.03
Schroder Oriental Income Fund Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Mortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland^ Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	21,961	64	0.01
Schroder UK Growth Fund Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Mortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland^ Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	40,080	82	0.01
Schroder UK Mid Cap Fund Scottish American Investment Scottish Investment Trust Scottish Mortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland^ Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	78,081	202	0.03
Scottish American Investment Scottish Investment Trust Scottish Mortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland^ Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	49,806	87	0.01
Scottish Investment Trust Scottish Mortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland^ Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	12,465	66	0.01
Scottish Mortgage Investment Trust Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland^ Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	42,776	157	0.02
Scottish Oriental Smaller Companies Trust Securities Trust of Scotland Securities Trust of Scotland^ Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	26,698	224	0.03
Securities Trust of Scotland Securities Trust of Scotland^ Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	448,170	1,953	0.24
Securities Trust of Scotland^ Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	9,821	105	0.01
Sequoia Economic Infrastructure Income Fund SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	35,890	61	0.01
SQN Asset Finance Income Fund SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	83,950	_	- 0.03
SQN Asset Finance Income Fund 'C' Standard Life Equity Income Trust	GBP	239,536	267	0.03
Standard Life Equity Income Trust	GBP	114,660	113	0.01
	GBP	57,710	56	0.01
	GBP	15,713	73	0.01
Standard Life UK Smaller Co. Trust	GBP	24,179	85 102	0.01
Starwood European Real Estate Finance	GBP GBP	21,833 120,257	132	0.01 0.02
Strategic Equity Capital	GBP	21,320	50	0.02
Syncona	GBP	122,326	231	0.01
Temple Bar Investment Trust	GBP	21,417	282	0.04
Templeton Emerging Markets Investment Trust 'O'	GBP	89,531	691	0.04
TR European Growth Trust	GBP	15,936	199	0.03
TR Property Investment Trust 'Ordinary Shares'	GBP	102,226	381	0.05
Troy Income & Growth Trust	GBP	92,249	73	0.01
TwentyFour Income Fund	GBP	126,558	153	0.02
TwentyFour Select Monthly Income Fund	GBP	54,640	54	0.01
UK Commercial Property Trust	GBP	209,204	183	0.02
Utilico Emerging Markets	GBP	53,474	122	0.02
Value and Income Trust	GBP	13,923	38	_
VinaCapital Vietnam Opportunity Fund	GBP	64,220	196	0.02
VPC Specialty Lending Investments	GBP	121,150	94	0.01
Witan Investment Trust	GBP	56,679	596	0.07
Witan Pacific Investment Trust	GBP	20,320	66	0.01
Woodford Patient Capital Trust	GBP	265,070	242	0.03
Worldwide Healthcare Trust	GBP	14,639	383	0.05
			34,702	4.37
Investment Funds total			34,702	4.37
Materials 9.03% (7.73%)				
Chemicals 0.77% (0.73%)				
Carclo	GBP	21,914	31	_
Croda International	GBP	40,637	1,608	0.20
Elementis				
Essentra	GBP	147,440	411	0.05
Johnson Matthey	GBP GBP	147,440 84,173	411 444	0.05 0.06

Investment	Currency	Holding	Market Value £000	% of Net Assets
Chemicals 0.77% (0.73%) (continued)				
Sirius Minerals	GBP	1,379,790	359	0.05
Synthomer	GBP	85,662	420	0.05
Freatt	GBP	16,310	73	0.01
/ictrex	GBP	25,755	631	0.08
Zotefoams	GBP	12,530	44	0.01
			6,123	0.77
Construction Materials 1.04% (1.04%)				
CRH	GBP	266,485	7,334	0.93
orterra	GBP	64,570	195	0.02
bstock	GBP	123,210	304	0.04
ow & Bonar	GBP	105,180	83	0.01
Marshalls	GBP	63,341	280	0.04
			8,196	1.04
Containers & Packaging 0.55% (0.50%)				
OS Smith	GBP	300,516	1,461	0.18
RPC Group	GBP	130,107	1,236	0.16
murfit Kappa Group	GBP	76,080	1,659	0.21
			4,356	0.55
Metals & Mining 6.39% (5.20%)		47.440	0.5	
Acacia Mining	GBP	47,419	90	0.01
Anglo American	GBP	357,452	5,249	0.66
Antofagasta	GBP	110,913	1,125	0.14
BHP Billiton	GBP	662,722	9,262	1.17
entamin	GBP	347,116	518	0.07
vraz	GBP	153,663	494	0.06
Ferrexpo	GBP	93,476	270	0.03
resnillo	GBP	59,088	867	0.11
Gem Diamonds	GBP	34,933	27	_
Glencore	GBP	3,723,638	14,024	1.78
Hill & Smith Holdings	GBP	25,138	322	0.04
Hochschild Mining	GBP	79,443	191	0.02
KAZ Minerals	GBP	74,940	636	0.08
Kenmare Resources	GBP	24,660	78	0.01
onmin	GBP	90,579	74	0.01
Petra Diamonds	GBP	165,594	132	0.02
Petropavlovsk	GBP	926,620	72	0.01
Polymetal International	GBP	81,862	733	0.09
Randgold Resources	GBP	29,932	2,255	0.28
Rio Tinto	GBP	379,879	14,013	1.77
/edanta Resources	GBP	26,200	235	0.03
			50,667	6.39
Paper & Forest Products 0.28% (0.26%)				
Mondi	GBP	117,633	2,247	0.28
			2,247	0.28
Materials total			71,589	9.03
Real Estate 2.31% (2.25%)				
Equity Real Estate Investment Trusts (REITs) 1.96% (1.91%)				
Assura	GBP	577,378	357	0.04
Big Yellow Group	GBP	46,490	372	0.05
British Land	GBP	327,597	1,993	0.25
Capital & Regional	GBP	170,837	92	0.01
Civitas Social Housing	GBP	112,220	122	0.02
Custodian REIT	GBP	104,740	121	0.02
Perwent London	GBP	32,063	898	0.11
diston Property Investment	GBP	41,270	45	0.01
anston roperty investment				

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equity Real Estate Investment Trusts (REITs) 1.96% (1.91%) (continued)				
F&C UK Real Estate Investment	GBP	77,262	82	0.01
GCP Student Living	GBP	124,070	181	0.02
Great Portland Estates	GBP	104,488	646	0.08
Hammerson	GBP	254,624	1,361	0.17
Hansteen Holdings	GBP	258,678	352	0.04
Intu Properties	GBP	280,878	645	0.08
Land Securities Group	GBP	227,137	2,242	0.28
LondonMetric Property	GBP	204,631	351	0.04
LXI REIT	GBP	44,390	45	0.01
McKay Securities	GBP	27,670	59	0.01
NewRiver REIT	GBP	95,996	329	0.04
Primary Health Properties	GBP	182,650	216	0.03
Redefine International	GBP	386,979	146	0.02
Regional REIT	GBP	80,280	83	0.01
Safestore Holdings	GBP	65,209	295	0.04
Schroder European Real Estate Investment Trust	GBP	39,720	44	0.01
Schroder Real Estate Investment Trust	GBP	166,262	101	0.01
Segro	GBP	317,861	1,745	0.22
Shaftesbury	GBP	71,802	718	0.09
Standard Life Investment Property Income Trust	GBP	124,817	114	0.02
Target Healthcare REIT	GBP	76,360	88	0.02
Town Centre Securities	GBP	6,423	20	0.01
Tritax Big Box REIT	GBP	431,941	635	0.08
UNITE Group	GBP	75,347	539	0.08
	GBP		346	
Workspace Group	GDF	38,538	15,571	0.04
Real Estate Management & Development 0.35% (0.34%)			15,571	1.50
Capital & Counties Properties	GBP	231,687	606	0.08
CLS Holdings	GBP	50,000	106	0.01
Countrywide	GBP	54,037	62	0.01
Daejan Holdings	GBP	1,453	88	0.01
Foxtons Group	GBP	80,852	53	0.01
Grainger	GBP	131,250	356	0.04
Helical	GBP	31,493	94	0.04
Kennedy Wilson Europe Real Estate	GBP		345	0.01
		31,148	61	
LSL Property Services	GBP	26,628		0.01
Phoenix Spree Deutschland	GBP	25,020	81	0.01
Raven Russia	GBP	131,220	62	0.01
Savills	GBP	42,215	394	0.05
Sirius Real Estate	GBP	271,840	169	0.02
St Modwen Properties	GBP	56,506	216	0.03
U & I Group	GBP	39,417	74	0.01
Real Estate total			2,767 18,338	2.31
			10,550	2.31
Telecommunication Services 3.42% (4.24%)				
Diversified Telecommunication Services 1.11% (1.60%)	CDD	2 675 077	7 255	0.02
BT Group	GBP	2,675,977	7,355	0.93
Inmarsat	GBP	145,473	924	0.12
KCOM Group	GBP	162,589	161	0.02
TalkTalk Telecom Group	GBP	167,105	342	0.04
			8,782	1.11
Wireless Telecommunication Services 2.31% (2.64%)		0.512.55	40	
Vodafone Group	GBP	8,513,851	18,360	2.31
			18,360	2.31
Telecommunication Services total	·		27,142	3.42

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Utilities 2.93% (3.78%)				
Electric Utilities 0.56% (0.69%)				
SSE	GBP	319,329	4,442	0.56
			4,442	0.56
Independent Power and Renewable Electricity Producers 0.09% (0.10%)				
Drax Group	GBP	131,121	384	0.05
Renewables Infrastructure Group	GBP	297,092	319	0.04
			703	0.09
Multi-Utilities 1.71% (2.31%)				
Centrica	GBP	1,782,589	3,111	0.39
National Grid	GBP	1,098,810	10,238	1.29
Telecom Plus	GBP	18,369	217	0.03
		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	13,566	1.71
Water Utilities 0.57% (0.68%)			,	
Pennon Group	GBP	133,152	1,056	0.13
Severn Trent	GBP	75,786	1,594	0.13
United Utilities Group	GBP	217,525	1,839	0.24
		,-	4.489	0.57
Utilities total			23,200	2.93
Equities total			776,756	97.78
Lyuntes total			770,730	31.10
Investment assets			776,756	97.78
Net other assets			17,659	2.22
Net assets			794,415	100.00

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

The comparative percentage figures in brackets are as at 15 October 2016.

[†] A related party to the Fund.

[^] Unlisted, suspended or delisted security

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

		,	Year ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital gains	2		65,655		71,702
Revenue	3	32,226		28,746	
Expenses	4	(2,106)		(2,694)	
Net revenue before taxation		30,120		26,052	
Taxation	5	(224)		(200)	
Net revenue after taxation			29,896		25,852
Total return before distributions			95,551		97,554
Distributions	6		(29,896)		(25,859)
Change in net assets attributable to shareholders from investment activities			65,655		71,695

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		808,966		742,193
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	17,948		41,098	
Amounts payable on cancellation of shares	(123,565)		(68,628)	
		(105,617)		(27,530)
Dilution adjustment		91		-
Change in net assets attributable to shareholders from investment activities (see above)		65,655		71,695
Retained distribution on accumulation shares		25,320		22,608
Closing net assets attributable to shareholders		794,415		808,966

BALANCE SHEET

		As at	As at
		15.10.17	15.10.16
	Notes	£000	£000
Assets:			
Investments		776,756	783,901
Current assets:			
Debtors	8	5,506	1,159
Cash and bank balances	9	15,482	27,195
Total assets		797,744	812,255
Liabilities:			
Creditors:			
Bank overdrafts		-	(483)
Distribution payable		(1,858)	(1,623)
Other creditors	10	(1,471)	(1,183)
Total liabilities		(3,329)	(3,289)
Net assets attributable to shareholders		794,415	808,966

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policiesPlease see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Currency gains	9	4
Expenses relating to the purchase and sale of investments	(20)	(23)
Non-derivative securities gains	65,666	71,721
Net capital gains	65,655	71,702

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	29	6
Interest on debt securities	-	1
Overseas dividends	4,478	3,606
Property income distributions	582	470
Stock dividends	29	109
UK dividends	27,108	24,554
Total revenue	32,226	28,746

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	1,926	2,531
	1,926	2,531
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	71	60
Interest payable	1	1
Safe custody fee	13	12
	85	73
Other expenses:		
Audit fee*	11	10
FTSE Index Tracker Fund licence fee	74	66
Statement fees	28	29
	113	105
Total expenses	2,124	2,709
Less those expenses rebated by the ACD	(18)	(15)
Net expenses	2,106	2,694

^{*} The audit fee was £9,161 (2016: £9,161) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Overseas tax suffered	228	200
Adjustments in respect of prior periods	(4)	-
Total current tax for the year (see note 5b)	224	200

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	30,120	26,052
Corporation tax at 20%	6,024	5,210
Effects of:		
Movement in excess expenses	272	415
Overseas dividends not subject to corporation tax	(882)	(707)
Overseas tax suffered	228	200
Adjustments in respect of prior periods	(4)	-
Stock dividends not taxable	(6)	(22)
UK dividends not subject to corporation tax	(5,408)	(4,896)
	(5,800)	(5,010)
Current tax charge (see note 5a)	224	200

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 is no material unprovided deferred tax (2016: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £32,517,000 (2016: £31,157,000*) creating a potential deferred tax asset of £6,503,000 (2016: £6,231,000*). 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.

^{*} Restated figures to agree to final tax computation.

6 Distributions

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Interim distribution	13,962	12,206
Final distribution	14,817	13,463
	28,779	25,669
Add: Revenue deducted on cancellation of shares	1,274	651
Deduct: Revenue received on issue of shares	(157)	(461)
Total distributions	29,896	25,859
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	29,896	25,859
Equalisation on conversions	-	(8)
Undistributed revenue brought forward	(1)	-
Undistributed revenue carried forward	1	1
Net revenue after taxation	29,896	25,852

Details of the distributions per share are set out in the distribution tables on page 88.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Assets at 15.10.16 £000
Level 1: Quoted prices	776,756	783,860
Level 2: Observable market data	-	41
Total value	776,756	783,901

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

- 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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	1,569	1,059
Accrued expense fee rebate	2	2
Amounts receivable on issue of shares	33	21
Overseas tax recoverable	115	77
Prepaid Expenses	7	-
Sales awaiting settlement	3,780	_
Total debtors	5,506	1,159

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Cash and bank balances	15,482	27,195
Total cash and bank balances	15,482	27,195

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	380	293
Amounts payable for cancellation of shares	1,091	890
Total creditors	1,471	1,183

11 Contingent liabilities and commitments

The contingent liabilities and commitments at the year end date are as follows:

	As at 15.10.17 £000	As at 15.10.16 £000
Equiniti Group Rights 16/10/2017	35	_
Informa	-	25,542
John Menzies	_	22
Total contingent liabilities and commitments	35	25,564

12 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.

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 ACD periodic charges was £218,000 (2016: £232,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £22,757,000 (2016: £21,231,000). The amount outstanding at the year end was £11,570,000 (2016: £10,989,000). 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.

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 £273,000 (2016: £3,872,000) and £1,071,000 (2016: £3,842,000) respectively. The income received during the year amounted to £340,000 (2016: £316,000).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 1 Income shares)	10,381,396	(962,283)	11,343,679
ACD and related parties (share class 2 Income shares)	1,186,243	(402,110)	1,588,353
ACD and related parties (share class 3 Accumulation shares)	246,776,772	(42,966,501)	289,743,273

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

13 Shareholder funds

The Fund currently has four share classes: Class 1 and A (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 0.60% Class 2: 0.20% Class 3: 0.20% Class A: 0.10%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 63 and 64. The distributions per share are given in the distribution tables on page 88. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Class 1 Income	120,122,978	4,564,957	(10,096,991)	(187,606)	114,403,338
Class 2 Income	11,074,065	761,921	(1,254,640)	114,407	10,695,753
Class 3 Accumulation	289,743,273	4,874,625	(47,841,126)	_	246,776,772
Class A Accumulation	74,608,822	2,392,232	(2,218,088)	_	74,782,966

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency exposures

At the year end date, 0.08% (2016: 0.05%) of the net assets of the Fund were denominated in currencies other than sterling and as such the currency risk is not considered significant.

Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

At the year end date 1.95% (2016: 3.30%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

Market price risk

At the year end date, 97.78% (2016: 96.90%) of the net assets of the Fund were invested in ordinary shares or stock units admitted to an official stock exchange. If the market value were to change by 10%, the value of the Fund would change by 9.78% (2016: 9.69%).

16 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.

15.10.17	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(59,387)	(1)	(292)	(59,680)	0.00%	0.49%
Purchases (corporate actions activity only)						
Equities	(1,447)	-	_	(1,447)	0.00%	0.00%
	(60,834)	(1)	(292)	(61,127)		
Sales						
Equities	132,630	(9)	(2)	132,619	0.01%	0.00%
	132,630	(9)	(2)	132,619		
Total	_	(10)	(294)			
Percentage of Fund average net assets	_	0.00%	0.04%			
15.10.16	Principal before costs £000	Commissions £000	Taxes £000	Total after costs	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(77,833)	(6)	(336)	(78,175)	0.01%	0.43%
Purchases (corporate actions activity only)	- <u>-</u>					
Equities	(2,216)	_	_	(2,216)		
	(80,049)	(6)	(336)	(80,391)		
Sales						
Equities	96,846	(11)	(1)	96,834	0.01%	0.00%
	96,846	(11)	(1)	96,834		
Total	_	(17)	(337)			
Percentage of Fund average net assets	_	0.00%	0.05%			

Dealing spread

As at $1\overline{5}$ October 2017, the average portfolio dealing spread was 0.08% (2016: 0.08%). 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.

17 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: £nil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the six months ended 15 October 2017

Income shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	1.3871	_	1.3871	1.1555
	Group 2	0.7883	0.5988	1.3871	1.1555
Share Class 2	Group 1	2.5365	_	2.5365	2.1239
	Group 2	1.2473	1.2892	2.5365	2.1239

Accumulation shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 3	Group 1	4.6180	-	4.6180	3.7359
	Group 2	1.7358	2.8822	4.6180	3.7359
Share Class A	Group 1	2.0894	-	2.0894	1.3609
	Group 2	1.0695	1.0199	2.0894	1.3609

Final distribution

Group 1 shares are those shares purchased at or before 5:00pm on 15 April 2017.

Group 2 shares are those shares purchased after 5:00pm on 15 April 2017.

Interim distribution paid in pence per share for the six months ended 15 April 2017

Income shares		Net revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 1	Group 1	1.1730	_	1.1730	0.9762
	Group 2	0.5227	0.6503	1.1730	0.9762
Share Class 2	Group 1	2.1708	_	2.1708	1.9221
	Group 2	1.1588	1.0120	2.1708	1.9221

Accumulation shares		Net revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 3	Group 1	3.8854	_	3.8854	3.3228
	Group 2	2.3759	1.5095	3.8854	3.3228
Share Class A	Group 1	1.7608	-	1.7608	0.9325
	Group 2	1.0144	0.7464	1.7608	0.9325

Interim distribution

Group 1 shares are those shares purchased at or before 5:00pm on 15 October 2016.

Group 2 shares are those shares purchased after 5:00pm on 15 October 2016.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS UK SMALLER COMPANIES FUND

INVESTMENT OBJECTIVE

Long term capital appreciation.

INVESTMENT POLICY

Investment principally in smaller capitalisation UK equities judged to offer prospects of above average earnings growth.

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

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 20.10 per cent (share class 1), net of fees, compared with an average return of 27.88 per cent for its peer group the Investment Association UK Smaller Companies sector. The Fund's benchmark the FTSE® Small Cap excluding Investment Trusts Index, returned 19.16 per cent.

Review

In the immediate aftermath of the Brexit vote last summer many economists and market participants were forecasting the UK economy would slide into recession during the fourth quarter of 2016. Whilst the economic and political uncertainty has heightened over the last twelve months, particularly as the June General Election resulted in a hung parliament and Brexit negotiations are making slow progress, UK economic indicators and corporate earnings growth have exceeded expectations, leading to a strong performance from the UK equity market. The experience of the last twelve months, backed by numerous studies, has illustrated that stock market returns and economic growth are not well correlated.

Even with uncertainty prevailing over political and economic issues sterling, firmly against consensus, has strengthened against the dollar and this has led to the outperformance of the more domestically exposed mid cap FTSE® 250 index versus the FTSE® 100, while the FTSE® Small Cap index has also outperformed its larger brethren. UK Small Cap indices are driven more by the idiosyncratic nature of their constituents rather than the more macro exposed larger cap indices. That observation, coupled with these uncertain conditions has led us to reinforce both our bias towards a focused portfolio and the conviction we hold in our core investments.

The Fund outperformed its benchmark during the year under review, although performance trailed the average return for the peer group.

Three days into the reporting period the global cyber security firm NCC group warned on margin deterioration in one of its divisions and the loss of some large contracts. The subsequent share price depreciation in light of this lower growth and profitability accounted for the stock being the Fund's key detractor from performance over the period. Following that announcement there was a lack of visibility on the growth outlook and a subsequent absence of support for the valuation. We exited our position.

The standout performer was our holding in Fevertree Drinks, the premium soft drinks company whose share price was up 129% over the period. They have continued to report very impressive results ever since the company's floatation in November 2014 as the Stock Market has underestimated the pace of take up of their

products round the world and the size of the market opportunity open to them. Management have been highly adept at building a substantial foothold in the UK market and expanding overseas, exploiting the growth in demand for premium mixer drinks to accompany spirits such as gin.

Sanne Group, a provider of fund and corporate administration services in the alternative asset markets, was the second largest contributor to performance. The company is exposed to the fast growing areas of fund and corporate outsourcing markets and as a consequence has delivered highly attractive organic growth since it floated. The company has an exciting acquisition strategy which we fully support because these opportunities provide them with a global footprint to better service existing and new clients across its various alternative asset classes.

The Fund has two key positions in the healthcare sector – CVS and Dechra Pharmaceuticals. Both are exposed to the veterinary and pet care markets which have been seeing steady growth in recent years. Dechra is a business focused on the development of therapeutic drugs for animals, whilst CVS sells a range of veterinary products and services directly to consumers. Both companies have performed extremely well.

A number of other interesting and successful investments over the period have been in companies that are either dominating their niches e.g. Keywords Studios and Midwich; or those that have truly differentiated technical offerings that are superior to existing services and products e.g. Eagle Eye Solutions and First Derivatives. Keywords Studios provides technical outsourcing services to the video games industry. Midwich is a distributor of display and audio equipment. Eagle Eye is a digital promotions platform for the retail industry and First Derivatives is a software and consultancy business broadening its end markets. In each instance we remain attracted to their long-term growth potential.

Besides NCC Group another significant detractor from performance has been our holding in specialist engineering group Ricardo. The company is perceived to be a net loser in the trend towards electric vehicles and away from diesel engines. However, we take the view that this perception is simply not justified and observe that the company is at the forefront of hybrid technology, a view evidenced through the fact that Ricardo designed the McLaren P1 hybrid engine and that the company has been investing in this area for ten years. We will remain patient with this holding backed in this stance by their excellent track record.

In terms of trading activity, some decisions were influenced by M&A activity that positively contributed to performance. We exited our holding in the wholesaler Booker, taking advantage of the premium to the takeover price offered by Tesco. We also exited our position in the Lloyds insurer Novae that was under offer from Axis Capital and sold our holding in the equipment rental business Lavendon that was taken over by its French peer Loxam. In addition to these trades we took some profits in asset management firm River & Mercantile on valuation grounds and trimmed our Sanne position after a sustained period of strong share price performance.

During the period four new names were added to the Fund – Keyword Studios, First Derivatives, Alpha Financial Markets Consulting and Warehouse REIT. Alpha FMC are a quality consultancy firm specialising in the asset management sector. They are renowned in the industry for their high level of competency, are growing quickly and have a fledging, but promising business in the US to complement their European operations. Warehouse REIT was raising money to double the size of its e-commerce exposed logistics portfolio and we view this as an attractive asset class.

AVIVA INVESTORS UK SMALLER COMPANIES FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

Outlook

Ongoing slow progress on Brexit negotiations and any initiatives from US President Trump are likely to dominate the headlines going forward, but as the last year has highlighted not just the UK but global equity markets can be highly resilient in this environment.

In view of current positive global economic indicators, encouraging earnings momentum and broadly supportive historic and relative valuations, we believe selective UK Small Caps can make further progress and keep UK Small Caps as a highly attractive asset class.

On the domestic front we remain wary of the squeeze on real incomes from rising inflation as it hits household's disposable incomes. Also we continue to monitor companies' investment decisions in the UK post the Brexit vote and implications these may have for our holdings. The Fund managers will stick with their investment process of looking for businesses with strong financial track records with the potential to deliver impressive organic growth and where possible the potential to materially increase their business organically or inorganically.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on page 91 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 securities. 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.

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Material Portfolio Changes	
Purchases	Sales
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP	Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP
First Derivatives	RPC Group
Keywords Studios	4imprint Group
Forterra	Sanne Group
Warehouse REIT	Fevertree Drinks
Consort Medical	BCA Marketplace
Big Yellow Group	Vectura Group
CVS Group	e2v technologies
Alpha Financial Markets Consulting	NCC Group
McBride	Acal

Synthetic Risk and Reward Indicator Lower risk Higher risk Typically lower rewards Typically higher rewards 1 2 3 4 5 6 7

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'.
- A significant proportion of the Fund may be invested in securities which are not actively traded, and as a result may experience large daily price changes
- During the year ended 15 October 2017, the indicator changed from category 5 to category 4.
- 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 1 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share	p per siture	p per snare	p per siture
Opening net asset value per share	316.84	307.19	258.63
Return before operating charges [†]	69.34	13.93	52.69
Operating charges	(4.82)	(4.28)	(4.13)
Return after operating charges [†]	64.52	9.65	48.56
Distributions	(1.83)	(1.06)	(0.91)
Retained distributions on accumulation shares	1.83	1.06	0.91
Closing net asset value per share	381.36	316.84	307.19
† after direct transaction costs of	(0.31)	(0.40)	(0.24)
Performance			
Return after charges	20.36%	3.14%	18.78%
Other information			
Closing net asset value (£000)	24,340	22,995	25,746
Closing number of shares	6,382,531	7,257,484	8,381,205
Operating charges (%) [‡]	1.41%	1.39%	1.39%
Direct transaction costs (%)#	0.09%	0.13%	0.08%
Prices≈			
Highest share price	383.64	329.00	319.57
Lowest share price	301.81	271.87	255.00

Class 2 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	499.69	482.05	403.83
Return before operating charges [†]	109.67	21.95	82.37
Operating charges	(4.92)	(4.31)	(4.15)
Return after operating charges [†]	104.75	17.64	78.22
Distributions	(5.61)	(4.12)	(3.78)
Retained distributions on accumulation shares	5.61	4.12	3.78
Closing net asset value per share	604.44	499.69	482.05
† after direct transaction costs of	(0.49)	(0.63)	(0.37)
Performance			
Return after charges	20.96%	3.66%	19.37%
Other information			
Closing net asset value (£000)	13,216	12,616	10,673
Closing number of shares	2,186,452	2,524,724	2,214,079
Operating charges (%) [‡]	0.91%	0.89%	0.89%
Direct transaction costs (%)#	0.09%	0.13%	0.08%
Prices≈			
Highest share price	608.06	518.80	501.08
Lowest share price	476.15	428.14	398.16

Class 3 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share	p per siture	p per siture	p per siture
Opening net asset value per share	533.31	518.73	438.00
opening her asset value per share		310.73	+50.00
Return before operating charges [†]	116.97	23.65	89.32
Operating charges	(2.02)	(1.78)	(1.70)
Return after operating charges [†]	114.95	21.87	87.62
Distributions	(9.13)	(7.29)	(6.89)
Closing net asset value per share	639.13	533.31	518.73
† after direct transaction costs of	(0.50)	(0.68)	(0.40)
Performance			
Return after charges	21.55%	4.22%	20.00%
Other information			
Closing net asset value (£000)	3,700	32,257	31,729
Closing number of shares	578,946	6,048,483	6,116,663
Operating charges (%) [‡]	0.36%	0.34%	0.34%
Direct transaction costs (%)#	0.09%	0.13%	0.08%
Prices≈			
Highest share price	647.88	557.44	543.22
Lowest share price	508.41	459.36	431.80

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

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

(b) The Ongoing Charge 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 $6.3.6\,\mathrm{G}$ (4).

pprox 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	15.10.17	15.10.16
Class 1	1.41%	1.39%
Class 2	0.91%	0.89%
Class 3	0.36%	0.34%

* 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

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

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equities 95.64% (93.65%)				
Consumer Discretionary 18.14% (22.29%)				
Auto Components 0.06% (0.54%)	CDD	0.020.505	24	0.06
Torotrak	GBP	8,928,595	24	0.06
Diversified Consumer Services 0.00% (1.23%)			21	0.00
Hotels, Restaurants & Leisure 3.37% (1.87%)				
Sportech	GBP	1,439,958	1,390	3.37
Household Durables 1.71% (1.15%)			1,590	3.37
Vitec Group	GBP	65,826	708	1.71
			708	1.71
Internet & Direct Marketing Retail 0.00% (0.45%)				
Media 8.50% (9.93%) 4imprint Group	GBP	76,492	1,453	3.52
M&C Saatchi#	GBP	225,865	714	1.73
Next Fifteen Communications Group#	GBP	333,042	1,339	3.25
C			3,506	8.50
Specialty Retail 2.63% (5.06%) BCA Marketplace	GBP	324,440	698	1.69
Land of Leather Holdings^	GBP	577,374	_	_
Topps Tiles	GBP	539,417	1,086	0.94 2.63
Textiles, Apparel & Luxury Goods 1.87% (2.06%)			1,000	2.03
Ted Baker	GBP	27,963	772	1.87
			772	1.87
Consumer Discretionary total			7,486	18.14
Consumer Staples 8.15% (5.44%)				
Beverages 4.87% (2.66%) Fevertree Drinks*	GBP	93,103	2,008	4.87
			2,008	4.87
Food & Staples Retailing 0.00% (0.79%)				
Household Products 3.28% (1.99%)				
McBride	GBP	599,285	1,355 1,355	3.28
Consumer Staples total			3,363	8.15
Energy 0.00% (1.60%)				
Oil, Gas & Consumable Fuels 0.00% (1.60%)				
Financials 5.92% (7.52%)				
Banks 0.98% (1.28%)				
Secure Trust Bank*	GBP	23,135	402	0.98
			402	0.98
Capital Markets 4.94% (5.28%) River & Mercantile Group	GBP	161,512	539	1.31
Sanne Group	GBP	367,623	1,500	3.63
			2,039	4.94
Insurance 0.00% (0.96%)			3.444	F.02
Financials total			2,441	5.92

Investment	Currency	Holding	Market Value £000	% of Net Assets
Health Care 17.97% (14.40%)				
Biotechnology 2.57% (1.62%)				
Abcam#	GBP	100,654	1,008	2.44
Circassia Pharmaceuticals	GBP	60,777	52	0.13
			1,060	2.57
Health Care Equipment & Supplies 5.63% (3.64%)	CDD	204.065	4 246	2.05
Advanced Medical Solutions Group# Consort Medical	GBP GBP	394,965 103,531	1,216 1,106	2.95 2.68
Consort Medical	GDF	103,331		5.63
			2,322	5.05
Health Care Providers & Services 4.15% (2.77%)	GBP	125 426	1 711	4.15
CVS Group#	GDP	125,436	1,711 1,711	4.15
			1,711	4.15
Health Care Technology 1.27% (0.00%) Servelec Group	GBP	201,373	523	1.27
Serveiec Group	GDF	201,373	523	1.27
-1			323	1.27
Pharmaceuticals 4.35% (6.37%) Dechra Pharmaceuticals	GBP	73,426	1,592	3.86
Oxford Pharmascience Group#	GBP	3,845,042	48	0.11
Vectura Group	GBP	155,339	156	0.38
			1,796	4.35
Health Care total			7,412	17.97
Industrials 8.07% (8.22%)				
Aerospace & Defense 1.93% (1.29%)				
Ultra Electronics Holdings	GBP	42,845	798	1.93
			798	1.93
Building Products 2.73% (2.41%)				
Tyman	GBP	167,953	560	1.36
Volution Group	GBP	275,969	564	1.37
			1,124	2.73
Electrical Equipment 0.03% (0.20%)				
Flowgroup#	GBP	1,464,316	13	0.03
			13	0.03
Industrial Conglomerates 0.00% (0.00%)				
Dyson Group^	GBP	690,837		
			_	_
Professional Services 3.38% (3.23%)				
Alpha Financial Markets Consulting# Ricardo	GBP GBP	183,543	307	0.75
nicaluu	OBP	131,294	1,086	2.63 3.38
T. H. 6 (O.D. H.) (C.D.) (C.D.)			1,393	5.38
Trading Companies & Distributors 0.00% (1.09%)			2.220	
Industrials total			3,328	8.07

Investment	Currency	Holding	Market Value £000	% of Net Assets
Information Technology 17.06% (15.97%)				
Communications Equipment 0.00% (0.11%)				
Electronic Equipment, Instruments & Components 6.98% (8.15%)				
Acal	GBP	522,363	1,615	3.91
Digital Barriers#	GBP	261,016	40	0.10
Gooch & Housego#	GBP	33,885	458	1.11
Midwich Group#	GBP	170,861	769	1.86
			2,882	6.98
nternet Software & Services 2.30% (3.17%) GlobalData#	GBP	169,398	949	2.30
ulubalbata	GDI	109,390	949	2.30
IT Services 7.78% (4.41%)			343	2.50
Eagle Eye Solutions Group#	GBP	300,420	760	1.84
First Derivatives#	GBP	36,821	1,105	2.68
Keywords Studios#	GBP	94,587	1,344	3.26
			3,209	7.78
Software 0.00% (0.13%)				
Information Technology total			7,040	17.06
Materials 5.40% (6.25%)				
Chemicals 1.14% (0.90%)				
/ictrex	GBP	19,282	471	1.14
			471	1.14
Construction Materials 2.38% (0.00%)				
Forterra	GBP	321,582	981	2.38
			981	2.38
Containers & Packaging 0.93% (4.80%)	GBP	40.462	205	0.02
RPC Group	GDP	40,462	385	0.93
0.5 (0.50)			303	0.93
Paper & Forest Products 0.95% (0.55%) Accsys Technologies	GBP	496,226	390	0.95
ecosys recrimologics	351	130,220	390	0.95
Materials total			2,227	5.40
Real Estate 13.66% (9.92%)				
Equity Real Estate Investment Trusts (REITs) 9.09% (4.61%)				
Big Yellow Group	GBP	160,463	1,292	3.13
Empiric Student Property	GBP	1,564,442	1,564	3.79
PRS REIT	GBP	177,918	185	0.45
	GBP	708,718	709	1.72
	35.			
	93.		3,750	9.09
Warehouse REIT* Real Estate Management & Development 4.57% (5.31%)				
Narehouse REIT# Real Estate Management & Development 4.57% (5.31%) Helical	GBP	90,380	273	0.66
Warehouse REIT* Real Estate Management & Development 4.57% (5.31%) Helical Savills	GBP GBP	75,251	273 704	1.71
Warehouse REIT* Real Estate Management & Development 4.57% (5.31%) Helical	GBP		273	0.66

As at 15 October 2017

Investment	Curren	Haldina	Market Value	% of Net Assets
investment	Currency	Holding	£000	% of Net Assets
Telecommunication Services 1.27% (2.04%)				
Diversified Telecommunication Services 1.25% (1.81%)				
CityFibre Infrastructure Holdings#	GBP	2,171,143	514	1.25
			514	1.25
Wireless Telecommunication Services 0.02% (0.23%)				
People's Operator Holdings#	GBP	957,476	10	0.02
			10	0.02
Telecommunication Services total			524	1.27
Equities total			39,456	95.64
Liquidity Funds 1.94% (4.86%)				
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP [†]	GBP	800,000	800	1.94
Liquidity Funds total			800	1.94
Investment assets			40,256	97.58
Net other assets			1,000	2.42
Net assets			41,256	100.00

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated. The comparative percentage figures in brackets are as at 15 October 2016.

Security traded on another regulated market.

^ Unlisted, suspended or delisted security.

[†] A related party to the Fund.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

			ended 10.17	Year ended 15.10.16
	Notes	£000	£000 £000	£000
Income				
Net capital gains	2		5,962	1,854
Revenue	3	843	1,166	
Expenses	4	(467)	(537)	
Net revenue before taxation		376	629	
Taxation	5	-	-	
Net revenue after taxation			376	629
Total return before distributions			6,338	2,483
Distributions	6		(377)	(630)
Change in net assets attributable to shareholders from investment activities			5,961	1,853

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		67,868		68,148
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	1,024		1,995	
Amounts payable on cancellation of shares	(34,117)		(4,312)	
		(33,093)		(2,317)
Dilution adjustment		270		-
Change in net assets attributable to shareholders from investment activities (see above)		5,961		1,853
Retained distribution on accumulation shares		250		184
Closing net assets attributable to shareholders		41,256		67,868

BALANCE SHEET

		As at 15.10.17	As at 15.10.16
	Notes	£000	£000
Assets:			
Investments		40,256	66,856
Current assets:			
Debtors	8	132	1,044
Cash and bank balances	9	1,026	1,168
Total assets		41,414	69,068
Liabilities:			
Creditors:			
Distribution payable		(29)	(222)
Other creditors	10	(129)	(978)
Total liabilities		(158)	(1,200)
Net assets attributable to shareholders		41,256	67,868

1 Accounting basis and policies

Please see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Expenses relating to the purchase and sale of investments	(5)	(3)
Non-derivative securities gains	5,967	1,857
Net capital gains	5,962	1,854

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Interest on debt securities	2	8
Overseas dividends	37	36
Property income distributions	76	31
Stock dividends	17	-
UK dividends	711	1,091
Total revenue	843	1,166

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	410	480
Registration fees	37	36
	447	516
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	6	8
Safe custody fee	1	1
	7	9
Other expenses:		
Audit fee*	10	9
Statement fees	3	2
Printing & postage expenses	_	1
	13	12
Total expenses	467	537

^{*} The audit fee was £8,326 (2016: £8,326) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Corporation tax	-	-
Total current tax (see note 5b)	-	-

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	376	629
Corporation tax at 20%	75	126
Effects of:		
Movement in excess expenses	78	99
Overseas dividends not subject to corporation tax	(8)	(7)
Overseas tax suffered	(3)	-
UK dividends not subject to corporation tax	(142)	(218)
	(75)	(126)
Current tax charge (see note 5a)	-	_

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 year end (2016: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £18,944,000 (2016: £18,556,000) creating a potential deferred tax asset of £3,789,000 (2016: £3,711,000). 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 15.10.17 £000	Year ended 15.10.16 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Interim distribution	159	307
Final distribution	158	318
	317	625
Add: Revenue deducted on cancellation of shares	62	8
Deduct: Revenue received on issue of shares	(2)	(3)
Total distributions	377	630
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	377	630
Equalisation on conversions	(1)	(1)
Net revenue after taxation	376	629

Details of the distributions per share are set out in the distribution tables on page 104.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Assets at 15.10.16 £000
Level 1: Quoted prices	39,456	63,528
Level 2: Observable market data	800	3,300
Level 3: Unobservable data	-	28
Total value	40,256	66,856

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

- 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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	62	42
Amounts receivable on issue of shares	9	5
Sales awaiting settlement	61	997
Total debtors	132	1,044

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Cash and bank balances	1,026	1,168
Total cash and bank balances	1,026	1,168

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	70	76
Amounts payable for cancellation of shares	59	162
Purchases awaiting settlement	_	740
Total creditors	129	978

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: £nil).

12 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.

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 ACD periodic charges was £49,000 (2016: £59,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £80,000 (2016: £487,000). The amount outstanding at the year end was £35,000 (2016: £246,000). 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.

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 £9,800,000 (2016: £10,900,000) and £12,300,000 (2016: £7,600,000) respectively. The income received during the year amounted to £2,000 (2016: £8.100).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 1 Accumulation shares)	9,441	(127,976)	137,417
ACD and related parties (share class 2 Accumulation shares)	220,393	(880,248)	1,100,641
ACD and related parties (share class 3 Income shares)	578,946	(5,469,537)	6,048,483

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

13 Shareholder funds

The Fund currently has three share classes: Class 1 (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 1.25% Class 2: 0.75% Class 3: 0.30%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on page 91. The distributions per share are given in the distribution tables on page 104. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Class 1 Accumulation	7,257,484	48,722	(562,114)	(361,561)	6,382,531
Class 2 Accumulation	2,524,724	143,797	(710,751)	228,682	2,186,452
Class 3 Income	6,048,483	11,527	(5,481,064)	_	578,946

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency risk

At the year end date, none (2016: none) of the net assets of the Fund were denominated in currencies other than sterling. As such, the currency risk is not considered significant.

Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

At the year end date 4.43% (2016: 1.72%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

Market price risk

At the year end date, 97.58% (2016: 98.51%) 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 9.76% (2016: 9.85%).

16 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.

	Principal before costs	Commissions	Taxes	Total after costs	Commissions as %	Taxes as %
15.10.17	£000	£000	£000	£000	of principal	of principal
Purchases (excluding corporate actions)						
Equities	(6,636)	(5)	(19)	(6,660)	0.08%	0.29%
Funds	(9,800)	-	-	(9,800)	0.00%	0.00%
Purchases (corporate action activity only)						
Equities	(175)	-	-	(175)	0.00%	0.00%
	(16,611)	(5)	(19)	(16,635)		
Sales						
Equities	36,919	(16)	-	36,903	0.04%	0.00%
Funds	12,300	-	-	12,300	0.00%	0.00%
	49,219	(16)	-	49,203		
Total	_	(21)	(19)			
Percentage of Fund average net assets	_	0.05%	0.04%			

16 Direct transaction costs (continued)

15.10.16	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as %	Taxes as %
	1000	1000	1000	1000	of principal	of principal
Purchases (excluding corporate actions)						
Equities	(12,545)	(14)	(49)	(12,608)	0.11%	0.39%
Funds	(10,900)	-	_	(10,900)	0.00%	0.00%
Purchases (corporate action activity only)						
Equities	(320)	-	_	(320)	0.00%	0.00%
	(23,765)	(14)	(49)	(23,828)		
Sales						
Equities	19,377	(23)	_	19,354	0.12%	0.00%
Funds	7,600	_	_	7,600	0.00%	0.00%
	26,977	(23)	_	26,954		
Total	_	(37)	(49)			
Percentage of Fund average net assets	_	0.05%	0.03%			

Dealing spread

As at 15 October 2017, the average portfolio dealing spread was 1.21% (2016: 1.67%). 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.

17 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: £nil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the six months ended 15 October 2017

Income shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 3	Group 1	4.9032	-	4.9032	3.6752
	Group 2	2.9172	1.9860	4.9032	3.6752

Accumulation shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	0.9988	_	0.9988	0.5772
	Group 2	0.5169	0.4819	0.9988	0.5772
Share Class 2	Group 1	3.0221	-	3.0221	2.1074
	Group 2	1.4346	1.5875	3.0221	2.1074

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

Interim distribution paid in pence per share for the six months ended 15 April 2017

Income shares		Net revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 3	Group 1	4.2288	_	4.2288	3.6139
	Group 2	3.0793	1.1495	4.2288	3.6139

Accumulation shares		Net revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 1	Group 1	0.8361	-	0.8361	0.4876
	Group 2	0.5456	0.2905	0.8361	0.4876
Share Class 2	Group 1	2.5871	-	2.5871	2.0124
	Group 2	1.4662	1.1209	2.5871	2.0124

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS CASH FUND

INVESTMENT OBJECTIVE

To achieve an income combined with a high degree of capital security.

INVESTMENT POLICY

The Fund will invest primarily in short-term cash deposits, near cash and other money market instruments. In addition, the Fund may occasionally invest in transferable securities, units in collective investment schemes, and derivatives and forward transactions in order to achieve its objective.

FUND MANAGER'S REPORT

Performance

Over the twelve months ended 15 October 2017, the Fund posted a total return of 0.16 per cent (share class 2), net of fees. The Fund's peer group, the Investment Association's (IA) Money Market sector, delivered a net return of 0.15 per cent.

Review

The Fund's return reflected the maintenance of historically low interest rates in the UK. Already at a low of 0.5 per cent, the UK base rate was cut to 0.25 per cent in August 2016 as the Bank of England (BoE) sought to cushion the economy from the impact of the Brexit vote. The real rate of return of cash investments was eroded by an increase in the rate of inflation. From 0.9 per cent at the start of the period, the consumer price index (CPI) rose to 3.0 per cent in September as a fall in the value of the pound following the Brexit vote ramped up the cost of imports. Due to the persistently high inflation numbers and low unemployment figures some members of the BoE monetary policy committee started to push for higher base rates. By the end of September rhetoric from a majority of members, including the governor, turned hawkish, leading the market to price in a rate rise at the November policy meeting.

We manage the Fund by taking a view on portfolio 'duration', which in broad terms is an expression of the risk we deem appropriate given the outlook for the economy and monetary policy. Long duration equates to a more bullish view, while short duration equates to a cautious view. Over the review period we maintained a long duration position but, as yields began to rise, we reduced the Fund's duration so that it would be well positioned to take advantage of any increase in interest rates. As an additional strategy, we have maintained the allocation to floating rate certificates of deposit to protect the Fund from rising yields.

Outlook

The outlook for UK money market rates will be driven by whether there will be a 'soft' or 'hard' Brexit and the knock-on effect on the UK economy. The possibility of no trade deal being agreed between the UK government and the European Union suggests that the BoE will be obliged to keep its monetary policy loose, even though inflation has risen well above target. As such, we favour staying long duration in the Fund.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on pages 107 and 108 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 an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

Material Portfolio Changes	
Purchases	Sales
Aviva Investors Sterling Liquidity Fund, Class 3, Income shares, GBP	Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP
BNP Paribas 0.23% 21/09/2017	BNP Paribas 0.23% 21/09/2017
BNP Paribas 0.23% 23/10/2017	Credit Agricole Corporate and Investment Bank 0.28% 06/09/2017
Banque Federative Du Credit Mutuel 0.31% 01/12/2017	Qatar National Bank 0.00% 10/04/2017
Credit Agricole Corporate and Investment Bank 0.25% 06/12/2017	Qatar National Bank 0.00% 10/07/2017
Credit Agricole Corporate and Investment Bank 0.28% 06/09/2017	Industrial And Commercial Bank of China 0.00% 24/10/2016
Nationwide Building Society 0.29% 01/12/2017	Nationwide Building Society 0.38% 24/10/2016
Qatar National Bank 0.00% 10/07/2017	Nationwide Building Society 0.55% 11/04/2016
Qatar National Bank 0.00% 10/04/2017	Sumitomo Mitsui Banking Corporation Europe 0.39% 14/11/2016
UBS 0.35% 12/12/2017	Toronto-Dominion Bank 0.67% 21/10/2016

AVIVA INVESTORS CASH FUND (CONTINUED)

Synthetic Risk and Reward Indicator Lower risk Higher risk Typically lower rewards Typically higher rewards 1 2 3 4 5 6 7

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'.
- Money market investment values are affected changes in interest rates, and the issuer's creditworthiness. If interest rates go up and or an issuer has their credit rating reduced, the value of the Fund's investments may fall, and vice versa. Whilst capital is relatively safe in a building society account, money market investments may fall in value, and you may get less back than the original amount you invested.
- 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

	2017	2016	2015§		2017	2016	2015
Class 1 Income	p per share	p per share	p per share	Class 2 Income	p per share	p per share	p per share
Change in net assets per share				Change in net assets per share			
Opening net asset value per share	_	_	49.02	Opening net asset value per share	78.58	78.58	78.58
Return before operating charges [†]	_	_	(48.92)	Return before operating charges†	0.29	0.45	0.32
Operating charges	_	_	(0.08)	Operating charges	(0.15)	(0.15)	(0.11)
Return after operating charges [†]	_	_	(49.00)	Return after operating charges [†]	0.14	0.30	0.21
_				_	(0.14)	(0.20)	(0.21)
Distributions -			(0.02)	Distributions –	(0.14)	(0.30)	(0.21)
Closing net asset value per share				Closing net asset value per share	78.58	78.58	78.58
[†] after direct transaction costs of	-	-	-	† after direct transaction costs of	-	-	-
Performance				Performance			
Return after charges	-	-	-	Return after charges	0.18%	0.38%	0.27%
Other information				Other information	F 706	772	222
Closing net asset value (£000)	_	_	_	Closing net asset value (£000)	5,706	773	222
Closing number of shares	_	_	- 0.640/	Closing number of shares	7,261,056	983,993	282,212
Operating charges (%)*	_	_	0.64%	Operating charges (%) [‡]	0.20%	0.19%	0.19%
Direct transaction costs (%)#	_	_	_	Direct transaction costs (%)#	_	_	_
Prices≈				Prices≈			
Highest share price	_	_	49.04	Highest share price	78.63	78.65	78.64
Lowest share price	_	_	49.03	Lowest share price	78.58	78.58	78.58
	2017	2016	2015§		2017	2016	2015
Class 1 Accumulation	p per share	p per share	p per share	Class 2 Accumulation	p per share	p per share	p per share
Change in net assets per share				Change in net assets per share			
Opening net asset value per share	_	_	51.98	Opening net asset value per share	78.99	78.75	78.53
Return before operating charges [†]	_	_	(51.90)	Return before operating charges [†]	0.29	0.39	0.37
Operating charges	_	_	(0.08)	Operating charges	(0.15)	(0.15)	(0.15)
Return after operating charges [†]	_	_	(51.98)	Return after operating charges [†]	0.14	0.24	0.22
Bright at			(0.03)		(0.4.4)	(0.20)	(0.24)
Distributions	_	_	(0.02)	Distributions Retained distributions on accumulation shares	(0.14)	(0.30)	(0.31)
Retained distributions on accumulation shares			0.02	Retained distributions on accumulation snares —	0.13	0.24	0.25
Closing net asset value per share				Closing net asset value per share	79.12	78.99	78.75
[†] after direct transaction costs of	-	-	_	† after direct transaction costs of	-	_	-
Performance				Performance			
Return after charges	-	-	-	Return after charges	0.18%	0.30%	0.28%
Other information				Other information			
Closing net asset value (£000)	_	_	_	Closing net asset value (£000)	18,396	11,509	5,780
Closing number of shares	-	-	-	Closing number of shares	23,250,923	14,570,023	7,340,046
Operating charges (%) [‡]	_	_	0.64%	Operating charges (%) [‡]	0.20%	0.19%	0.19%
Direct transaction costs (%)#	_	-	-	Direct transaction costs (%)#	-	-	-
Prices≈				Prices≈			
Highest share price	_	_	60.00	Highest share price	79.12	78.99	78.75
Lowest share price	_	_	51.99	Lowest share price	78.99	78.75	78.53

COMPARATIVE TABLES (CONTINUED)

Class 3 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	107.68	107.33	107.02
Return before operating charges [†]	0.40	0.54	0.49
Operating charges	(0.19)	(0.19)	(0.18)
Return after operating charges [†]	0.21	0.35	0.31
Distributions	(0.21)	(0.43)	(0.40)
Retained distributions on accumulation shares	0.20	0.35	0.32
Closing net asset value per share	107.88	107.68	107.33
[†] after direct transaction costs of	_	_	-
Performance			
Return after charges	0.20%	0.33%	0.29%
Other information			
Closing net asset value (£000)	64,139	65,354	62,808
Closing number of shares	59,456,425	60,692,803	58,515,492
Operating charges (%) [‡]	0.18%	0.17%	0.17%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	107.88	107.68	107.33
Lowest share price	107.68	107.34	107.01

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

[§] Class 1 Income and Class 1 Accumulation closed on 15 January 2015.

Ongoing Charges Fig	gure*	
Share class	15.10.17	15.10.16
Class 2	0.20%	0.19%
Class 3	0.18%	0.17%

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

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.

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

⁽b) The Ongoing Charge 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).

pprox 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.

PORTFOLIO STATEMENT

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Certificates of Deposit 87.82% (86.94%)				
United Kingdom 87.82% (86.94%)				
Abbey National Treasury Services 0.28% 08/02/2018	GBP	1,500,000	1,500	1.70
Bank of China 0.42% 13/12/2017	GBP	2,000,000	1,999	2.26
Bank of China 0.44% 15/12/2017	GBP	1,000,000	999	1.13
Bank of Nova Scotia 0.26% 24/11/2017	GBP	3,000,000	3,000	3.40
Bank of Tokyo-Mitsubishi UFJ 0.26% 04/12/2017	GBP	3,000,000	3,000	3.40
Bank of Tokyo-Mitsubishi UFJ 0.30% 02/01/2018	GBP	3,000,000	3,000	3.40
BNP Paribas 0.23% 23/10/2017	GBP	4,000,000	4,000	4.53
Commonwealth Bank of Australia 0.36% 16/03/2018	GBP	500,000	500	0.57
Cooperatieve Rabobank 0.42% 04/12/2017	GBP	2,000,000	2,000	2.27
Cooperatieve Rabobank 0.32% 28/12/2017	GBP	1,000,000	1,000	1.13
Credit Agricole Corporate and Investment Bank 0.25% 06/12/2017	GBP	3,500,000	3,500	3.97
Credit Suisse 0.40% 27/11/2017	GBP	1,000,000	1,000	1.13
Danske Bank 0.24% 17/11/2017	GBP	2,000,000	2,000	2.27
First Abu Dhabi Bank 0.35% 04/12/2017	GBP	1,000,000	1,000	1.13
First Abu Dhabi Bank 0.34% 02/01/2018	GBP	3,000,000	3,000	3.40
Industrial And Commercial Bank of China 0.50% 10/01/2018	GBP	1,000,000	999	1.13
Industrial And Commercial Bank of China 0.65% 26/01/2018	GBP	3,000,000	2,995	3.39
ING Bank 0.31% 11/12/2017	GBP	3,000,000	3,000	3.40
KBC Bank 0.24% 15/12/2017	GBP	3,000,000	3,000	3.40
Mizuho Bank 0.28% 03/11/2017	GBP	1,000,000	1,000	1.13
Mizuho Bank 0.26% 05/12/2017	GBP	3,000,000	3,000	3.40
National Australia Bank 0.47% 12/01/2018	GBP	2,000,000	2,000	2.27
Nationwide Building Society 0.29% 01/12/2017	GBP	3,500,000	3,500	3.97
Nationwide Building Society 0.25% 22/01/2018	GBP	500,000	500	0.57
Natixis 0.37% 10/11/2017	GBP	3,000,000	3,000	3.40
Nordea Bank Finland 0.25% 31/10/2017	GBP	2,000,000	2,000	2.27
Societe Generale 0.76% 08/12/2017	GBP	1,000,000	1,002	1.13
Standard Chartered Bank 0.45% 02/11/2017	GBP	1,000,000	1,000	1.13
Standard Chartered Bank 0.35% 11/01/2018	GBP	2,000,000	2,000	2.27
Sumitomo Mitsui Banking Corporation Europe 0.31% 02/11/2017	GBP	3,000,000	3,000	3.40
Sumitomo Mitsui Banking Corporation Europe 0.24% 06/11/2017	GBP	3,000,000	3,000	3.40
Svenska Handelsbanken 0.26% 03/01/2018	GBP	3,000,000	3,000	3.40
Toronto-Dominion Bank 0.44% 07/02/2018	GBP	2,000,000	2,000	2.27
UBS 0.35% 12/12/2017	GBP	3,000,000	3,000	3.40
United Overseas Bank 0.31% 28/11/2017	GBP	3,000,000	3,000	3.40
officed overseas bank 0.5 1/0 20/ 11/2017	GDI	3,000,000	77,494	87.82
Certificates of Deposit total			77,494	87.82
Commercial Paper 4.53% (3.86%)				
United Kingdom 4.53% (3.86%)				
Banque Federative Du Credit Mutuel 0.31% 01/12/2017	GBP	4,000,000	3,998	4.53
			3,998	4.53
Commercial Paper total			3,998	4.53
Liquidity Funds 6.12% (8.37%)				
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP [†]	GBP	5,400,000	5,400	6.12
Liquidity Funds total			5,400	6.12
Investment assets			86,892	98.47
Net other assets			1,349	1.53
Net assets			88,241	100.00
net assets			00,241	100.00

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

The comparative percentage figures in brackets are as at 15 October 2016.

[†] A related party to the Fund.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

			Year ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital losses	2		(3)		(1)
Revenue	3	312		409	
Expenses	4	(149)		(121)	
Net revenue before taxation		163		288	
Taxation	5	-		_	
Net revenue after taxation			163		288
Total return before distributions			160		287
Distributions	6		(163)		(288)
Change in net assets attributable to shareholders from investment activities			(3)		(1)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		77,636		68,810
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	30,586		19,676	
Amounts payable on cancellation of shares	(20,126)		(11,080)	
		10,460		8,596
Change in net assets attributable to shareholders from investment activities (see above)		(3)		(1)
Retained distribution on accumulation shares		148		231
Closing net assets attributable to shareholders		88,241		77,636

BALANCE SHEET

		As at 15.10.17	As at 15.10.16
	Notes	£000	£000
Assets:			
Investments		86,892	76,993
Current assets:			
Debtors	8	853	212
Cash and bank balances	9	566	580
Total assets		88,311	77,785
Liabilities:			
Creditors:			
Distribution payable		(2)	(13)
Other creditors	10	(68)	(136)
Total liabilities		(70)	(149)
Net assets attributable to shareholders		88,241	77,636

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policiesPlease see pages 7 to 9 for accounting basis and policies.

2 Net capital losses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital losses on investments during the year comprise:		
Expenses relating to the purchase and sale of investments	(3)	(2)
Non-derivative securities gains	-	1
Net capital losses	(3)	(1)

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	4	-
Interest on debt securities	308	409
Total revenue	312	409

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	114	95
	114	95
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	12	9
Interest payable	5	1
Safe custody fee	4	3
	21	13
Other expenses:		
Audit fee*	11	10
Statement fees	3	3
	14	13
Total expenses	149	121

^{*} The audit fee was £9,370 (2016: £9,370) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Corporation tax	-	_
Total current tax for the year (see note 5b)	-	_

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	163	288
Corporation tax at 20%	33	58
Effects of:		
Movement in excess expenses	1	-
Tax deductible on interest distributions	(34)	(58)
	(33)	(58)
Current tax charge (see note 5a)	-	-

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 year end (2016: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £4,000 (2016: £700) creating a potential deferred tax asset of £1,000 (2016: £100). 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 15.10.17 £000	Year ended 15.10.16 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Gross interest distribution for the three months ended 15 January	46	71
Gross interest distribution for the three months ended 15 April	46	75
Gross interest distribution for the three months ended 15 July	41	81
Gross interest distribution for the three months ended 15 October	32	64
	165	291
Add: Revenue deducted on cancellation of shares	5	5
Deduct: Revenue received on issue of shares	(7)	(8)
Total distributions	163	288
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	163	288
Net revenue after taxation	163	288

Details of the distributions per share are set out in the distribution tables on pages 117 and 118.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Assets at 15.10.16 £000
Level 2: Observable market data	5,400	6,500
Level 3: Unobservable data	81,492	70,493
Total value	86,892	76,993

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

- 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.

8 Debtors

Accrued expenses

Total creditors

Amounts payable for cancellation of shares

8 Debtors		
	As at	As at
	15.10.17	15.10.16
	£000	£000
Accrued revenue	44	59
Amounts receivable on issue of shares	809	153
Total debtors	853	212
9 Cash and bank balances		
	As at	As at
	15.10.17	15.10.16
	£000	£000
Cash and bank balances	566	580
Total cash and bank balances	566	580
10 Other creditors		
	As at	As at
	15.10.17	15.10.16
	£000	£000

34

34

68

27

109

136

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: fnil).

12 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.

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 ACD periodic charges was £14,000 (2016: £12,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £134,000 (2016: £211,900). The amount outstanding at the year end was £27,000 (2016: £45,900). 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.

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 £66,300,000 (2016: £45,600,000) and £67,400,000(2016: £39,100,000) respectively. The income received during the year amounted to £13,200 (2016: £25,100).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 2 Income shares)	664,309	373,977	290,332
ACD and related parties (share class 2 Accumulation shares)	11,086,020	6,135,711	4,950,309
ACD and related parties (share class 3 Accumulation shares)	59,456,425	(1,236,378)	60,692,803

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

13 Shareholder funds

The Fund currently has two share classes: Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 2: 0.15% Class 3: 0.13%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 107 and 108. The distributions per share are given in the distribution tables on pages 117 and 118. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Class 2 Income	983,993	9,610,917	(3,333,854)	_	7,261,056
Class 2 Accumulation	14,570,023	26,827,630	(18,146,730)	-	23,250,923
Class 3 Accumulation	60,692,803	1,699,082	(2,935,460)	_	59,456,425

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency risk

At the year end date, none (2016: none) of the net assets of the Fund were denominated in currencies other than sterling. and as such, the currency risk is not considered significant.

Interest rate risk

At the year end date 99.11% (2016: 99.92%) of the net assets of the Fund were interest bearing.

The interest rate profile of the Fund's financial assets and liabilities at 15 October 2017 was:

Currency 15.10.17	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	5,966	81,492	853	88,311
Financial Liabilities				
Sterling	_	_	(70)	(70)
Total	5,966	81,492	783	88,241

If the interest rates were to change by 1%, the value of the Fund will change by 0.99% (2016: 0.99%).

The interest rate profile of the Fund's financial assets and liabilities at 15 October 2016 was:

Currency 15.10.16	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	7,080	70,493	212	77,785
Financial Liabilities				
Sterling	-	-	(149)	(149)
Total	7,080	70,493	63	77,636

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

The floating rate financial assets comprise investments in variable interest rate paying corporate debt and bank balances that bear interest on LIBOR or its equivalent.

Market price risk

At the year end date, 98.47% (2016: 99.17%) 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 9.85% (2016: 9.92%).

16 Direct transaction costs

Due to the nature of the investments held, no transaction costs or taxes were incurred on the Fund's purchases or sales during the current year ended 15 October 2017 (2016: £nil). The total purchases for the year amounted to £336,155,000 (2016: £295,042,000) and the total sales amounted to £326,300,000 (2016: £281,101,000).

Dealing spread

As at $1\overline{5}$ October 2017, the average portfolio dealing spread was nil% (2016: nil%). 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.

17 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: £nil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the three months ended 15 October 2017

Income shares		Gross revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 2	Group 1	0.0259	_	0.0259	0.0491
	Group 2	0.0099	0.0160	0.0259	0.0491

Accumulation shares		Gross revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 2	Group 1	0.0261	-	0.0261	0.0494
	Group 2	0.0115	0.0146	0.0261	0.0494
Share Class 3	Group 1	0.0409	_	0.0409	0.0714
	Group 2	0.0065	0.0344	0.0409	0.0714

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 July 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 July 2017.

Interim distribution paid in pence per share for the three months ended 15 July 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 15 September 2017	Interim distribution paid 15 September 2016
Share Class 2	Group 1	0.0346	-	0.0346	0.0660
	Group 2	0.0211	0.0135	0.0346	0.0660

Accumulation shares		Gross revenue	Equalisation	Interim distribution paid 15 September 2017	paid
Share Class 2	Group 1	0.0347	_	0.0347	0.0663
	Group 2	0.0165	0.0182	0.0347	0.0663
Share Class 3	Group 1	0.0528	_	0.0528	0.0947
	Group 2	0.0132	0.0396	0.0528	0.0947

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

DISTRIBUTION TABLES (CONTINUED)

Interim distribution paid in pence per share for the three months ended 15 April 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 2	Group 1	0.0397	-	0.0397	0.0643
	Group 2	0.0184	0.0213	0.0397	0.0643

Accumulation shares		Gross revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 2	Group 1	0.0399	-	0.0399	0.0645
	Group 2	0.0146	0.0253	0.0399	0.0645
Share Class 3	Group 1	0.0594	-	0.0594	0.0921
	Group 2	0.0309	0.0285	0.0594	0.0921

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 January 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 January 2017.

Interim distribution paid in pence per share for the three months ended 15 January 2017

Income shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 15 March 2017	Interim distribution paid 15 March 2016
Share Class 2	Group 1	0.0404	0.0081	0.0323	-	0.0323	0.0612
	Group 2	0.0250	0.0050	0.0200	0.0123	0.0323	0.0612

Accumulation shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 15 March 2017	Interim distribution paid 15 March 2016
Share Class 2	Group 1	0.0398	0.0080	0.0318	_	0.0318	0.0611
	Group 2	0.0223	0.0045	0.0178	0.0140	0.0318	0.0611
Share Class 3	Group 1	0.0596	0.0119	0.0477	-	0.0477	0.0875
	Group 2	0.0308	0.0062	0.0246	0.0231	0.0477	0.0875

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Up to 5 April 2017, the distributions payable were calculated after the deduction of basic rate income tax. From 6 April 2017, distributions payable are calculated without deducting this tax. The tax treatment of distributions will depend on an investor's individual circumstances.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS CORPORATE BOND FUND

INVESTMENT OBJECTIVE

A long term total return above that available on UK Government securities.

INVESTMENT POLICY

Diversified investment in sterling denominated debt securities issued by governments, supranational institutions and corporates.

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

FUND MANAGER'S REPORT

Performance

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 1.90 per cent (share class 1), net of fees. The Fund's peer group, the Investment Association's Sterling Corporate Bond sector, generated a net return of 3.05 per cent.

Review

The Fund posted positive returns over the twelve months under review. While it performed well against its benchmark, it underperformed its peer group because it is precluded from holding high-yield bonds. The high-yield sector outperformed investment-grade bonds because it is less sensitive to both the fortunes of government bonds and the expectation that central bank monetary support would be wound down. Performance versus the sector was also hurt by the Fund having a higher sensitivity to changes in interest rates than many of its peers. A number of sector positions nevertheless added value, including exposure to subordinated financials (banks and insurance companies) and telecoms. The Fund also profited from holding companies that tendered bonds, either to strengthen their own financial positions or to take advantage of possible tax reform in the US. These included Tesco, RSA and Verizon. There was a large amount of new supply into the sterling market and performance benefited from selected credits that performed well following their issue, such as packaging manufacturer D S Smith and Annington Finance. The exposure to UK banks also helped in the summer months as the potential for a rise in UK interest rates bolstered the outlook for profits.

During the period, the Fund was broadly diversified across sectors and the market capitalisation spectrum. The overall positioning was initially cautious given the Brexit-related uncertainty hanging over the UK economy and the vulnerability of the underlying government bond market to rising inflation and earlier-than-expected interest rate hikes. However, we later moved to a more neutral position as the performance of the global economy, and in particular the Eurozone, showed improvement. In sector terms, the Fund was overweight in telecoms, a sector which we felt was ripe for consolidation, financials and corporate hybrids. We were underweight in consumer cyclical goods, health care, oil & gas and utilities.

Outlook

We remain cautious on the outlook for corporate bonds as the market is linked to the fortunes of government bonds, which are currently vulnerable to moves by the main central banks to tighten monetary policy. Sterling corporate bonds can draw some support, however, from the likelihood that the Bank of England (BoE) will be obliged to keep monetary policy loose as

inflationary pressures ease and as Brexit uncertainties remain. The fact that the BoE has significant ownership of corporate bonds also helps to underpin the market. It should also be noted that, in the context of an improving global economy, sterling bonds issued by international companies, have the potential to perform well.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied.

Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on pages 120 and 121 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 an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

Material Portfolio Changes

Purchases	Sales
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP	Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP
UK Treasury 4.50% 07/12/2042	UK Treasury 4.75% 07/12/2038
UK Treasury 4.75% 07/03/2020	European Investment Bank 5.00% 15/04/2039
UK Treasury 4.25% 07/06/2032	UK Treasury 5.00% 07/03/2025
UK Treasury 4.75% 07/12/2038	UK Treasury 2.00% 07/09/2025
UK Treasury 5.00% 07/03/2025	UK Treasury 4.25% 07/06/2032
UK Treasury 2.00% 07/09/2025	UK Treasury 4.25% 07/03/2036
European Investment Bank 5.38% 07/06/2021	UK Treasury 4.50% 07/12/2042
UK Treasury 4.25% 07/03/2036	Veolia Environnement 6.13% 29/10/2037
Legal & General Group, FRN 10.00% 23/07/2041	Ahold Finance USA 6.50% 14/03/2017

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'.
- 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.
- 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 1 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	61.07	57.86	58.21
Return before operating charges [†]	1.82	5.54	2.07
Operating charges	(0.49)	(0.48)	(0.47)
Return after operating charges [†]	1.33	5.06	1.60
Distributions	(1.75)	(1.85)	(1.95)
Closing net asset value per share	60.65	61.07	57.86
† after direct transaction costs of	_	_	-
Performance			
Return after charges	2.18%	8.75%	2.75%
Other information			
Closing net asset value (£000)	46,433	50,642	56,864
Closing number of shares	76,553,930	82,930,218	98,281,995
Operating charges (%)*	0.80%	0.80%	0.80%
Direct transaction costs (%)#	-	_	-
Prices≈			
Highest share price	62.77	64.29	61.83
Lowest share price	59.74	56.95	57.60

Class 3 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	121.21	114.84	115.54
Return before operating charges [†]	3.63	10.99	4.12
Operating charges	(0.39)	(0.38)	(0.38)
Return after operating charges [†]	3.24	10.61	3.74
Distributions	(4.06)	(4.24)	(4.44)
Closing net asset value per share	120.39	121.21	114.84
† after direct transaction costs of	-	_	_
Performance			
Return after charges	2.67%	9.24%	3.24%
Other information			
Closing net asset value (£000)	1,984,229	2,421,216	2,061,567
Closing number of shares	1,648,187,073	1,997,561,329	1,795,200,291
Operating charges (%) [‡]	0.32%	0.32%	0.32%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	124.70	127.64	122.75
Lowest share price	118.66	113.08	114.32

Class 2 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	91.98	87.15	87.68
Return before operating charges [†]	2.75	8.33	3.12
Operating charges	(0.57)	(0.55)	(0.55)
Return after operating charges [†]	2.18	7.78	2.57
Distributions	(2.80)	(2.95)	(3.10)
Closing net asset value per share	91.36	91.98	87.15
† after direct transaction costs of	-	_	-
Performance			
Return after charges	2.37%	8.93%	2.93%
Other information			
Closing net asset value (£000)	52,842	56,689	58,178
Closing number of shares	57,840,411	61,631,146	66,758,541
Operating charges (%) [‡]	0.62%	0.62%	0.62%
Direct transaction costs (%)#	-	-	-
Prices [≈]			
Highest share price	94.58	96.84	93.14
Lowest share price	90.01	85.79	86.75

Class 3 Accumulation	2017 p per share	2016 p per share	2015 p per share
	p per snare	p per snare	p per strate
Change in net assets per share			
Opening net asset value per share	171.51	157.93	154.19
Return before operating charges [†]	5.17	15.29	5.45
Operating charges	(0.56)	(0.53)	(0.51)
Return after operating charges [†]	4.61	14.76	4.94
Distributions	(5.81)	(5.89)	(5.99)
Retained distributions on accumulation shares	5.53	4.71	4.79
Closing net asset value per share	175.84	171.51	157.93
[†] after direct transaction costs of	-	-	-
Performance			
Return after charges	2.69%	9.35%	3.20%
Other information			
Closing net asset value (£000)	24,936	28,595	4,760
Closing number of shares	14,180,987	16,672,692	3,014,115
Operating charges (%) [‡]	0.32%	0.32%	0.32%
Direct transaction costs (%)#	-	_	-
Prices≈			
Highest share price	180.26	179.46	165.00
Lowest share price	167.90	156.51	152.99

COMPARATIVE TABLES (CONTINUED)

Class A Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	57.18	54.18	54.51
Return before operating charges [†]	1.72	5.17	1.94
Operating charges	(0.64)	(0.62)	(0.62)
Return after operating charges [†]	1.08	4.55	1.32
Distributions	(1.46)	(1.55)	(1.65)
Closing net asset value per share	56.80	57.18	54.18
† after direct transaction costs of	_	-	-
Performance			
Return after charges	1.89%	8.40%	2.42%
Other information			
Closing net asset value (£000)	53,598	58,540	67,636
Closing number of shares	94,365,559	102,371,753	124,836,012
Operating charges (%) [‡]	1.12%	1.12%	1.12%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	58.75	60.19	57.89
Lowest share price	55.92	53.32	53.93

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

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

Ongoing Charges Fig	Ongoing Charges Figure*				
Share class	15.10.17	15.10.16			
Class 1	0.80%	0.80%			
Class 2	0.62%	0.62%			
Class 3	0.32%	0.32%			
Class A	1.12%	1.12%			

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1, when aggregated with certain other payments out of scheme property incurred in respect of it, is capped at 0.80%. Please see the Prospectus for full details.

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.

⁽b) The Ongoing Charge 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 $6.3.6 \, \text{G}$ (4).

 $[\]approx$ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. 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.

PORTFOLIO STATEMENT

Investment	Currency	Holding	Market Value £000	% of Net Assets
Government Bonds 8.44% (2.11%)				
United Kingdom 8.44% (2.11%)				
UK Treasury 4.75% 07/03/2020	GBP	43,000,000	47,368	2.19
UK Treasury 4.25% 07/06/2032	GBP	21,700,000	28,791	1.33
UK Treasury 4.75% 07/12/2038	GBP	37,600,000	55,978	2.59
UK Treasury 4.50% 07/12/2042	GBP	33,600,000	50,410	2.33
Community Daniel Antal			182,547	8.44
Government Bonds total			182,547	8.44
Corporate Bonds 81.60% (84.81%)				
Australia 0.98% (0.87%)	CDD	20,000,000	21 270	0.00
Goodman Australia Finance, REIT 9.75% 16/07/2018	GBP	20,000,000	21,279	0.98
			21,279	0.98
Belgium 0.68% (0.00%)	CDD	15 164 000	14750	0.60
Anheuser-Busch InBev 2.85% 25/05/2037	GBP	15,164,000	14,759	0.68
			14,759	0.68
Cayman Islands 3.33% (3.15%)	CDD	45,000,000	44.607	0.60
Thames Water Utilities Cayman Finance 2.88% 03/05/2027	GBP	15,000,000	14,697	0.68
Thames Water Utilities Cayman Finance 7.74% 09/04/2058	GBP	8,405,000	17,096	0.79
Trafford Centre Finance, REIT, Series A2 6.50% 28/07/2033 Trafford Centre Finance, REIT, Series D2 8.28% 28/10/2022	GBP GBP	3,549,157	4,806	0.22
Yorkshire Water Services Odsal Finance 6.45% 28/05/2027	GBP	8,290,000 19,014,000	9,606 25,711	0.45 1.19
Totaline water services outsair marice 0.45% 20/05/2021	GDI	13,014,000	71,916	3.33
Franco 9 260/ (0 640/)			71,310	5.55
France 8.26% (9.64%) AXA, FRN 5.63% 16/01/2054	GBP	23,889,000	27,637	1.28
3.05 / 10/01/2034 BNP Paribas 1.13% 16/08/2022	GBP	25,226,000	24,792	1.25
Electricite de France 6.13% 02/06/2034	GBP	26,000,000	35,098	1.62
Electricite de France, FRN 6.00% Perpetual	GBP	11,100,000	12,116	0.56
Drange 5.38% 22/11/2050	GBP	15,800,000	22,472	1.04
Orange, FRN 5.87% Perpetual	GBP	4,453,000	4,954	0.23
RCI Bangue 3.25% 25/04/2018	GBP	21,000,000	21,240	0.98
SNCF Reseau 5.50% 01/12/2021	GBP	25,825,000	30,184	1.40
			178,493	8.26
reland 0.00% (0.67%)				
Lambay Capital Securities 6.25% Perpetual [§]	GBP	10,000,000	1	_
			1	-
Italy 0.52% (0.46%) Telecom Italia 7.38% 15/12/2017	GBP	11,200,000	11,313	0.52
refectiff Italia 7.30% 13/12/2017	GDI	11,200,000	11,313	0.52
Jersey 4.30% (5.53%)			11,515	0.52
AA Bond 6.27% 02/07/2043	GBP	32,743,000	39,326	1.82
CPUK Finance 7.24% 28/02/2042	GBP	7,590,000	9,670	0.45
Gatwick Funding 2.63% 07/10/2048	GBP	23,531,000	21,195	0.98
Heathrow Funding 7.13% 14/02/2024	GBP	18,000,000	22,774	1.05
J			92,965	4.30
Mexico 2.29% (1.47%)				
	GBP	23,885,000	27,512	1.27
Mexico 2.29% (1.47%) America Movil 4.38% 07/08/2041 America Movil, FRN 6.37% 06/09/2073	GBP GBP	23,885,000 20,000,000	27,512 21,962	1.27 1.02

Investment	Currency	Holding	Market Value £000	% of Net Assets
Netherlands 4.78% (6.17%)				
ABN AMRO Bank EMTN 1.00% 30/06/2020	GBP	11,100,000	11,040	0.51
ABN AMRO Bank SEPT 1.00% 30/06/2020	GBP	7,100,000	7,069	0.33
Bank Nederlandse Gemeenten 1.88% 07/12/2018	GBP	20,575,000	20,863	0.96
E.ON International Finance 6.38% 07/06/2032	GBP	14,000,000	19,637	0.91
Enel Finance International 5.75% 14/09/2040	GBP	8,500,000	11,460	0.53
ING Bank, FRN 6.88% 29/05/2023	GBP	21,795,000	22,511	1.04
innogy Finance 5.50% 06/07/2022	GBP	9,150,000	10,729	0.50
			103,309	4.78
Spain 1.33% (1.14%)	600	22.250.000	20.044	4.22
Telefonica Emisiones 5.45% 08/10/2029	GBP	23,250,000	28,841 28,841	1.33
Sweden 0.00% (1.08%)			20,041	1.33
Switzerland 0.59% (0.00%)				
Credit Suisse Group, FRN 2.13% 12/09/2025	GBP	12,883,000	12,663	0.59
			12,663	0.59
United Kingdom 42.79% (42.75%)				
Annington Funding, REIT 2.65% 12/07/2025	GBP	5,317,000	5,350	0.25
Annington Funding, REIT 3.94% 12/07/2047	GBP	5,641,000	5,974	0.28
Aviva, FRN 5.13% 04/06/2050 [†]	GBP	20,000,000	21,689	1.00
Barclays 3.25% 12/02/2027	GBP	27,429,000	28,171	1.30
Barclays Bank 10.00% 21/05/2021	GBP	28,928,000	36,534	1.69
Barclays Bank 4.25% 12/01/2022	GBP	16,000,000	18,048	0.83
BAT International Finance 2.25% 09/09/2052	GBP	11,500,000	9,139	0.42
BL Superstores Finance, REIT, Series A2 4.48% 04/10/2030	GBP	4,345,016	4,947	0.23
BL Superstores Finance, REIT, Series B2 5.27% 04/10/2030	GBP	5,407,620	6,013	0.28
British Land, REIT, Series BR 5.36% 31/03/2028	GBP	5,300,000	6,364	0.29
Broadgate Financing, REIT, Series B 5.00% 05/10/2033	GBP	17,885,000	21,735	1.01
Cadent Finance 2.13% 22/09/2028	GBP	10,000,000	9,626	0.45
Canary Wharf Finance II, REIT, Series A1 6.46% 22/10/2033	GBP	8,560,126	10,935	0.51
Centrica 4.25% 12/09/2044	GBP	8,677,000	9,943	0.46
Channel Link Enterprises Finance, FRN 3.04% 30/06/2050	GBP	7,657,000	7,616	0.35
Daily Mail & General Trust 5.75% 07/12/2018	GBP	5,078,000	5,319	0.25
DS Smith 2.88% 26/07/2029	GBP	13,825,000	13,462	0.62
Eastern Power Networks 4.75% 30/09/2021	GBP	15,000,000	16,893	0.78
Eversholt Funding 6.36% 02/12/2025	GBP	600,000	763	0.04
Eversholt Funding 6.70% 22/02/2035	GBP	6,395,000	8,464	0.39
Experian Finance 4.75% 23/11/2018	GBP	19,150,000	19,926	0.92
Firstgroup 8.75% 08/04/2021	GBP	21,000,000	25,798	1.19
GlaxoSmithKline Capital 4.25% 18/12/2045	GBP	10,560,000	13,386	0.62
Great Rolling Stock 6.50% 05/04/2031	GBP	19,425,000	24,936	1.15
Greene King Finance, Series B1 5.70% 15/12/2034	GBP	8,889,000	8,311	0.38
HSBC Holdings 6.75% 11/09/2028	GBP	27,000,000	35,499	1.64
Imperial Brands Finance 9.00% 17/02/2022	GBP	14,475,000	18,788	0.87
Imperial Brands Finance 8.13% 15/03/2024	GBP	25,500,000	34,132	1.58
Intu Metrocentre Finance, REIT 4.13% 06/12/2028	GBP	19,174,000	20,990	0.97
Investec Bank 9.63% 17/02/2022	GBP	8,200,000	10,316	0.48
Juturna European Loan Conduit No. 16 5.06% 10/08/2033	GBP	20,218,253	24,469	1.13
Legal & General Group, FRN 10.00% 23/07/2041	GBP	19,600,000	25,017	1.16
Lloyds Bank 5.13% 07/03/2025	GBP	14,100,000	17,455	0.81
Lloyds Bank 7.63% 22/04/2025	GBP	16,000,000	21,332	0.99
Lloyds Banking Group 2.25% 16/10/2024	GBP	19,789,000	19,595	0.91
Meadowhall Finance, REIT, Series B 4.99% 12/07/2037	GBP	12,032,307	14,741	0.68

United Kingdom 42.79% (42.75%) (continued) Mitchells & Butlers Finance, Series A2 5.57% 15/11/2030 GBP 10,500,5000 22,231 0.5 Mitchells & Butlers Finance, Series C1 6.47% 15/09/2032 GBP 18,000,000 22,056 1.0 Network Rail Infrastructure Finance A.75% 29/11/2035 GBP 20,140,000 28,055 1.3 NGG Finance, FNN 5.63% 18/06/2073 GBP 10,000,000 29,547 1.3 Notting Hill Housing Trusk, REIT 3.75% 20/12/2032 GBP 23,660,000 29,547 1.3 Prudential, FNN 11.37% 29/05/2039 GBP 23,660,000 27,348 1.2 ACR Bond 4.57% 60/05/2046 GBP 6.69P 6.990,00 6.591 0.3 RELX Investments 2.75% 60/05/2046 GBP 6.99P 30,000,00 37,511 1.7 Septander US 1.53% 14/04/2021 GBP 30,000,00 37,511 1.7 Septander US 1.53% 14/04/2021 GBP 7,080,000 7,082 0.3 Soluther Gas Neworks 2.50% 03/02/2025 GBP 25,000 0.7 1,437 0.5 Solut	Investment	Currency	Holding	Market Value £000	% of Net Assets
Mitchell & Butler Finance, Series C1 647% 15/09/2032	United Kingdom 42 79% (42 75%) (continued)	,			
Mitchells & Butlers Finance, Series C1 6.47% 15/09/2032 GBP 18,000,000 22,056 1.0 Network Rail Infrastructure Finance 4.75% 29/11/2035 GBP 20,140,000 28,055 1.3 NGE Finance, FKN 5.63% 18/06/2073 GBP 20,140,000 28,055 1.3 NGE Finance, FKN 5.63% 18/06/2073 GBP 20,000,000 29,547 1.3 NGE Finance, FKN 5.63% 18/06/2073 GBP 26,000,000 29,547 1.3 RAC Bond 4.57% 66/05/2046 GBP 26,000,000 26,518 1.2 RAC Bond 4.57% 66/05/2046 GBP 26,000,000 26,618 1.2 Santander UK 5.13% 14/04/2021 GBP 30,000,000 37,511 1.7 Segro, REIT 2.38% 11/10/2029 GBP 11,581,000 11,437 0.5 Segro, REIT 2.38% 11/10/2029 GBP 11,581,000 11,437 0.5 Subtlern Gas Networks 2.50% 03/02/2025 GBP 25,790,000 26,587 1.2 Standard Chartered 4.33% 18/01/2038 GBP 31,000,000 14,633 0.6 Standard Chartered 4.33% 18/01/2038 GBP 13,000,000 14,783 0.6 Standard Chartered 4.33% 18/01/2038 GBP 13,000,000 14,783 0.6 Sterso Property Finance 6, REIT 5.41% 13/07/2044 GBP 23,487,311 26,203 1.2 UNITE USAF II 3.92% 30/06/2030 GBP 13,200,000 14,783 0.6 Western Power Distribution West Midlands 5.75% 16/04/2032 GBP 10,219,003 12,575 0.5 Total States of America 11.75% (11.88%) American International Group 6.77% 15/11/2017 GBP 21,903,000 24,200 1.1 ATRI 4.23% 14/09/2029 GBP 21,903,000 24,200 1.3 Sank of America 7.75% 30/04/2018 GBP 21,000,000 26,367 0.5 Bank of America 7.75% 30/04/2018 GBP 11,400,000 13,684 0.6 Bank of America 7.00% 31/07/2028 GBP 10,000,000 29,567 0.3 Bank of America 7.88% 10/02/2024 GBP 10,000,000 29,567 0.3 Bank of America 7.88% 10/02/2024 GBP 10,000,000 29,567 0.3 Bank of America 7.88% 10/02/2024 GBP 10,000,000 29,567 0.3 Bank of America 7.88% 10/02/2024 GBP 10,000,000 29,567 0.3 Bergia 3.50% 12/09/2029 GBP 20,000,000 29,567 0.3 Bergia 3.50% 12/09/2029 GBP 30,000,000 29,567 0.3 Bergia 3.50		GRP	10 500 500	12 231	0.57
Network Rail Infrastructure Finance 4,75% 29/11/2035 GBP 20,140,000 28,055 1.3 1.3 1.0					
NGG Finance, FRN 5639 180/06/2073 GBP 10,000,000 11,319 0.5 Notting Hill Housing Trust, REIT 3.75% 20/12/2032 GBP 26,900,000 29,547 1.3 Prudential, FRN 11.37% 29/05/2039 GBP 26,900,000 29,547 1.3 RAC Bond 4.57% 66/05/2046 GBP 6,099,000 6,591 0.3 EKL Investments 2.75% 10/8/2019 GBP 6,000,000 6,591 0.3 Segro, REIT 2.38% 11/10/2029 GBP 13,500,000 11,437 0.5 Segro, REIT 2.38% 11/10/2029 GBP 25,790,000 26,587 1.2 Sundard Chartered 4.38% 18/01/2038 GBP 25,790,000 26,587 1.2 Standard Chartered 4.38% 18/01/2038 GBP 25,700,000 26,587 1.2 Standard Chartered 4.38% 18/01/2038 GBP 13,200,000 14,783 0.6 Western Power Distribution West Midlands 5.75% 16/04/2032 GBP 21,000,000 26,987 1.2 United States of America 11.75% (11.88%) American International Group 6.77% 15/11/2017 GBP 31,610,000 31,783 1.4<	•				1.30
Notting Hill Housing Trust, REIT 3.75% 20/12/2032 GBP					0.52
Prudential, FRN 1137% 29705/2039	•			,	1.37
RAC Bond 4.57% 06/05/2046 GBP 6,099,000 6,591 0.3 RELX Investments 2.75% 01/08/2019 GBP 26,000,000 26,618 1.2 1.2 Santander UK 5.13% 14/04/2021 GBP 33,000,000 37,511 1.77 1.7 Segn, REIT 2.38% 11/10/2029 GBP 11,581,000 11,437 0.5 0.5 Sky Group Finance 5.75% 20/10/2017 GBP 75,900,000 7,082 0.3 0.3 Souther Gas Retworks 2.50% 03/02/2025 GBP 25,790,000 26,587 1.2 1.2 Standard Chartered 4.38% 18/01/2038 GBP 15,000,000 16,610 0.7 0.7 Tesco Property Finance 6, REIT 5.41% 13/07/2044 GBP 23,487,311 26,203 1.2 1.2 UNITE USAF II 3.92% 30/06/2030 GBP 13,200,000 14,783 0.6 0.6 0.6 Western Power Distribution West Midlands 5.75% 16/04/2032 GBP 13,200,000 26,987 1.2 1.2 White City Property Finance 5.12% 17/04/2035 GBP 20,000,000 26,987 1.2 1.2 White City Property Finance 5.12% 17/04/2035 GBP 31,610,000 31,783 1.7 1.5 American International Group 6.77% 15/11/2017 GBP 31,610,000 31,783 1.7 1.4 ARS 4.38% 14/09/2029 GBP 21,963,000 33,572 1.5 1.5 1.5 Bank of America 7.75% 30/04/2018 GBP 31,000,000 3	3 3 1			,	1.26
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Santander UK 5.13% 14/04/2021 GBP (BP) 13,80,000 37,511 1.7 (Segro, REIT 2.38% 11/10/2029) 33,000,000 37,511 1.7 (Segro, REIT 2.38% 11/10/2029) 11,437 0.5 (Sky Group Finance 5.75% 20/10/2017) GBP (BP) 7,080,000 7,082 0.3 (Southern Gas Networks 2.50% 30/02/2025) GBP (BP) 7,080,000 26,587 1.2 (Standard Chartered 4.38% 18/01/2038) 1.2 (Standard Chartered 4.38% 18/01/2034) 1.2 (Standard Chartere					1.23
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American International Group 6.77% 15/11/2017 GBP 31,610,000 31,783 1.4 1.4 AT&T 4.38% 14/09/2029 GBP 21,963,000 24,420 1.1 1.1 AT&T 4.25% 01/06/2043 GBP 32,380,000 33,572 1.5 1.5 Bank of America 7.75% 30/04/2018 GBP 13,200,000 13,684 0.6 0.6 Bank of America 2.30% 25/07/2025 GBP 21,000,000 20,960 0.9 0.9 Bank of America 7.00% 31/07/2028 GBP 10,450,000 14,633 0.6 0.6 Citigroup 4.50% 03/03/2031 GBP 18,000,000 20,839 0.9 0.9 JPMorgan Chase 1.88% 10/02/2020 GBP 20,000,000 20,369 0.9 0.9 McDonald's 4.13% 11/06/2054 GBP 11,400,000 13,671 0.6 0.6 Prologis, REIT 2.25% 30/06/2029 GBP 2,983,000 2,852 0.1 0.1 Verizon Communications 4.07% 18/06/2024 GBP 15,000,000 29,567 1.3 0.6 Wells Fargo 2.00% 28/07/2025 GBP 30,000,000 29,567 1.3 0.5 Wells Fargo 3.50% 12/09/2029 GBP 10,017,000 10,969 0.5 0.5 Supranationals 6.01% (6.63%) 50,000,000 20,00				925,216	42.79
AT&T 4.38% 14/09/2029 GBP 21,963,000 24,420 1.1. 1.1. AT&T 4.25% 01/06/2043 GBP 32,380,000 33,572 1.5. 1.5. Bank of America 7.75% 30/04/2018 GBP 13,200,000 13,684 0.6. 0.6. Bank of America 7.00% 31/07/2025 GBP 10,450,000 14,633 0.6. 0.9. Bank of America 7.00% 31/07/2028 GBP 10,450,000 14,633 0.6. 0.9. Citigroup 4.50% 03/03/2031 GBP 18,000,000 20,839 0.9. 0.9. JPMorgan Chase 1.88% 10/02/2020 GBP 20,000,000 20,369 0.9. 0.9. McDonald's 4.13% 11/06/2054 GBP 11,400,000 13,671 0.6. 0.6 Prologis, REIT 2.25% 30/06/2029 GBP 2,983,000 2,852 0.1. 0.1. Verizon Communications 4.07% 18/06/2024 GBP 15,000,000 16,647 0.7 0.7 Wells Fargo 2.00% 28/07/2025 GBP 30,000,000 29,567 1.3 1.3 Wells Fargo 3.50% 12/09/2029 GBP 10,017,000 10,969 0.5 0.5 Supranationals 6.01% (6.63%) European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 52,596 2.4 2.4 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 0.7 European Investme	United States of America 11.75% (11.88%)				
AT&T 4.25% 01/06/2043 GBP 32,380,000 33,572 1.5 Bank of America 7.75% 30/04/2018 GBP 13,200,000 13,684 0.6 Bank of America 7.00% 31/07/2025 GBP 21,000,000 20,960 0.9 Bank of America 7.00% 31/07/2028 GBP 10,450,000 14,633 0.6 Citigroup 4.50% 03/03/2031 GBP 18,000,000 20,369 0.9 JPMorgan Chase 1.88% 10/02/2020 GBP 20,000,000 20,369 0.9 McDonald's 4.13% 11/06/2054 GBP 11,400,000 13,671 0.6 Prologis, REIT 2.25% 30/06/2029 GBP 2,983,000 2,852 0.1 Verizon Communications 4.07% 18/06/2024 GBP 15,000,000 16,647 0.7 Wells Fargo 2.00% 28/07/2025 GBP 30,000,000 29,567 1.3 Wells Fargo 3.50% 12/09/2029 GBP 10,017,000 10,969 0.5 Corporate Bonds total 1,764,195 81.6 Supranationals 6.01% (6.63%) European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 34,713 1.6 European Investment B	American International Group 6.77% 15/11/2017	GBP	31,610,000	31,783	1.47
Bank of America 7.75% 30/04/2018 GBP 13,200,000 13,684 0.66 Bank of America 2.30% 25/07/2025 GBP 21,000,000 20,960 0.9 Bank of America 7.00% 31/07/2028 GBP 10,450,000 14,633 0.66 Citigroup 4.50% 03/03/2031 GBP 18,000,000 20,839 0.9 0.9 JPMorgan Chase 1.88% 10/02/2020 GBP 20,000,000 20,369 0.9 0.9 McDonald's 4.13% 11/06/2054 GBP 11,400,000 13,671 0.6 0.6 Prologis, REIT 2.25% 30/06/2029 GBP 2,983,000 2,852 0.1 0.1 Verizon Communications 4.07% 18/06/2024 GBP 15,000,000 16,647 0.7 0.7 Wells Fargo 2.00% 28/07/2025 GBP 30,000,000 29,567 1.3 1.3 Wells Fargo 3.50% 12/09/2029 GBP 10,017,000 10,969 0.5 0.5 Corporate Bonds total 17,764,195 81.6 81.6 Supranationals 6.01% (6.63%) European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 52,596 2.4 2.4 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 34,713 1.6 1.6 European Investment Bank 4.63% 12/10/2054 GBP 11,000,000 26,359 1.2 1	AT&T 4.38% 14/09/2029	GBP	21,963,000	24,420	1.13
Bank of America 2.30% 25/07/2025 GBP 21,000,000 20,960 20,960 20,960 0.9 20,960 20,96	AT&T 4.25% 01/06/2043	GBP	32,380,000	33,572	1.55
Bank of America 7.00% 31/07/2028 GBP 10,450,000 14,633 10.60 10,633 10.60 Citigroup 4.50% 03/03/2031 GBP 18,000,000 20,839 10.9 0.9 JPMorgan Chase 1.88% 10/02/2020 GBP 20,000,000 20,369 10.9 0.9 McDonald's 4.13% 11/06/2054 GBP 11,400,000 13,671 10.6 0.6 Prologis, REIT 2.25% 30/06/2029 GBP 2,983,000 2,852 10.1 0.1 Verizon Communications 4.07% 18/06/2024 GBP 15,000,000 16,647 10.7 0.7 Wells Fargo 2.00% 28/07/2025 GBP 30,000,000 29,567 1.3 1.3 Wells Fargo 3.50% 12/09/2029 GBP 10,017,000 10,969 0.5 0.5 Corporate Bonds total 1,764,195 81.6 81.6 Supranationals 6.01% (6.63%) GBP 52,000,000 52,596 2.4 2.4 European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 34,713 1.6 1.6 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2	Bank of America 7.75% 30/04/2018	GBP	13,200,000	13,684	0.63
Citigroup 4.50% 03/03/2031 GBP 18,000,000 20,839 0.9 JPMorgan Chase 1.88% 10/02/2020 GBP 20,000,000 20,369 0.9 McDonald's 4.13% 11/06/2054 GBP 11,400,000 13,671 0.6 Prologis, REIT 2.25% 30/06/2029 GBP 2,983,000 2,852 0.1 0.1 Verizon Communications 4.07% 18/06/2024 GBP 15,000,000 16,647 0.7 0.7 Wells Fargo 2.00% 28/07/2025 GBP 30,000,000 29,567 1.3 1.3 Wells Fargo 3.50% 12/09/2029 GBP 10,017,000 10,969 0.5 0.5 Corporate Bonds total 1,764,195 81.6 81.6 Supranationals 6.01% (6.63%) GBP 52,000,000 52,596 2.4 2.4 European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 34,713 1.6 1.6 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2	Bank of America 2.30% 25/07/2025	GBP	21,000,000	20,960	0.97
Citigroup 4.50% 03/03/2031 GBP 18,000,000 20,839 0.9 JPMorgan Chase 1.88% 10/02/2020 GBP 20,000,000 20,369 0.9 McDonald's 4.13% 11/06/2054 GBP 11,400,000 13,671 0.6 Prologis, REIT 2.25% 30/06/2029 GBP 2,983,000 2,852 0.1 0.1 Verizon Communications 4.07% 18/06/2024 GBP 15,000,000 16,647 0.7 0.7 Wells Fargo 2.00% 28/07/2025 GBP 30,000,000 29,567 1.3 1.3 Wells Fargo 3.50% 12/09/2029 GBP 10,017,000 10,969 0.5 0.5 Corporate Bonds total 1,764,195 81.6 81.6 Supranationals 6.01% (6.63%) GBP 52,000,000 52,596 2.4 2.4 European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 34,713 1.6 1.6 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2	Bank of America 7.00% 31/07/2028	GBP	10,450,000	14,633	0.68
McDonald's 4.13% 11/06/2054 GBP 11,400,000 13,671 0.6 0.6 Prologis, REIT 2.25% 30/06/2029 GBP 2,983,000 2,852 0.1 0.1 Verizon Communications 4.07% 18/06/2024 GBP 15,000,000 16,647 0.7 0.7 Wells Fargo 2.00% 28/07/2025 GBP 30,000,000 29,567 1.3 1.3 Wells Fargo 3.50% 12/09/2029 GBP 10,017,000 10,969 0.5 0.5 Corporate Bonds total 1,764,195 81.60 Supranationals 6.01% (6.63%) European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 52,596 2.4 2.4 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2	Citigroup 4.50% 03/03/2031	GBP		20,839	0.97
Prologis, REIT 2.25% 30/06/2029 GBP 2,983,000 2,852 0.1. Verizon Communications 4.07% 18/06/2024 GBP 15,000,000 16,647 0.7 Wells Fargo 2.00% 28/07/2025 GBP 30,000,000 29,567 1.3 Wells Fargo 3.50% 12/09/2029 GBP 10,017,000 10,969 0.5 Corporate Bonds total 1,764,195 81.60 Supranationals 6.01% (6.63%) European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 52,596 2.4 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2	JPMorgan Chase 1.88% 10/02/2020	GBP	20,000,000	20,369	0.94
Prologis, REIT 2.25% 30/06/2029 GBP 2,983,000 2,852 0.1. Verizon Communications 4.07% 18/06/2024 GBP 15,000,000 16,647 0.7 Wells Fargo 2.00% 28/07/2025 GBP 30,000,000 29,567 1.3 Wells Fargo 3.50% 12/09/2029 GBP 10,017,000 10,969 0.5 Corporate Bonds total Supranationals 6.01% (6.63%) European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 52,596 2.4 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2	McDonald's 4.13% 11/06/2054	GBP	11,400,000	13,671	0.63
Verizon Communications 4.07% 18/06/2024 GBP 15,000,000 16,647 0.7 0.7 Wells Fargo 2.00% 28/07/2025 GBP 30,000,000 29,567 1.3 1.3 Wells Fargo 3.50% 12/09/2029 GBP 10,017,000 10,969 0.5 0.5 Corporate Bonds total 1,764,195 81.6 Supranationals 6.01% (6.63%) European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 52,596 2.4 2.4 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2		GBP			0.13
Wells Fargo 2.00% 28/07/2025 GBP ORD 10,017,000 29,567 ORD 10,969 1.3 ORD 10,969 1.3 ORD 10,969 1.5 ORD 10,969 1.7 ORD 10,969		GBP			0.77
Wells Fargo 3.50% 12/09/2029 GBP 10,017,000 10,969 0.5 Corporate Bonds total 1,764,195 81.60 Supranationals 6.01% (6.63%) 81.60 European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 52,596 2.4 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2					1.37
Corporate Bonds total 253,966 11.7 Supranationals 6.01% (6.63%) 81.6 European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 52,596 2.4 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2	5			,	0.51
Supranationals 6.01% (6.63%) European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 52,596 2.4 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2				253,966	11.75
European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 52,596 2.4 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2	Corporate Bonds total			1,764,195	81.60
European Investment Bank 1.50% 01/02/2019 GBP 52,000,000 52,596 2.4 European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2	Supranationals 6 01% (6 63%)				
European Investment Bank 5.38% 07/06/2021 GBP 30,000,000 34,713 1.6 European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2		GRP	52,000,000	52.596	2.43
European Investment Bank 5.00% 15/04/2039 GBP 11,000,000 16,268 0.7 European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2	·				1.61
European Investment Bank 4.63% 12/10/2054 GBP 16,100,000 26,359 1.2	·				0.75
The state of the s					1.22
Supranationals total 179.936 6.0	Supranationals total		-,,	129,936	6.01

	_		Market Value	0/ 621 - 2
Investment	Currency	Holding	£000	% of Net Assets
Swaps (0.37)% ((0.08)%)				
Credit Default Swap Merrill Lynch Buy iTraxx Europe Series 27 Version 1 20/06/2022	EUR	165,000,000	(3,704)	(0.17)
Credit Default Swap Barclays Buy iTraxx Europe Series 27 Version 1 20/06/2022	EUR	195,290,000	(4,384)	(0.20)
Swaps total			(8,088)	(0.37)
Forward Currency Contracts 0.00% (0.00%)				
Buy EUR 9,567,385 sell GBP 8,465,155 dated 20/12/2017			62	_
Buy GBP 818,360 sell EUR 920,742 dated 20/12/2017			(2)	_
Forward Currency Contracts total			60	_
Liquidity Funds 2.00% (4.65%)				
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP [†]	GBP	43,300,000	43,300	2.00
Liquidity Funds total			43,300	2.00
Investment assets (including investment liabilities)			2,111,950	97.68
Net other assets			50,088	2.32
Net assets			2,162,038	100.00

 $All\ holdings\ are\ debt\ securities\ denominated\ in\ Sterling\ and\ admitted\ to\ an\ official\ stock\ exchange\ unless\ otherwise\ stated.$

The comparative percentage figures in brackets are as at 15 October 2016.

[§] Security is currently in default.

[†] A related party to the Fund.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

		Year ended 15.10.17		Year ended 15.10.16
	Notes	£000 £000	£000	£000
Income				
Net capital (losses)/gains	2	(10,587)		128,370
Revenue	3	87,123	94,412	
Expenses	4	(8,469)	(8,687)	
Net revenue before taxation		78,654	85,725	
Taxation	5	-	-	
Net revenue after taxation		78,654		85,725
Total return before distributions		68,067		214,095
Distributions	6	(78,655)		(85,729)
Change in net assets attributable to shareholders from investment activities		(10,588)		128,366

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		2,615,682		2,249,005
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	332,232		391,139	
Amounts payable on cancellation of shares	(779,183)		(154,393)	
		(446,951)		236,746
Dilution adjustment		3,061		583
Change in net assets attributable to shareholders from investment activities (see above)		(10,588)		128,366
Retained distribution on accumulation shares		832		978
Unclaimed distribution monies		2		4
Closing net assets attributable to shareholders		2,162,038		2,615,682

BALANCE SHEET

		As at	As at
		15.10.17	15.10.16
	Notes	£000	£000
Assets:			
Investments		2,120,040	2,568,493
Current assets:			
Debtors	8	34,557	46,901
Cash and bank balances	9	53,466	28,035
Total assets		2,208,063	2,643,429
Liabilities:			
Investment liabilities		(8,090)	(2,016)
Creditors:			
Distribution payable		(16,771)	(20,450)
Other creditors	10	(21,164)	(5,281)
Total liabilities		(46,025)	(27,747)
Net assets attributable to shareholders		2,162,038	2,615,682

1 Accounting basis and policies

Please see pages 7 to 9 for accounting basis and policies.

2 Net capital (losses)/gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital (losses)/gains on investments during the year comprise:		
Currency (losses)/gains	(9)	170
Derivative contracts losses	(3,144)	(9,681)
Expenses relating to the purchase and sale of investments	(5)	(4)
Forward currency contracts gains	56	_
Non-derivative securities (losses)/gains	(7,485)	137,885
Net capital (losses)/gains	(10,587)	128,370

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	10	6
Interest on debt securities	88,386	96,491
Interest on derivatives	(1,273)	(2,085)
Total revenue	87,123	94,412

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	7,919	8,095
Registration fees	110	126
	8,029	8,221
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	118	91
Interest payable	10	62
Safe custody fee	225	227
	353	380
Other expenses:		
Audit fee*	11	11
Statement fees	85	84
	96	95
Total expenses	8,478	8,696
Less those expenses rebated by the ACD	(9)	(9
Net expenses	8,469	8,687

^{*} The audit fee was £9,370 (2016: £9,370) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Corporation tax	-	_
Total current tax (see note 5b)	-	_

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	78,654	85,725
Corporation tax at 20%	15,731	17,145
Effects of:		
UK dividends not subject to corporation tax	(15,731)	(17,145)
	(15,731)	(17,145)
Current tax charge (see note 5a)	-	_

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 material unprovided deferred tax (2016: £nil).

6 Distributions

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Gross interest distribution for the three months ended 15 January	21,518	22,286
Gross interest distribution for the three months ended 15 April	19,817	21,910
Gross interest distribution for the three months ended 15 July	20,344	21,770
Gross interest distribution for the three months ended 15 October	16,967	20,605
	78,646	86,571
Add: Revenue deducted on cancellation of shares	1,219	524
Deduct: Revenue received on issue of shares	(1,210)	(1,366)
Total distributions	78,655	85,729
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	78,655	85,729
Equalisation on conversions	-	(4)
Undistributed revenue brought forward	(2)	(2)
Undistributed revenue carried forward	1	2
Net revenue after taxation	78,654	85,725

Details of the distributions per share are set out in the distribution tables on pages 134 and 135.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Liabilities at 15.10.17 £000	Assets at 15.10.16 £000	Liabilities at 15.10.16 £000
Level 2: Observable market data	2,120,039	(8,090)	2,568,492	(2,016)
Level 3: Unobservable data	1	-	1	_
Total value	2,120,040	(8,090)	2,568,493	(2,016)

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	31,799	44,283
Accrued expense fee rebate	1	1
Amounts receivable on issue of shares	759	570
Sales awaiting settlement	1,998	2,047
Total debtors	34,557	46,901

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Cash and bank balances	53,466	28,035
Total cash and bank balances	53,466	28,035

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	1,072	1,213
Amounts payable for cancellation of shares	446	3,668
Purchases awaiting settlement	19,646	400
Total creditors	21,164	5,281

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: fnil).

12 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.

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 ACD periodic charges was £858,000 (2016: £1,073,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £70,698,000 (2016: £65,578,000). The amount outstanding at the year end was £16,074,000 (2016: £15,746,000). 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.

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 £825,600,000 (2016: £785,400,000) and £904,000,000 (2016: £664,300,000) respectively. The income received during the year amounted to £1,901,000 (2016: £2,861,000).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 1 Income shares)	12,978	(417,426)	430,404
ACD and related parties (share class 2 Income shares)	3,029,653	6,541	3,023,112
ACD and related parties (share class 3 Income shares)	1,648,187,073	(349,374,256)	1,997,561,329
ACD and related parties (share class 3 Accumulation shares)	14,180,987	(2,491,705)	16,672,692
ACD and related parties (share class A Income shares)	28,125,791	(2,184,832)	30,310,623

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

13 Shareholder funds

The Fund currently has four share classes: Class 1 and A (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 0.80% Class 2: 0.50% Class 3: 0.30% Class A: 1.00%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 120 and 121. The distributions per share are given in the distribution tables on pages 134 and 135. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Class 1 Income	82,930,218	1,524,820	(6,821,737)	(1,079,371)	76,553,930
Class 2 Income	61,631,146	4,795,649	(9,532,724)	946,340	57,840,411
Class 3 Income	1,997,561,329	270,989,843	(620,364,099)	_	1,648,187,073
Class 3 Accumulation	16,672,692	146,396	(2,638,101)	_	14,180,987
Class A Income	102,371,753	3,031,625	(10,667,859)	(369,960)	94,365,559

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency risk

At the year end date, none (2016: none) of the net assets of the Fund were denominated in currencies other than sterling. As such, the currency risk is not considered significant.

Interest rate risk

At the year end date 100.53% (2016: 99.27%) of the net assets of the Fund were interest bearing. If interest rates were to change by 1%, the value of the Fund would change by 0.11% (2016: 0.38%).

The interest rate profile of the Fund's financial assets and liabilities at 15 October 2017 was:

Currency 15.10.17	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	291,598	1,881,846	35,376	2,208,820
Euro	_	-	8,527	8,527
Financial Liabilities				
Sterling	-	-	(46,400)	(46,400)
Euro	_	-	(8,909)	(8,909)
Total	291,598	1,881,846	(11,406)	2,162,038

The interest rate profile of the Fund's financial assets and liabilities at 15 October 2016 was:

Currency 15.10.16	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	393,928	2,202,599	46,502	2,643,029
Egyptian Pound	-	_	_	_
Euro	-	_	_	_
Financial Liabilities				
Sterling	-	_	(25,331)	(25,331)
Euro	_	_	(2,016)	(2,016)
Total	393,928	2,202,599	19,155	2,615,682

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

Market price risk

At the year end date, 97.68% (2016: 98.12%) 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 9.77% (2016: 9.81%).

16 Counterparty exposure

Financial derivative exposure

The types of derivatives held at the year end date were forward currency contracts and credit default swaps. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the year end date was as follows:

15.10.17	Forward currency contracts £000	Total £000
RBS	62	62
JPMorgan	(2)	(2)
Total	60	60

15.10.16	Forward currency contracts £000	Total £000
RBS	-	_
JPMorgan	-	_
Total	-	_

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

Collateral

At the year end date no collateral was held or pledged by the Company or on behalf of the counterparties in respect of the above (2016: £nil).

17 Debt security credit analysis

		Market value £000		Total net assets %	
	15.10.17	15.10.16	15.10.17	15.10.16	
Investment grade	1,863,684	2,251,565	86.21%	86.06%	
Below investment grade	206,629	182,418	9.55%	7.00%	
Unrated	6,365	13,010	0.29%	0.49%	
Total debt securities	2,076,678	2,446,993	96.05%	93.55%	

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

18 Direct transaction costs

Due to the nature of the investments held, no transaction costs or taxes were incurred on the Fund's purchases or sales during the current year ended 15 October 2017 (2016: £nil). The total purchases for the year amounted to £1,578,546,000 (2016: £1,600,006,000) and the total sales amounted to £2,002,532,000 (2016: £1,384,157,000).

Dealing spread

As at $1\overline{5}$ October 2017, the average portfolio dealing spread was 0.53% (2016: 0.84%). 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.

19 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: fnil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the three months ended 15 October 2017

Income shares		Gross revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	0.4070	_	0.4070	0.3290
	Group 2	0.1249	0.2821	0.4070	0.3290
Share Class 2	Group 1	0.6559	_	0.6559	0.5303
	Group 2	0.1905	0.4654	0.6559	0.5303
Share Class 3	Group 1	0.9564	_	0.9564	0.7742
	Group 2	0.4435	0.5129	0.9564	0.7742
Share Class A	Group 1	0.3354	_	0.3354	0.2709
	Group 2	0.1517	0.1837	0.3354	0.2709

Accumulation shares		Final distribution Gross payable revenue Equalisation 15 December 2017	Final distribution paid 15 December 2016
Share Class 3	Group 1	1.3854 – 1.3854	1.0861
	Group 2	0.3365 1.0489 1.3854	1.0861

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 July 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 July 2017.

Interim distribution paid in pence per share for the three months ended 15 July 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 15 September 2017	Interim distribution paid 15 September 2016
Share Class 1	Group 1	0.5128	-	0.5128	0.3662
	Group 2	0.2432	0.2696	0.5128	0.3662
Share Class 2	Group 1	0.8151	_	0.8151	0.5844
	Group 2	0.4567	0.3584	0.8151	0.5844
Share Class 3	Group 1	1.1678	-	1.1678	0.8410
	Group 2	0.5984	0.5694	1.1678	0.8410
Share Class A	Group 1	0.4331	_	0.4331	0.3076
	Group 2	0.2596	0.1735	0.4331	0.3076

Accumulation shares		Gross revenue	Equalisation	Interim distribution paid 15 September 2017	Interim distribution paid 15 September 2016
Share Class 3	Group 1	1.6757	-	1.6757	1.1748
	Group 2	1.6757	0.0000	1.6757	1.1748

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

DISTRIBUTION TABLES (CONTINUED)

Interim distribution paid in pence per share for the three months ended 15 April 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 1	Group 1	0.4047	_	0.4047	0.3786
	Group 2	0.1243	0.2804	0.4047	0.3786
Share Class 2	Group 1	0.6508	_	0.6508	0.6021
	Group 2	0.3054	0.3454	0.6508	0.6021
Share Class 3	Group 1	0.9476	_	0.9476	0.8624
	Group 2	0.5104	0.4372	0.9476	0.8624
Share Class A	Group 1	0.3338	-	0.3338	0.3199
	Group 2	0.1164	0.2174	0.3338	0.3199

Accumulation shares	5	Gross revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 3	Group 1	1.3496	_	1.3496	1.1962
	Group 2	0.4229	0.9267	1.3496	1.1962

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 January 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 January 2017.

Interim distribution paid in pence per share for the three months ended 15 January 2017

Income shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 15 March 2017	Interim distribution paid 15 March 2016
Share Class 1	Group 1	0.4258	0.0852	0.3406	_	0.3406	0.4027
	Group 2	0.1405	0.0281	0.1124	0.2282	0.3406	0.4027
Share Class 2	Group 1	0.6826	0.1365	0.5461	_	0.5461	0.6392
	Group 2	0.3154	0.0631	0.2523	0.2938	0.5461	0.6392
Share Class 3	Group 1	0.9896	0.1979	0.7917	-	0.7917	0.9122
	Group 2	0.5116	0.1023	0.4093	0.3824	0.7917	0.9122
Share Class A	Group 1	0.3538	0.0708	0.2830	-	0.2830	0.3421
	Group 2	0.1779	0.0356	0.1423	0.1407	0.2830	0.3421

Accumulation shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 15 March 2017	Interim distribution paid 15 March 2016
Share Class 3	Group 1	1.3998	0.2800	1.1198	_	1.1198	1.2542
	Group 2	0.6295	0.1259	0.5036	0.6162	1.1198	1.2542

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Up to 5 April 2017, the distributions payable were calculated after the deduction of basic rate income tax. From 6 April 2017, distributions payable are calculated without deducting this tax. The tax treatment of distributions will depend on an investor's individual circumstances.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS DISTRIBUTION FUND

INVESTMENT OBJECTIVE

A high and growing level of income with prospects for long term capital appreciation.

INVESTMENT POLICY

Diversified investment in high yielding UK equities and UK fixed interest securities. Allocations to fixed interest securities, equities and cash will vary over time. Equity selections will be based on price and long term total return prospects.

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

FUND MANAGER'S REPORT

Performance

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 4.93 per cent (share class 1), net of fees. The Fund's peer group, the Investment Association's (IA) Mixed Investment 20-60% Shares sector, generated a net return of 6.68 per cent.

Review

The Fund posted positive returns over the review period as both corporate bonds and UK equities made gains. The Fund's underperformance of its peer group relates broadly to its lower exposure to equities in what was a strong twelve months for the stock market. Within the corporate bond exposure, a number of sector positions nevertheless added value, including exposure to subordinated financials (banks and insurance companies) and telecoms. The Fund also profited from holding companies that tendered bonds, either to strengthen their own financial positions or to take advantage of possible tax reform in the US. These included Tesco, RSA and Verizon. In the equity portion, the most significant contributions came from stock selection in the financial and industrial sectors. Among financials, the Fund's holding in Intermediate Capital, a specialist investor in alternative assets such as real estate and mezzanine capital, a higher-risk form of debt, was the standout performer. However, BT was a detractor, with the shares losing ground after the company disclosed revenues in its Italian business had been overstated.

During the period, the overall positioning in the corporate bond portion was initially cautious given the Brexit-related uncertainty hanging over the UK economy and the vulnerability of the underlying government bond market to rising inflation and earlier-than-expected interest rate hikes. However, we later moved to a more neutral position as the performance of the global economy, in particular the Eurozone, showed improvement. In sector terms, we preferred telecoms, a sector which we felt was ripe for consolidation, financials and corporate hybrids. We were underweight in consumer cyclical goods, health care, oil & gas and utilities. In the equity portion, we preferred telecoms and technology and avoided mining stocks.

Outlook

We remain cautious on the outlook for corporate bonds as the market is linked to the fortunes of government bonds, which are currently vulnerable to moves by the main central banks to tighten monetary policy. Sterling corporate bonds can draw some support, however, from the likelihood that the Bank of England (BoE) will be obliged to keep its monetary policy loose as inflationary pressures ease and as Brexit uncertainties remain. We

believe UK equities can make further progress, although this is subject to the proviso that the withdrawal of monetary stimulus from the major central banks is measured and that the global economic outlook remains positive.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied.

Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on page 137 and 138 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 securities. 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.

Material Portfolio Changes				
Purchases	Sales			
UK Treasury 2.00% 07/09/2025	UK Treasury 5.00% 07/03/2025			
UK Treasury 5.00% 07/03/2025	European Investment Bank 1.50% 01/02/2019			
UK Treasury 3.50% 22/01/2045	HSBC Bank, FRN 5.38% 04/11/2030			
UK Treasury 4.75% 07/12/2038	UK Treasury 6.00% 07/12/2028			
HSBC Holdings 6.75% 11/09/2028	Centrica			
Unilever	UK Treasury 3.50% 22/01/2045			
Kreditanstalt fuer Wiederaufbau 5.00% 09/06/2036	UK Treasury 4.50% 07/12/2042			
European Investment Bank 1.50% 01/02/2019	HSBC Bank Capital Funding Sterling 1, FRN 5.84% Perpetual			
Heathrow Funding 6.45% 10/12/2031	Goldman Sachs Group 6.13% 14/05/2017			
WPP	Inmarsat			

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'.
- 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.
- 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

	2017	2016	2015		2017	2016	2015
Class 1 Income	p per share	p per share	p per share	Class 2 Income	p per share	p per share	p per share
Change in net assets per share				Change in net assets per share			
Opening net asset value per share	208.31	195.76	192.05	Opening net asset value per share	216.35	202.65	198.19
Return before operating charges [†]	13.58	21.60	13.04	Return before operating charges [†]	14.18	22.42	13.43
Operating charges	(2.91)	(2.77)	(2.78)	Operating charges	(1.60)	(1.52)	(1.52)
Return after operating charges [†]	10.67	18.83	10.26	Return after operating charges†	12.58	20.90	11.91
Distributions	(6.44)	(6.28)	(6.55)	Distributions	(7.42)	(7.20)	(7.45)
Closing net asset value per share	212.54	208.31	195.76	Closing net asset value per share	221.51	216.35	202.65
[†] after direct transaction costs of	(0.11)	(0.08)	(0.26)	† after direct transaction costs of	(0.11)	(0.08)	(0.27)
Performance				Performance			
Return after charges	5.12%	9.62%	5.34%	Return after charges	5.81%	10.31%	6.01%
Other information				Other information			
Closing net asset value (£000)	68,212	70,069	74,301	Closing net asset value (£000)	149,318	127,044	75,906
Closing number of shares	32,093,270	33,636,838	37,953,999	Closing number of shares	67,409,057	58,710,555	37,448,834
Operating charges (%) [‡]	1.38%	1.38%	1.38%	Operating charges (%) [‡]	0.73%	0.73%	0.73%
Direct transaction costs (%)#	0.05%	0.04%	0.13%	Direct transaction costs (%)#	0.05%	0.04%	0.13%
Prices≈				Prices≈			
Highest share price	218.83	216.14	208.92	Highest share price	227.97	224.46	216.10
Lowest share price	202.03	189.86	190.92	Lowest share price	210.04	196.83	197.03
	2017	2016	2015		2017	2016§	2015
Class 1 Accumulation	p per share	p per share	p per share	Class 2 Accumulation	p per share	p per share	p per share
Change in net assets per share				Change in net assets per share			
Opening net asset value per share	329.61	302.19	288.84	Opening net asset value per share	219.41	205.53	
Return before operating charges [†]	21.62	33.70	19.55	Return before operating charges [†]	14.46	15.41	_
Operating charges	(4.66)	(4.32)	(4.21)	Operating charges	(1.64)	(0.78)	_
Return after operating charges [†]	16.96	29.38	15.34	Return after operating charges [†]	12.82	14.63	_
Distributions	(10.27)	(9.79)	(9.95)	Distributions	(7.61)	(3.76)	_
Retained distributions on accumulation shares	9.87	7.83	7.96	Retained distributions on accumulation shares	7.31	3.01	-
Closing net asset value per share	346.17	329.61	302.19	Closing net asset value per share	231.93	219.41	_
[†] after direct transaction costs of	(0.17)	(0.13)	(0.40)	† after direct transaction costs of	(0.11)	(0.09)	-
Performance				Performance			
Return after charges	5.15%	9.72%	5.31%	Return after charges	5.84%	7.12%	-
Other information				Other information			
Closing net asset value (£000)	13,985	31,432	28,825	Closing net asset value (£000)	32,904	4,320	-
Closing number of shares	4,039,866	9,536,054	9,538,808	Closing number of shares	14,187,197	1,969,087	-
Operating charges (%) [‡]	1.38%	1.38%	1.38%	Operating charges (%) [‡]	0.73%	0.73%	-
Direct transaction costs (%)#	0.05%	0.04%	0.13%	Direct transaction costs (%)#	0.05%	0.04%	-
Prices≈				Prices≈			
Highest share price	350.68	340.00	315.89	Highest share price	234.47	226.10	-
Lowest share price	319.65	294.65	287.13	Lowest share price	212.98	204.24	_

COMPARATIVE TABLES (CONTINUED)

Class 3 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	222.09	207.72	202.80
Return before operating charges [†]	14.52	23.00	13.79
Operating charges	(0.74)	(0.71)	(0.71)
Return after operating charges [†]	13.78	22.29	13.08
Distributions	(8.18)	(7.92)	(8.16)
Closing net asset value per share	227.69	222.09	207.72
[†] after direct transaction costs of	(0.11)	(0.09)	(0.28)
Performance			
Return after charges	6.20%	10.73%	6.45%
Other information			
Closing net asset value (£000)	3,376	3,505	3,346
Closing number of shares	1,482,927	1,578,277	1,610,973
Operating charges (%) [‡]	0.33%	0.33%	0.33%
Direct transaction costs (%)#	0.05%	0.04%	0.13%
Prices≈			
Highest share price	234.33	230.36	221.40
Lowest share price	215.67	201.84	201.62

	2017	2016	2015
Class 4 Income	p per share	p per share	p per share
Change in net assets per share			
Opening net asset value per share	117.53	110.17	107.81
Return before operating charges [†]	7.68	12.19	7.32
Operating charges	(1.05)	(1.00)	(0.99)
Return after operating charges [†]	6.63	11.19	6.33
Distributions	(3.94)	(3.83)	(3.97)
Closing net asset value per share	120.22	117.53	110.17
[†] after direct transaction costs of	(0.06)	(0.05)	(0.15)
Performance			
Return after charges	5.64%	10.16%	5.87%
Other information			
Closing net asset value (£000)	552	363	317
Closing number of shares	458,717	308,901	287,848
Operating charges (%) [‡]	0.88%	0.88%	0.88%
Direct transaction costs (%)#	0.05%	0.04%	0.13%
Prices≈			
Highest share price	123.74	121.92	117.49
Lowest share price	114.06	106.95	107.17

 $[\]ddagger$ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charge Figure where:

[§] Class 2 Accumulation was launched on 25 April 2016

Ongoing Charges Figure*				
Share class	15.10.17	15.10.16		
Class 1	1.38%	1.38%		
Class 2	0.73%	0.73%		
Class 3	0.33%	0.33%		

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

0.88%

0.88%

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.

Class 4

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

⁽b) The Ongoing Charge 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).

 $[\]approx$ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. 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.

PORTFOLIO STATEMENT

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equities 34.82% (30.72%)				
Bermuda 0.79% (0.57%)				
Hiscox	GBP	155,232	2,117	0.79
			2,117	0.79
Cayman Islands 0.95% (0.63%)	CDD	222.044	2.550	0.05
Phoenix Group Holdings	GBP	332,811	2,558	0.95
0.450//0.000/			2,558	0.95
Guernsey 0.16% (0.00%) Sherborne Investors Guernsey C	GBP	404,691	421	0.16
Shelbothe investors duemsey e	GD1	404,031	421	0.16
Jersey 0.89% (0.52%)				0.10
UBM	GBP	130,613	900	0.33
WPP	GBP	108,324	1,494	0.56
			2,394	0.89
United Kingdom 32.03% (29.00%)				
AstraZeneca	GBP	32,679	1,674	0.62
Aviva [†]	GBP	559,660	2,804	1.05
BAE Systems BBA Aviation	GBP GBP	302,233 1,262,729	1,857 3,926	0.69 1.46
BCA Marketplace	GBP	393,519	846	0.32
Beazley	GBP	223,428	1,116	0.42
BHP Billiton	GBP	162,200	2,253	0.84
BP	GBP	550,271	2,710	1.01
British American Tobacco BT Group	GBP GBP	82,852 774,201	4,018 2,151	1.50 0.80
Close Brothers Group	GBP	85,510	1,225	0.80
Compass Group	GBP	165,997	2,689	1.00
DFS Furniture	GBP	343,398	752	0.28
DS Smith	GBP	370,711	1,781	0.66
GCP Student Living, REIT GlaxoSmithKline	GBP GBP	303,094 265,116	443 4,026	0.17 1.50
Greencoat UK Wind Fund	GBP	721,939	4,020 857	0.32
Headlam Group	GBP	93,187	568	0.21
Ibstock	GBP	483,847	1,190	0.44
Imperial Brands	GBP	88,441	2,789	1.04
Intermediate Capital Group	GBP GBP	473,624 890,349	4,566	1.70 0.58
TTV KCOM Group	GBP	1,519,564	1,549 1,516	0.57
Laird	GBP	274,262	405	0.15
Legal & General Group	GBP	883,205	2,347	0.88
Melrose Industries	GBP	1,098,296	2,444	0.91
National Grid Northgate	GBP GBP	243,399 42,862	2,285 193	0.85 0.07
P2P Global Investments Fund	GBP	116,908	916	0.07
Prudential	GBP	150,300	2,744	1.02
Ranger Direct Lending Fund	GBP	54,660	432	0.16
Rathbone Brothers	GBP	56,873	1,461	0.54
RELX Rio Tinto	GBP GBP	177,432 81,366	2,981 2,959	1.11 1.10
River & Mercantile Group	GBP	331,105	1,105	0.41
Royal Dutch Shell 'B'	GBP	207,245	4,809	1.79
Sage Group	GBP	294,122	2,135	0.80
Schroders	GBP	50,592	1,764	0.66
Unilever Vodafone Group	GBP GBP	115,953 1,395,463	5,223 3,025	1.95 1.13
Volution Group	GBP	302,943	619	0.23
Worldpay Group	GBP	192,438	790	0.29
			85,943	32.03
Equities total			93,433	34.82

Investment	Currency	Holding	Market Value £000	% of Net Assets
Government Bonds 6.79% (4.64%)				
United Kingdom 6.79% (4.64%)				
UK Treasury 2.00% 07/09/2025	GBP	4,700,000	4,995	1.86
UK Treasury 6.00% 07/12/2028	GBP	650,000	954	0.35
JK Treasury 4.25% 07/06/2032	GBP	1,100,000	1,459	0.54
JK Treasury 4.75% 07/12/2038	GBP	3,400,000	5,062	1.89
UK Treasury 4.50% 07/12/2042	GBP	1,031,000	1,547	0.58
JK Treasury 3.50% 22/01/2045	GBP	3,200,000	4,214	1.57
Government Bonds total			18,231 18,231	6.79 6.79
Corporate Bonds 52.26% (56.84%)			.0,25	
Australia 0.47% (0.98%)				
Goodman Australia Finance, REIT 9.75% 16/07/2018	GBP	1,179,000	1,254	0.47
3500mm/ Australia Finance, NET 3.73% 10/07/2010	GDI	1,173,000	1,254	0.47
Polarium 1 169/ (0 909/)			1,234	0.47
Belgium 1.16% (0.80%) Anheuser-Busch InBev 9.75% 30/07/2024	GBP	1,200,000	1,782	0.67
Anheuser-Busch InBev 2.85% 25/05/2037	GBP	1,354,000	1,318	0.49
			3,100	1.16
Cayman Islands 1.35% (0.83%)				
Thames Water Utilities Cayman Finance 2.88% 03/05/2027	GBP	1,100,000	1,078	0.40
Thames Water Utilities Cayman Finance 7.74% 09/04/2058	GBP	775,000	1,576	0.59
THPA Finance, Series B 8.24% 15/03/2028	GBP	246,000	274	0.10
orkshire Water Services Odsal Finance 6.45% 28/05/2027	GBP	520,000	703	0.26
			3,631	1.35
France 3.44% (5.61%)				
AXA, FRN 5.63% 16/01/2054	GBP	2,000,000	2,314	0.86
electricite de France 6.13% 02/06/2034	GBP	2,200,000	2,970	1.11
Electricite de France, FRN 6.00% Perpetual	GBP	1,100,000	1,201	0.45
Orange 5.38% 22/11/2050	GBP	1,300,000	1,849	0.69
Drange, FRN 5.88% Perpetual	GBP	802,000	892	0.33
			9,226	3.44
Germany 1.10% (0.58%) Kreditanstalt fuer Wiederaufbau 5.00% 09/06/2036	CDD	2 000 000	2.046	1.10
Teditalistalt luer Wiederaulbau 5.00% 09/06/2036	GBP	2,000,000	2,946	1.10
			2,946	1.10
taly 1.41% (1.27%) Enel, FRN 6.62% 15/09/2076	GBP	1 700 000	1 020	0.71
elecom Italia 5.88% 19/05/2023	GBP	1,700,000 1,600,000	1,920 1,868	0.71
Relectiff Italia 3.00 // 1970372023	ОВІ	1,000,000	3,788	1.41
ersey 4.04% (4.40%)			3,700	1.41
AA Bond 6.27% 02/07/2043	GBP	600,000	721	0.27
AA Bond 5.50% 31/07/2043	GBP	1,500,000	1,549	0.58
Bank of Scotland Capital Funding, FRN 7.75% Perpetual	GBP	551,000	649	0.24
Gatwick Funding 5.25% 23/01/2026	GBP	1,400,000	1,648	0.61
Gatwick Funding 2.63% 07/10/2048	GBP	1,394,000	1,255	0.47
Heathrow Funding 7.13% 14/02/2024	GBP	2,400,000	3,036	1.13
Heathrow Funding 6.45% 10/12/2031	GBP	1,400,000	1,981	0.74
			10,839	4.04
Mexico 1.51% (1.25%)				
America Movil 4.38% 07/08/2041	GBP	1,900,000	2,188	0.81
America Movil, FRN 6.37% 06/09/2073	GBP	1,700,000	1,867	0.70
			4,055	1.51

Investment	Currency	Holding	Market Value £000	% of Net Assets
Netherlands 2.94% (4.46%)	•			
ABN AMRO Bank 1.00% 30/06/2020	GBP	1,400,000	1,393	0.52
Cooperatieve Rabobank 4.63% 23/05/2029	GBP	700,000	795	0.30
E.ON International Finance 6.38% 07/06/2032	GBP	1,300,000	1,823	0.68
Enel Finance International 5.75% 14/09/2040	GBP	600,000	809	0.30
ING Bank, FRN 6.88% 29/05/2023	GBP	1,600,000	1,653	0.62
innogy Finance 5.50% 06/07/2022	GBP	1,200,000	1,407	0.52
			7,880	2.94
Spain 0.76% (0.76%)				
Telefonica Emisiones 5.45% 08/10/2029	GBP	1,650,000	2,047	0.76
Sweden 0.00% (0.47%)			2,047	0.76
Switzerland 0.36% (0.00%) Credit Suisse Group, FRN 2.13% 12/09/2025	GBP	994,000	977	0.36
		,	977	0.36
United Kingdom 27.70% (27.99%)				
Anglian Water Osprey Financing 7.00% 31/01/2018	GBP	900,000	915	0.34
Annington Funding, REIT 2.65% 12/07/2025	GBP	1,465,000	1,474	0.55
Annington Funding, REIT 3.94% 12/07/2047	GBP	455,000	482	0.18
Aviva, FRN 5.90% Perpetual [†]	GBP	1,750,000	1,897	0.71
Aviva, FRN 6.88% 20/05/2058 [†]	GBP	1,200,000	1,585	0.59
Barclays 3.25% 12/02/2027	GBP	1,800,000	1,849	0.69
Barclays Bank 10.00% 21/05/2021	GBP	1,650,000	2,084	0.78
Barclays Bank 4.25% 12/01/2022	GBP	900,000	1,015	0.38
Barclays Bank, FRN 14.00% Perpetual	GBP	1,500,000	1,762	0.66
BAT International Finance 4.00% 04/09/2026	GBP	1,600,000	1,781	0.66
BAT International Finance 2.25% 09/09/2052	GBP	701,000	557	0.21
Broadgate Financing, REIT 5.00% 05/10/2033	GBP	145,000	176	0.07
Cadent Finance 2.13% 22/09/2028	GBP	1,400,000	1,348	0.50
Canary Wharf Finance II, REIT, Series II A1 6.46% 22/10/2033	GBP	266,708	341	0.13
Centrica 4.25% 12/09/2044	GBP	733,000	840	0.31
Channel Link Enterprises Finance, FRN 3.04% 30/06/2050	GBP	483,000	480	0.18
DS Smith 2.88% 26/07/2029	GBP	1,100,000	1,071	0.40
Eastern Power Networks 4.75% 30/09/2021	GBP	1,200,000	1,351	0.50
Experian Finance 4.75% 23/11/2018	GBP	1,500,000	1,561	0.58
Firstgroup 6.13% 18/01/2019	GBP	1,900,000	2,011	0.75
Firstgroup 6.88% 18/09/2024	GBP	1,000,000	1,270	0.47
GlaxoSmithKline Capital 4.25% 18/12/2045	GBP	1,200,000	1,521	0.57
Great Rolling Stock 6.50% 05/04/2031	GBP	1,202,500	1,544	0.58
Greene King Finance, Series B1 5.70% 15/12/2034	GBP	1,504,000	1,406	0.52
HSBC Holdings 6.75% 11/09/2028	GBP	2,700,000	3,550	1.32
Imperial Brands Finance 9.00% 17/02/2022	GBP	2,500,000	3,245	1.21
Imperial Brands Finance 4.88% 07/06/2032	GBP	600,000	712	0.27
Intu Metrocentre Finance, REIT 4.13% 06/12/2028	GBP	1,000,000	1,095	0.41
Investec Bank 9.63% 17/02/2022	GBP	899,000	1,131	0.42
Juturna European Loan Conduit No. 16 5.06% 10/08/2033	GBP	1,318,582	1,596	0.59
Legal & General Group, FRN 10.00% 23/07/2041	GBP	2,000,000	2,553	0.95
Lloyds Bank 5.13% 07/03/2025	GBP	800,000	990	0.37
Lloyds Bank 7.63% 22/04/2025	GBP	1,600,000	2,133	0.79
Lloyds Banking Group 2.25% 16/10/2024	GBP	1,546,000	1,531	0.57
Meadowhall Finance, REIT, Series B 4.99% 12/07/2037	GBP	788,388	966	0.36
Mitchells & Butlers Finance, Series C1 6.47% 15/09/2032	GBP	1,200,000	1,470	0.55
NGG Finance, FRN 5.63% 18/06/2073	GBP	400,000	453	0.33
	GBP	1,000,000		0.17
Notting Hill Housing Trust, REIT 3.75% 20/12/2032			1,098	
Prudential, FRN 11.37% 29/05/2039	GBP	1,750,000	2,023	0.75
Prudential, FRN 5.70% 19/12/2063	GBP	1,400,000	1,594	0.59
RELX Investments 2.75% 01/08/2019	GBP	1,700,000	1,740	0.65
Santander UK 5.13% 14/04/2021	GBP	1,400,000	1,591	0.59
Segro, REIT 2.38% 11/10/2029	GBP	920,000	909	0.34
Southern Gas Networks 2.50% 03/02/2025	GBP	1,500,000	1,546	0.58

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
United Kingdom 27.70% (27.99%) (continued)				
Standard Chartered 4.38% 18/01/2038	GBP	900,000	997	0.37
Standard Life Aberdeen, FRN 5.50% 04/12/2042	GBP	1,500,000	1,681	0.63
Tesco, REIT 4.88% 24/03/2042	GBP	850,000	857	0.32
Tesco Property Finance 6 5.41% 13/07/2044	GBP	606,756	677	0.25
Travis Perkins 4.38% 15/09/2021	GBP	1,500,000	1,588	0.59
UNITE USAF II 3.92% 30/06/2030	GBP	1,068,000	1,196	0.45
Virgin Media Secured Finance 5.50% 15/01/2025	GBP	1,440,000	1,517	0.56
Western Power Distribution West Midlands 5.75% 16/04/2032	GBP	2,300,000	3,104	1.16
White City Property Finance 5.12% 17/04/2035	GBP	377,461	465	0.17
			74,329	27.70
United States of America 6.02% (7.44%)				
AT&T 4.38% 14/09/2029	GBP	1,900,000	2,113	0.79
AT&T 4.25% 01/06/2043	GBP	1,600,000	1,659	0.62
Bank of America 7.75% 30/04/2018	GBP	1,200,000	1,244	0.46
Bank of America 7.00% 31/07/2028	GBP	1,700,000	2,381	0.89
Citigroup 4.50% 03/03/2031	GBP	1,600,000	1,852	0.69
JPMorgan Chase 1.88% 10/02/2020	GBP	1,434,000	1,460	0.54
JPMorgan Chase 3.50% 18/12/2026	GBP	1,600,000	1,760	0.66
Prologis, REIT 2.25% 30/06/2029	GBP	217,000	207	0.08
Verizon Communications 4.07% 18/06/2024	GBP	1,100,000	1,221	0.45
Wells Fargo 2.00% 28/07/2025	GBP	512,000	505	0.19
Wells Fargo 3.50% 12/09/2029	GBP	1,600,000	1,752	0.65
			16,154	6.02
Corporate Bonds total			140,226	52.26
Supranationals 1.16% (1.69%)				
European Investment Bank 5.00% 15/04/2039	GBP	2,100,000	3,105	1.16
Supranationals total			3,105	1.16
Futures (0.02)% (0.01%)				
Long Gilt 27/12/2017	GBP	13	(43)	(0.02)
Futures total			(43)	(0.02)
Investment assets (including investment liabilities)			254,952	95.01
Net other assets			13,395	4.99
Net assets			268,347	100.00

All holdings are debt securities denominated in sterling and admitted to an official stock exchange unless otherwise stated. The comparative percentage figures in brackets are as at 15 October 2016.
† A related party to the Fund.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

			Year ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital gains	2		6,692		14,072
Revenue	3	9,672		7,994	
Expenses	4	(2,395)		(2,139)	
Net revenue before taxation		7,277		5,855	
Taxation	5	-		(4)	
Net revenue after taxation			7,277		5,851
Total return before distributions			13,969		19,923
Distributions	6		(8,318)		(6,792)
Change in net assets attributable to shareholders from investment activities			5,651		13,131

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		236,733		182,695
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	38,020		51,255	
Amounts payable on cancellation of shares	(13,414)		(11,161)	
		24,606		40,094
Change in net assets attributable to shareholders from investment activities (see above)		5,651		13,131
Retained distribution on accumulation shares		1,349		803
Unclaimed distribution monies		8		10
Closing net assets attributable to shareholders		268,347		236,733

BALANCE SHEET

As at 15 October 2017

		As at	As at
		15.10.17	15.10.16
	Notes	£000	£000
Assets:			
Investments		254,995	222,304
Current assets:			
Debtors	8	3,000	4,181
Cash and bank balances	9	14,246	12,622
Total assets		272,241	239,107
Liabilities:			
Investment liabilities	7	(43)	(1)
Creditors:			
Distribution payable		(1,785)	(1,660)
Other creditors	10	(2,066)	(713)
Total liabilities		(3,894)	(2,374)
Net assets attributable to shareholders		268,347	236,733

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policiesPlease see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Currency gains	-	11
Derivative contracts gains/(losses)	24	(10)
Expenses relating to the purchase and sale of investments	(4)	(4)
Non-derivative securities gains	6,672	14,075
Net capital gains	6,692	14,072

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Interest on debt securities	5,722	5,051
Income from derivatives	14	(7)
Overseas dividends	294	227
Property income distributions	15	6
UK dividends	3,620	2,708
Underwriting commission	7	9
Total revenue	9,672	7,994

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	2,074	1,878
Registration fees	252	202
	2,326	2,080
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	35	26
Safe custody fee	15	13
	50	39
Other expenses:		
Audit fee*	11	11
Printing & postage expenses	1	2
Statement fees	7	7
	19	20
Total expenses	2,395	2,139

^{*} The audit fee was £9,161 (2016: £9,161) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Overseas tax suffered	-	4
Total current tax for the year (see note 5b)	-	4

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	7,277	5,855
Corporation tax at 20%	1,455	1,171
Effects of:		
Overseas dividends not subject to corporation tax	(59)	(46)
Overseas tax suffered	_	4
Tax deductible on interest distributions	(692)	(591)
UK dividends not subject to corporation tax	(704)	(534)
	(1,455)	(1,167)
Current tax charge (see note 5a)	-	4

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 year end (2016: £nil).

The unrelieved excess expenses within the 2016 accounts have been restated to agree to the final tax computation.

6 Distributions

	Year ended 15.10.17	Year ended 15.10.16
	£000	£000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Gross interest distribution for the three months ended 15 January	1,596	1,349
Gross interest distribution for the three months ended 15 April	2,186	1,841
Gross interest distribution for the three months ended 15 July	2,465	1,894
Gross interest distribution for the three months ended 15 October	2,180	1,848
	8,427	6,932
Add: Revenue deducted on cancellation of shares	48	40
Deduct: Revenue received on issue of shares	(157)	(180)
Total distributions	8,318	6,792
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	8,318	6,792
ACD's periodic charge borne by the capital account	(1,037)	(939)
Equalisation on conversions	(4)	(2)
Net revenue after taxation	7,277	5,851

Details of the distributions per share are set out in the distribution tables on pages 152 and 153.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Liabilities at 15.10.17 £000	Assets at 15.10.16 £000	Liabilities at 15.10.16 £000
Level 1: Quoted prices	93,433	(43)	72,731	_
Level 2: Observable market data	161,562	-	149,573	(1)
Total value	254,995	(43)	222,304	(1)

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	2,663	3,062
Amounts receivable on issue of shares	325	1,018
Overseas tax recoverable	3	3
Sales awaiting settlement	9	98
Total debtors	3,000	4,181

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Amounts held at futures clearing house and brokers	69	51
Cash and bank balances	14,177	12,571
Total cash and bank balances	14,246	12,622

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	317	303
Amounts payable for cancellation of shares	214	410
Purchases awaiting settlement	1,535	_
Total creditors	2,066	713

11 Contingent liabilities and commitments

The contingent liabilities and commitments at the year end date are as follows:

	As at 15.10.17 £000	As at 15.10.16 £000
Long Gilt 27/12/2017	-	-
Long Gilt 28/12/2016	-	19,500
Total contingent liabilities and commitments	-	19,500

12 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.

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 ACD periodic charges was £252,000 (2016: £252,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £1,235,000 (2016: £891,000). The amount outstanding at the year end was £313,000 (2016: £248,000). 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.

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 £1,222,000 (2016: £429,000) and £609,000 (2016: £nil) respectively. The income received during the year amounted to £309,000 (2016: £263,000).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 1 Income shares)	134,064	114,316	19,748
ACD and related parties (share class 1 Accumulation shares)	_	(5,394,855)	5,394,855
ACD and related parties (share class 2 Income shares)	4,624,810	(2,705,338)	7,330,148
ACD and related parties (share class 2 Accumulation shares)	10,114,899	9,129,973	984,926
ACD and related parties (share class 3 Income shares)	1,482,927	(95,350)	1,578,277

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

13 Shareholder funds

The Fund currently has four share classes: Class 1 and 4 (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 1.25% Class 2: 0.60% Class 3: 0.30% Class 4: 0.75%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 137 and 138. The distributions per share are given in the distribution tables on pages 152 and 153. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Share Class 1 Income	33,636,838	1,088,505	(2,538,093)	(93,980)	32,093,270
Share Class 1 Accumulation	9,536,054	504,615	(566,972)	(5,433,831)	4,039,866
Share Class 2 Income	58,710,555	10,834,374	(2,226,154)	90,282	67,409,057
Share Class 2 Accumulation	1,969,087	4,406,456	(347,063)	8,158,717	14,187,197
Share Class 3 Income	1,578,277	102,886	(198,236)	-	1,482,927
Share Class 4 Income	308,901	165,692	(15,876)	_	458,717

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency risk

At the year end date, none (2016: none) of the net assets of the Fund were denominated in currencies other than sterling and as such, the currency risk is not considered significant.

Interest rate risk

At the year end date 65.52% (2016: 68.51%) of the net assets of the Fund were interest bearing. If the interest rates were to change by 1%, the value of the Fund will change by 0.22% (2016: 0.85%).

The interest rate profile of the Fund's financial assets and liabilities at 15 October 2017 was:

Currency 15.10.17	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	39,747	136,061	96,449	272,257
Financial Liabilities				
Sterling	-	_	(3,910)	(3,910)
Total	39,747	136,061	92,539	268,347

The interest rate profile of the Fund's financial assets and liabilities at 15 October 2016 was:

Currency 15.10.16	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	13,748	148,428	76,931	239,107
Financial Liabilities				
Sterling	_	-	(2,373)	(2,373)
US Dollar	-	-	(1)	(1)
Total	13,748	148,428	74,557	236,733

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

Market price risk

At the year end date, 95.01% (2016 93.90%) of the net assets of the Fund were invested in ordinary shares or debt securities or stock units and admitted to an official stock exchange. If the market value were to change by 10%, the value of the Fund would change by 9.50% (2016: 9.39%).

16 Counterparty exposure

Financial derivative exposure

The types of derivatives held at the year end date were futures 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:

15.10.17	Futures contracts £000	Total £000
JPMorgan	-	_
Total	-	_

15.10.16	Futures contracts £000	Total £000
Barclays	19	19
Total	19	19

The counterparty exposure on futures contracts is reported at their positive mark to market values.

Collateral

At the year end date no collateral was held or pledged by the company or on behalf of the counterparties in respect of the above (2016: £nil).

17 Debt security credit analysis

		Market value £000		Total net assets %	
	15.10.17	15.10.16	15.10.17	15.10.16	
Investment grade	136,527	129,879	50.89%	54.86%	
Below investment grade	25,035	18,960	9.32%	8.01%	
Unrated	_	715	_	0.30%	
Total debt securities	161,562	149,554	60.21%	63.17%	

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

18 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.

15.10.17	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(23,982)	(12)	(118)	(24,112)	0.05%	0.49%
Bonds	(68,069)	_	_	(68,069)	0.00%	0.00%
Purchases (corporate action activity only)						
Equities	(608)	_	_	(608)	0.00%	0.00%
	(92,659)	(12)	(118)	(92,789)		
Sales (excluding corporate actions)						
Equities	10,746	(6)	_	10,740	0.06%	0.00%
Bonds	54,118	_	_	54,118	0.00%	0.00%
Sales (corporate action activity only)						
Bonds	521	_	_	521	0.00%	0.00%
	65,385	(6)	_	65,379		
Total	_ _	(18)	(118)			
Percentage of Fund average net assets	_	0.01%	0.04%			

15.10.16	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(14,199)	(8)	(69)	(14,276)	0.06%	0.49%
Bonds	(65,429)	_	_	(65,429)	0.00%	0.00%
Purchases (corporate activity only)						
Equities	(1,733)	_	_	(1,733)	0.00%	0.00%
	(81,361)	(8)	(69)	(81,438)		
Sales (excluding corporate actions)						
Equities	9,556	(9)	_	9,547	0.09%	0.00%
Bonds	36,390	_	_	36,390	0.00%	0.00%
	45,946	(9)	_	45,937		
Total	_	(17)	(69)			
Percentage of Fund average net assets	_	0.01%	0.03%			

Dealing spread

As at 15 October 2017, the average portfolio dealing spread was 0.42% (2016: 0.65%). 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.

19 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: £nil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the three months ended 15 October 2017

Income shares		Gross revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	1.6066	_	1.6066	1.2326
	Group 2	0.5011	1.1055	1.6066	1.2326
Share Class 2	Group 1	1.8557	_	1.8557	1.4233
	Group 2	0.9471	0.9086	1.8557	1.4233
Share Class 3	Group 1	2.0508	_	2.0508	1.5730
	Group 2	1.1956	0.8552	2.0508	1.5730
Share Class 4	Group 1	0.9847	_	0.9847	0.7550
	Group 2	0.0562	0.9285	0.9847	0.7550

Accumulation shares		Gross revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	2.5979	-	2.5979	1.9385
	Group 2	1.3829	1.2150	2.5979	1.9385
Share Class 2	Group 1	1.9276	_	1.9276	1.4382
	Group 2	0.8884	1.0392	1.9276	1.4382

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 July 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 July 2017.

Interim distribution paid in pence per share for the three months ended 15 July 2017

		15 September 2016
-	1.8646	1.3663
1.1993	1.8646	1.3663
_	2.1257	1.5522
1.1645	2.1257	1.5522
-	2.3297	1.6982
0.9186	2.3297	1.6982
_	1.1309	0.8264
0.6700	1.1309	0.8264
7 - 2 - 7 - 1 - 9	3 1.1993 7 - 2 1.1645 7 - 1 0.9186	3 1.1993 1.8646 7 - 2.1257 2 1.1645 2.1257 7 - 2.3297 1 0.9186 2.3297 9 - 1.1309

Accumulation shares		Gross revenue	Equalisation	Interim distribution paid 15 September 2017	paid
Share Class 1	Group 1	2.9875	_	2.9875	2.1351
	Group 2	1.4962	1.4913	2.9875	2.1351
Share Class 2	Group 1	2.1860	_	2.1860	1.5728
	Group 2	0.9796	1.2064	2.1860	1.5728

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

DISTRIBUTION TABLES (CONTINUED)

Interim distribution paid in pence per share for the three months ended 15 April 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 1	Group 1	1.6898	_	1.6898	1.3852
	Group 2	0.7208	0.9690	1.6898	1.3852
Share Class 2	Group 1	1.9345	_	1.9345	1.5682
	Group 2	0.9606	0.9739	1.9345	1.5682
Share Class 3	Group 1	2.1261	_	2.1261	1.7115
	Group 2	1.2983	0.8278	2.1261	1.7115
Share Class 4	Group 1	1.0282	_	1.0282	0.8355
	Group 2	0.3684	0.6598	1.0282	0.8355

Accumulation shares	;	Gross revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 1	Group 1	2.6864	-	2.6864	2.1499
	Group 2	1.2271	1.4593	2.6864	2.1499
Share Class 2	Group 1	1.9724	_	1.9724	_
	Group 2	0.9904	0.9820	1.9724	_

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 January 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 January 2017.

Interim distribution paid in pence per share for the three months ended 15 January 2017

Income shares		Gross revenue	Income tax at 20%	Net revenue	Equalisation	Interim distribution paid 15 March 2017	Interim distribution paid 15 March 2016
Share Class 1	Group 1	1.2773	0.2555	1.0218	-	1.0218	1.0435
	Group 2	0.4904	0.0981	0.3923	0.6295	1.0218	1.0435
Share Class 2	Group 1	1.5011	0.3002	1.2009	-	1.2009	1.2156
	Group 2	0.7435	0.1487	0.5948	0.6061	1.2009	1.2156
Share Class 3	Group 1	1.6780	0.3356	1.3424	-	1.3424	1.3515
	Group 2	1.0164	0.2033	0.8131	0.5293	1.3424	1.3515
Share Class 4	Group 1	0.7936	0.1587	0.6349	-	0.6349	0.6436
	Group 2	0.2686	0.0537	0.2149	0.4200	0.6349	0.6436

Accumulation shares		Gross revenue	Income tax at 20%	Net revenue	Equalisation	Interim distribution paid 15 March 2017	Interim distribution paid 15 March 2016
Share Class 1	Group 1	1.9965	0.3993	1.5972	_	1.5972	1.6113
	Group 2	1.2681	0.2536	1.0145	0.5827	1.5972	1.6113
Share Class 2	Group 1	1.5280	0.3056	1.2224	-	1.2224	
	Group 2	0.7645	0.1529	0.6116	0.6108	1.2224	_

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Up to 5 April 2017, the distributions payable were calculated after the deduction of basic rate income tax. From 6 April 2017, distributions payable are calculated without deducting this tax. The tax treatment of distributions will depend on an investor's individual circumstances.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS HIGH YIFLD BOND FUND

INVESTMENT OBJECTIVE

To maximise total return while generating a high level of income through investment in a diversified portfolio of fixed interest securities.

INVESTMENT POLICY

Diversified investment in high yield bonds but also other fixed income assets, such as government bonds and investment grade corporates.

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

Note: at least 80 per cent of assets will either be in sterling or currency hedged back to sterling.

FUND MANAGER'S REPORT

Performance

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 4.80 per cent (share class 1), net of fees. The Fund's peer group, the Investment Association's (IA) Sterling High Yield sector, generated a net return of 7.41 per cent.

Review

The Fund generated positive returns over the twelve months under review but underperformed its peer group, mainly because of company-specific factors. One of the main detractors was clothes retailer New Look, whose bonds came under pressure following the announcement of a sharp fall in sales. The position in Croatian retailer Agrokor also detracted as the market became nervous about liquidity issues. At the sector level, the Fund nevertheless benefited from exposure to selected consumerfacing companies, including department store Debenhams and bookmaker Ladbrokes, as confidence on the UK high street appeared to shrug off Brexit uncertainty, at least at the beginning of the period. The start of 2017 saw good performance from Galapagos, a manufacturer of heat exchangers. Bid activity boosted our position in Odeon Cinemas, which was taken over by AMC of the US.

At the start of the review period we held cautious position in terms of the portfolio's sensitivity to changes in interest rates. However, we later moved to a more neutral stance as the performance of the global economy improved. We favoured corporate hybrid bonds (a mixture of debt and equity) that had been issued by good-quality utility and telecoms companies. While the Fund was overweight in both these sectors, it was underweight in basic industries and had no exposure to companies linked to commodities. We also tended to avoid European banks as issuance in the high-yield sector is dominated by the more volatile Eurozone periphery countries. At the currency level, we increased the exposure to euro-denominated credits over the course of the period, at the expense of US dollar credits.

Outlook

The outlook for corporate bonds in general is clouded by potential for the underlying government bond market to be dragged lower by a reduction in support by the main central banks. Interest rates in the UK and US are set to rise, albeit modestly, in response to rising inflationary pressures. High-yield bonds nevertheless have the potential to outperform other areas of the credit market as they are less sensitive to changes in interest rates. They also stand to benefit from both the improving outlook for company profits globally and continued

heavy demand from income-hungry investors. High-yield bonds are expensive by historical comparisons but remain attractively valued versus other parts of the fixed income market. In the coming months, judicious security selection will be of extra importance given the economic uncertainties hanging over the market.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied.

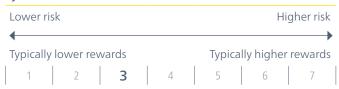
Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on page 155 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 an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

Material Portfolio Changes Purchases Sales Aviva Investors Sterling Liquidity Fund Class 3, Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP Income shares, GBP Llovds Bank, FRN 12.00% Perpetual UK Treasury 1.00% 07/09/2017 Heathrow Finance 7.13% 01/03/2017 Ladbrokes Group Finance 5.13% 08/09/2023 HCA 5.88% 01/05/2023 CPUK Finance 7.00% 28/02/2042 Dollar Tree 5.75% 01/03/2023 Glasstank 8.50% 15/05/2019 Royal Bank of Scotland Group, FRN 9.50% Heathrow Finance 7.13% 01/03/2017 16/03/2022 Silgan Holdings 3.25% 15/03/2025 Altice Financing 7.50% 15/05/2026 Samvardhana Motherson Automotive Systems Kinross Gold 4.50% 15/07/2027 Group 4.13% 15/07/2021 SoftBank Group, FRN 6.87% Perpetual NBTY 7.63% 15/05/2021 Alliance Data Systems 4.50% 15/03/2022 Lafarge 8.75% 30/05/2017

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'.
- 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.
- During the year ended 15 October 2017, the indicator changed from category 4 to category 3.
- 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 1 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	71.83	69.79	69.62
Return before operating charges [†]	4.46	6.33	4.37
Operating charges	(0.83)	(0.81)	(0.82)
Return after operating charges [†]	3.63	5.52	3.55
Distributions	(2.96)	(3.48)	(3.38)
Closing net asset value per share	72.50	71.83	69.79
† after direct transaction costs of	-	-	-
Performance			
Return after charges	5.05%	7.91%	5.10%
Other information			
Closing net asset value (£000)	4,865	5,792	7,918
Closing number of shares	6,710,882	8,063,859	11,344,922
Operating charges (%) [‡]	1.14%	1.14%	1.14%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	73.75	73.50	73.43
Lowest share price	71.63	66.86	69.44

Class 2 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	108.86	105.77	105.51
Return before operating charges [†]	6.75	9.60	6.63
Operating charges	(0.70)	(0.69)	(0.70)
Return after operating charges [†]	6.05	8.91	5.93
Distributions	(5.04)	(5.82)	(5.67)
Closing net asset value per share	109.87	108.86	105.77
† after direct transaction costs of	-	-	-
Performance			
Return after charges	5.56%	8.42%	5.62%
Other information			
Closing net asset value (£000)	135,022	120,030	42,179
Closing number of shares	122,888,877	110,257,473	39,876,562
Operating charges (%) [‡]	0.64%	0.64%	0.64%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	111.85	111.46	111.40
Lowest share price	108.59	101.36	105.25

Class 3 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	229.03	212.60	202.89
Return before operating charges [†]	14.38	19.68	12.77
Operating charges	(0.80)	(0.74)	(0.72)
Return after operating charges†	13.58	18.94	12.05
Distributions	(11.48)	(12.55)	(11.72)
Retained distributions on accumulation shares	10.92	10.04	9.38
Closing net asset value per share	242.05	229.03	212.60
[†] after direct transaction costs of	_	_	-
Performance			
Return after charges	5.93%	8.91%	5.94%
Other information			
Closing net asset value (£000)	41,282	74,148	71,231
Closing number of shares	17,055,139	32,375,023	33,504,009
Operating charges (%) [‡]	0.34%	0.34%	0.34%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	243.00	232.09	216.97
Lowest share price	228.50	206.21	202.40

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

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

(b) The Ongoing Charge 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).

 \approx The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. 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	15.10.17	15.10.16
Class 1	1.14%	1.14%
Class 2	0.64%	0.64%
Class 3	0.34%	0.34%

* 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

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 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Government Bonds 0.00% (3.63%)				
Corporate Bonds 94.62% (92.93%)				
Austria 0.00% (0.52%)				
Canada 1.26% (0.00%)				
Kinross Gold 4.50% 15/07/2027	USD	3,000,000	2,282	1.26
Cayman Islands 0.61% (0.62%)			2,202	1.20
THPA Finance, Series B 8.24% 15/03/2028	GBP	1,000,000	1,112	0.61
			1,112	0.61
Croatia 0.22% (0.47%)	FLID	1 500 000	401	0.22
Agrokor dd 9.13% 01/02/2020	EUR	1,560,000	401	0.22
Danmark 1 F60/ (0.070/)			401	0.22
Denmark 1.56% (0.97%) Norican 4.50% 15/05/2023	EUR	833,000	750	0.41
TDC, FRN 3.50% 31/12/2049	EUR	2,250,000	2,073	1.15
			2,823	1.56
France 8.43% (9.51%)	FLID	2 250 000	2.052	1.00
Crown European Holdings 3.38% 15/05/2025 Electricite de France, FRN 6.00% Perpetual	EUR GBP	3,250,000 1,300,000	3,052 1,419	1.69 0.78
Horizon Holdings I 7.25% 01/08/2023	EUR	1,912,000	1,811	1.00
Orange, FRN 5.88% Perpetual	GBP	535,000	595	0.33
PSA Tresorerie GIE 6.00% 19/09/2033	EUR	1,750,000	1,990	1.10
SFR Group 7.38% 01/05/2026	USD	5,000,000	4,058	2.24
Tereos Finance Groupe I 4.13% 16/06/2023	EUR	2,500,000	2,344	1.29
6 4 420/ (0 400/)			15,269	8.43
Germany 4.43% (8.19%) Kirk Beauty One 8.75% 15/07/2023	EUR	1,500,000	1,453	0.80
Nidda Healthcare Holding 3.50% 30/09/2024	EUR	719,000	652	0.36
Unitymedia Hessen 4.63% 15/02/2026	EUR	4,000,000	3,883	2.14
WEPA Hygieneprodukte 3.75% 15/05/2024	EUR	2,200,000	2,039	1.13
			8,027	4.43
Hong Kong 0.88% (0.91%) CITIC, FRN 8.62% Perpetual	USD	2,000,000	1,596	0.88
CITE, TWO 0.0270 Telepetual	030	2,000,000	1,596	0.88
Ireland 0.00% (0.94%)				
Italy 6.19% (6.12%)				
CMF 9.00% 15/06/2022	EUR	1,500,000	1,320	0.73
Enel, FRN 8.75% 24/09/2073	USD	2,500,000	2,279	1.26
Intesa Sanpaolo 6.63% 13/09/2023	EUR	2,250,000	2,494	1.38
Nuovo Trasporto Viaggiatori, FRN 3.50% 01/06/2023	EUR	1,297,000	1,178	0.65
Telecom Italia 5.88% 19/05/2023 Telecom Italia 2.38% 12/10/2027	GBP EUR	2,750,000 815,000	3,211 724	1.77 0.40
TeleColli Italia 2.36 // 12/10/2021	EUN	013,000	11,206	6.19
Japan 1.45% (0.99%)			11,200	0.13
SoftBank Group 4.00% 19/09/2029	EUR	2,373,000	2,111	1.17
SoftBank Group, FRN 6.87% Perpetual	USD	657,000	510	0.28
			2,621	1.45
Jersey 4.23% (4.41%) AA Bond 5.50% 31/07/2043	GBP	3,250,000	3,355	1.85
Ad Bond 5.50% 31707/2043 Adient Global Holdings 3.50% 15/08/2024	EUR	3,250,000	2,789	1.85
CPUK Finance 4.88% 28/02/2047	GBP	1,500,000	1,529	0.84
5. 5.1direc 1.50/0 20/02/2011	QDI	1,500,000	7,673	4.23
			1,013	4.23

PORTFOLIO STATEMENT (CONTINUED)

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Luxembourg 8.22% (9.94%)				
Altice Finco 4.75% 15/01/2028	EUR	1,275,000	1,141	0.63
Altice Luxembourg 7.25% 15/05/2022	EUR	1,750,000	1,662	0.92
Fiat Chrysler Finance Europe 4.75% 15/07/2022	EUR	1,000,000	1,020	0.56
Galapagos Holding 7.00% 15/06/2022	EUR	2,500,000	1,955	1.08
Gestamp Funding Luxembourg 3.50% 15/05/2023	EUR	3,000,000	2,793	1.54
Cleopatra Holdings 1 8.38% 30/06/2023	EUR	2,386,000	2,120	1.17
_SF9 Balta Issuer 7.75% 15/09/2022	EUR	1,316,250	1,278	0.71
Telecom Italia Finance 7.75% 24/01/2033	EUR	1,000,000	1,347	0.74
Nind Acquisition Finance 7.00% 23/04/2021	EUR	1,700,000	1,572	0.87
4 000/ (0.550/)			14,888	8.22
Mexico 1.03% (0.66%) America Movil, FRN, Series C 6.37% 06/09/2073	GBP	1,700,000	1,867	1.03
	05.	.,,, 00,000	1,867	1.03
Jetherlands 5.69% (11.61%)				
Koninklijke KPN, FRN 6.88% 14/03/2073	GBP	2,600,000	2,872	1.58
elefonica Europe, FRN 6.75% Perpetual	GBP	4,400,000	4,867	2.69
iggo Secured Finance 3.75% 15/01/2025	EUR	2,750,000	2,568	1.42
			10,307	5.69
South Africa 0.28% (0.26%) Fransnet SOC 13.50% 18/04/2028	ZAR	8,000,000	511	0.28
TailShet 30C 13.30 // 10/04/2020	ZAN	6,000,000	511	0.28
Jnited Kingdom 31.50% (28.14%)			311	0.20
Anglian Water Osprey Financing 7.00% 31/01/2018	GBP	1,730,000	1,759	0.97
Barclays Bank, FRN 14.00% Perpetual	GBP	4,000,000	4,698	2.59
rax Finco 4.25% 01/05/2022	GBP	2,000,000	2,072	1.14
rst Hydro Finance, Series BR 9.00% 31/07/2021	GBP	550,000	693	0.38
reene King Finance, Series B1 5.70% 15/12/2034	GBP	2,250,000	2,104	1.16
eathrow Finance 3.88% 01/03/2027	GBP	1,700,000	1,677	0.93
ouse of Fraser Funding, FRN 6.05% 15/09/2020	GBP	540,000	497	0.27
SBC Holdings 6.75% 11/09/2028	GBP	900,000	1,183	0.65
ovestec, FRN 6.75% Perpetual	GBP	2,200,000	2,233	1.23
nvestec Bank 9.63% 17/02/2022	GBP	1,600,000	2,013	1.11
aguar Land Rover Automotive 5.00% 15/02/2022	GBP	1,083,000	1,188	0.66
elda Finance No. 3 5.75% 17/02/2020	GBP	2,750,000	2,982	1.65
eystone Financing 9.50% 15/10/2019	GBP	570,342	589	0.33
adbrokes Group Finance 5.13% 08/09/2023	GBP	2,000,000	2,083	1.15
loyds Bank, FRN 12.00% Perpetual	USD	4,500,000	4,568	2.52
Matalan Finance 6.87% 01/06/2019	GBP	2,250,000	2,265	1.25
Aitchells & Butlers Finance, FRN, Series D1 2.43% 15/06/2036	GBP	1,734,000	1,405	0.78
lew Look Secured Issuer 6.50% 01/07/2022	GBP	1,750,000	1,121	0.62
lew Look Senior Issuer 8.00% 01/07/2023	GBP	2,150,000	784	0.43
IWEN Finance 5.88% 21/06/2021	GBP	2,200,000	2,459	1.36
rudential, FRN 11.37% 29/05/2039	GBP	2,000,000	2,312	1.28
AC Bond 5.00% 06/05/2046	GBP	1,451,000	1,450	0.80
aga 3.38% 12/05/2024	GBP	2,000,000	1,964	1.08
pirit Issuer, Series A5 5.47% 28/12/2028	GBP	2,200,000	2,311	1.28
ES Finance 6.75% 15/07/2020	GBP	1,900,000	1,581	0.87
esco 6.13% 24/02/2022	GBP	1,500,000	1,724	0.95
hames Water Kemble Finance 7.75% 01/04/2019	GBP	1,000,000	1,091	0.60
ravis Perkins 4.38% 15/09/2021	GBP	2,200,000	2,329	1.29
/irgin Media Secured Finance 5.50% 15/01/2025	GBP	2,700,000	2,844	1.57
irgin Media Secured Finance 6.25% 28/03/2029	GBP	1,000,000	1,088	0.60
			57,067	31.50

PORTFOLIO STATEMENT (CONTINUED)

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 18.64% (8.67%)				
Alliance Data Systems 4.50% 15/03/2022	EUR	2,591,000	2,396	1.32
AMC Entertainment Holdings 6.38% 15/11/2024	GBP	2,000,000	2,045	1.13
Ball 4.38% 15/12/2020	USD	2,500,000	1,968	1.09
CenturyLink, Series Y 7.50% 01/04/2024	USD	2,500,000	1,998	1.10
Dell International 5.88% 15/06/2021	USD	2,500,000	1,957	1.08
Dell International 6.02% 15/06/2026	USD	2,000,000	1,673	0.92
Dollar Tree 5.75% 01/03/2023	USD	3,000,000	2,370	1.31
Equinix, REIT 2.88% 01/10/2025	EUR	1,071,000	968	0.53
Frontier Communications 11.00% 15/09/2025	USD	4,250,000	2,700	1.49
Goodyear Tire & Rubber 5.00% 31/05/2026	USD	2,750,000	2,150	1.19
HCA 5.88% 01/05/2023	USD	3,500,000	2,849	1.57
Iron Mountain, REIT 3.00% 15/01/2025	EUR	1,876,000	1,686	0.93
Quintiles IMS 3.50% 15/10/2024	EUR	2,750,000	2,563	1.42
Quintiles IMS 2.88% 15/09/2025	EUR	1,190,000	1,063	0.59
Silgan Holdings 3.25% 15/03/2025	EUR	2,750,000	2,515	1.39
Western Digital 10.50% 01/04/2024	USD	3,250,000	2,870	1.58
			33,771	18.64
Corporate Bonds total			171,421	94.62
Swaps (0.35)% ((0.08)%)				
Credit Default Swap Barclays Buy iTraxx Europe Series 27 Version 1 20/06/2022	EUR	15,525,000	(348)	(0.19)
Credit Default Swap Goldman Sachs Buy iTraxx Europe Series 27 Version 1 20/06/2022	EUR	12,500,000	(281)	(0.16)
Swaps total	LOIT	12,300,000	(629)	(0.35)
- ·			(0-0)	(5.5.2)
Forward Currency Contracts (0.71)% ((1.67)%)			_	
Buy GBP 1,788,138 sell EUR 2,000,000 dated 20/12/2017			5	- ()
Buy GBP 57,052,762 sell EUR 64,567,300 dated 20/12/2017			(495)	(0.27)
Buy GBP 39,401,380 sell USD 53,513,000 dated 20/12/2017			(786)	(0.43)
Buy GBP 510,342 sell ZAR 9,302,000 dated 20/12/2017			(7)	(0.01)
Buy USD 10,800 sell ARS 184,000 dated 20/12/2017				
Forward Currency Contracts total			(1,283)	(0.71)
Futures 0.03% (0.02%)				
Euro-Bund 07/12/2017	EUR	(4)	(2)	_
Long Gilt 27/12/2017	GBP	(10)	33	0.02
US 10 Year Note 19/12/2017	USD	(8)	7	_
US Ultra Bond 19/12/2017	USD	(5)	10	0.01
Futures total			48	0.03
Liquidity Funds 1.60% (1.90%)				
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP [†]	GBP	2,901,000	2,901	1.60
Liquidity Funds total			2,901	1.60
The state of the s			472.453	05.10
Investment assets (including investment liabilities)			172,458	95.19
Net other assets			8,711	4.81
Net assets			181,169	100.00

All holdings are debt securities denominated in sterling and admitted to an official stock exchange unless otherwise stated. The comparative percentage figures in brackets are as at 15 October 2016.
† A related party to the Fund.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

			Year ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital gains	2		1,678		4,729
Revenue	3	9,620		9,418	
Expenses	4	(1,064)		(814)	
Net revenue before taxation		8,556		8,604	
Taxation	5	-		_	
Net revenue after taxation			8,556		8,604
Total return before distributions			10,234		13,333
Distributions	6		(8,557)		(8,605)
Change in net assets attributable to shareholders from investment activities			1,677		4,728

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		199,970		121,328
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	46,018		87,096	
Amounts payable on cancellation of shares	(68,850)		(16,504)	
		(22,832)		70,592
Dilution adjustment		200		26
Change in net assets attributable to shareholders from investment activities (see above)		1,677		4,728
Retained distribution on accumulation shares		2,154		3,296
Closing net assets attributable to shareholders		181,169		199,970

BALANCE SHEET

As at 15 October 2017

		As at	As at
		15.10.17	15.10.16
	Notes	£000	£000
Assets:			
Investments		174,377	196,932
Current assets:			
Debtors	8	5,784	3,862
Cash and bank balances	9	8,228	7,537
Total assets		188,389	208,331
Liabilities:			
Investment liabilities		(1,919)	(3,507)
Creditors:			
Bank overdrafts		-	(2)
Distribution payable		(1,592)	(1,758)
Other creditors	10	(3,709)	(3,094)
Total liabilities		(7,220)	(8,361)
Net assets attributable to shareholders		181,169	199,970

1 Accounting basis and policies

Please see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Currency gains/(losses)	1,175	(202)
Derivative contracts losses	(218)	(295)
Expenses relating to the purchase and sale of investments	(6)	(5)
Forward currency contracts gains/(losses)	3,236	(17,112)
Non-derivative securities (losses)/gains	(2,509)	22,343
Net capital gains	1,678	4,729

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	5	-
Interest on debt securities	9,743	9,525
Interest on derivatives	(128)	(107)
Total revenue	9,620	9,418

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	854	668
Registration fees	137	83
	991	751
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	26	20
Interest payable	14	12
Safe custody fee	16	15
	56	47
Other expenses:		
Audit fee*	11	10
Printing & postage expenses	1	1
Statement fees	5	5
	17	16
Total expenses	1,064	814

^{*} The audit fee was £8,848 (2016: £8,848) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Corporation tax	-	_
Total current tax for the year (see note 5b)	-	_

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	8,556	8,604
Corporation tax at 20%	1,711	1,721
Effects of:		
Tax deductible on interest distributions	(1,711)	(1,721)
	(1,711)	(1,721)
Total tax for the year (see note 5a)	-	-

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 year end (2016: £nil).

The unrelieved excess expenses within the 2016 accounts have been restated to agree to the final tax computation.

6 Distributions

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Gross interest distribution for the three months ended 15 January	2,435	1,904
Gross interest distribution for the three months ended 15 April	2,039	2,091
Gross interest distribution for the three months ended 15 July	2,066	2,401
Gross interest distribution for the three months ended 15 October	2,088	2,545
	8,628	8,941
Add: Revenue deducted on cancellation of shares	171	109
Deduct: Revenue received on issue of shares	(242)	(445)
Total distributions	8,557	8,605
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	8,557	8,605
Equalisation on conversions	(1)	(1)
Net revenue after taxation	8,556	8,604

Details of the distributions per share are set out in the distribution tables on pages 167 and 168.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Liabilities at 15.10.17 £000	Assets at 15.10.16 £000	Liabilities at 15.10.16 £000
Level 1: Quoted prices	_	_	46	_
Level 2: Observable market data	174,377	(1,919)	195,590	(3,507)
Level 3: Unobservable data	_	-	1,296	_
Total value	174,377	(1,919)	196,932	(3,507)

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

- 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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	2,780	3,282
Amounts receivable on issue of shares	323	573
Overseas tax recoverable	110	_
Sales awaiting settlement	2,571	7
Total debtors	5,784	3,862

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Cash and bank balances	8,228	7,537
Total cash and bank balances	8,228	7,537

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	144	141
Amounts payable for cancellation of shares	185	2,015
Purchases awaiting settlement	3,380	938
Total creditors	3,709	3,094

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: fnil).

12 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.

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 ACD periodic charges was £101,000 (2016: £106,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £2,616,000 (2016: £3,522,000). The amount outstanding at the year end was £653,000 (2016: £856,000). 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.

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 £76,200,000 (2016: £78,700,000) and £76,299,000 (2016: £75,200,000) respectively. The income received during the year amounted to £8,823 (2016: £23,000).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 1 Income shares)	_	-	_
ACD and related parties (share class 2 Income shares)	12,439,401	(19,935,622)	32,375,023
ACD and related parties (share class 3 Accumulation shares)	17,055,139	10,696,195	6,358,944

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

13 Shareholder funds

The Fund currently has three share classes: Class 1 (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 1.00% Class 2: 0.50% Class 3: 0.30%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on page 155. The distributions per share are given in the distribution tables on pages 167 and 168. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Share Class 1 Income	8,063,859	1,608,061	(2,862,040)	(98,998)	6,710,882
Share Class 2 Income	110,257,473	31,047,252	(17,736,862)	(678,986)	122,888,877
Share Class 3 Accumulation	32,375,023	4,562,227	(20,227,973)	345,862	17,055,139

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

Currency risk

At the year end date, 0.46% (2016: (0.14)%) of the net assets of the Fund were denominated in currencies other than sterling. As such, the currency risk is not considered significant.

Interest rate risk

At the year end date 100.76% (2016: 102.23%) of the net assets of the Fund were interest bearing. The interest rate profile of the Fund's financial assets and liabilities at 15 October 2017 was:

Currency 15.10.17	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	8,343	73,468	101,434	183,245
Argentine Peso	8	_	_	8
Euro	4,041	56,413	_	60,454
South African Rand	_	511	_	511
US Dollar	3,937	35,829	134	39,900
Financial Liabilities				
Sterling	_	_	(2,550)	(2,550)
Argentine Peso	_	_	(8)	(8)
Euro	_	_	(59,332)	(59,332)
South African Rand	_	_	(517)	(517)
US Dollar	_	_	(40,188)	(40,188)
Total	16,329	166,221	(1,027)	181,523

If interest rates were to change by 1%, the value of the Fund would change by 0.92% (2016: 0.99%).

The interest rate profile of the Fund's financial assets and liabilities at 15 October 2016 was:

15.10.16	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	8,824	79,963	115,384	204,171
Argentine Peso	10	_	_	10
Euro	3,986	74,549	1,086	79,621
South African Rand	_	519	30	549
US Dollar	7,244	29,329	593	37,166
Financial Liabilities				
Sterling	-	_	(3,915)	(3,915)
Argentine Peso	-	-	(9)	(9)
Euro	-	-	(79,586)	(79,586)
South African Rand	-	-	(525)	(525)
US Dollar	(2)	-	(37,510)	(37,512)
Total	20,062	184,360	(4,452)	199,970

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

The floating rate on Euro FRNs is linked to LIBOR or its overseas equivalent.

The floating rate on US Dollar FRNs is linked to LIBOR or its overseas equivalent.

Market price risk

At the year end date, 95.19% (2016: 96.73%) of the net assets of the Fund were invested in ordinary shares, debt securities or stock units admitted to an official stock exchange. If the market value were to change by 10%, the value of the Fund would change by 9.52% (2016: 9.67%).

16 Counterparty exposure

Financial derivative exposure

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

15.10.17	Forward currency contracts £000	Futures contracts £000	Total £000
Goldman Sachs	(786)	_	(786)
JPMorgan	(7)	50	43
Société Générale	(490)	_	(490)
Total	(1,283)	50	(1,233)

15.10.16	Forward currency contracts £000	Futures contracts £000	Total £000
Goldman Sachs	(1,782)	_	(1,782)
JPMorgan	-	46	46
Morgan Stanley	(5)	_	(5)
Royal Bank of Scotland	(1,546)	_	(1,546)
Société Générale	(20)	_	(20)
Total	(3,353)	46	(3,307)

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

Collateral

At the year end date no collateral was held or pledged by the company or on behalf of the counterparties in respect of the above (2016: £nil).

17 Debt security credit analysis

		Market value £000		Total net assets %	
	15.10.17	15.10.16	15.10.17	15.10.16	
Investment grade	8,871	29,807	4.90%	14.92%	
Below investment grade	157,865	161,223	87.14%	80.62%	
Unrated	4,685	2,056	2.59%	1.02%	
Total debt securities	171,421	193,086	94.62%	96.56%	

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

18 Direct transaction costs

Due to the nature of the investments held, no transaction costs or taxes were incurred on the Fund's purchases or sales during the current year ended 15 October 2017 (2016: £nil). The total purchases for the year amounted to £154,957,000 (2016: £170,630,000) and the total sales amounted to £174,551,000 (2016: £114,271,000).

Dealing spread

As at 15 October 2017, the average portfolio dealing spread was 0.80% (2016: 1.00%). 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.

19 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: fnil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the three months ended 15 October 2017

Income shares		Gross revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	0.7359	_	0.7359	0.6539
	Group 2	0.3764	0.3595	0.7359	0.6539
Share Class 2	Group 1	1.2549	_	1.2549	1.1017
	Group 2	0.6578	0.5971	1.2549	1.1017

Accumulation shares		Final distribution Gross payable revenue Equalisation 15 December 2017	Final distribution paid 15 December 2016
Share Class 3	Group 1	2.9118 – 2.9118	2.4288
	Group 2	1.9544 0.9574 2.9118	2.4288

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 July 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 July 2017.

Interim distribution paid in pence per share for the three months ended 15 July 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 15 September 2017	paid
Share Class 1	Group 1	0.7300	_	0.7300	0.7109
	Group 2	0.2628	0.4672	0.7300	0.7109
Share Class 2	Group 1	1.2471	_	1.2471	1.1853
	Group 2	0.5886	0.6585	1.2471	1.1853

Accumulation shares		Gross revenue	Equalisation	Interim distribution paid 15 September 2017	Interim distribution paid 15 September 2016
Share Class 3	Group 1	2.8621	_	2.8621	2.5697
	Group 2	1.3293	1.5328	2.8621	2.5697

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

DISTRIBUTION TABLES (CONTINUED)

Interim distribution paid in pence per share for the three months ended 15 April 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 1	Group 1	0.7530	_	0.7530	0.7069
	Group 2	0.3912	0.3618	0.7530	0.7069
Share Class 2	Group 1	1.2786	_	1.2786	1.1775
	Group 2	0.6183	0.6603	1.2786	1.1775

Accumulation shares		Gross revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 3	Group 1	2.8875	-	2.8875	2.5209
	Group 2	1.5523	1.3352	2.8875	2.5209

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 January 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 January 2017.

Interim distribution paid in pence per share for the three months ended 15 January 2017

Income shares		Gross revenue	Income tax at 20%	Net revenue	Equalisation	Interim distribution paid 15 March 2017	Interim distribution paid 15 March 2016
Share Class 1	Group 1	0.7390	0.1478	0.5912	-	0.5912	0.7130
	Group 2	0.4096	0.0819	0.3277	0.2635	0.5912	0.7130
Share Class 2	Group 1	1.2578	0.2516	1.0062	_	1.0062	1.1897
	Group 2	0.6923	0.1385	0.5538	0.4524	1.0062	1.1897

Accumulation shares		Gross revenue	Income tax at 20%	Net revenue	Equalisation	Interim distribution paid 15 March 2017	Interim distribution paid 15 March 2016
Share Class 3	Group 1	2.8175	0.5635	2.2540	-	2.2540	2.5209
	Group 2	1.2130	0.2426	0.9704	1.2836	2.2540	2.5209

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Up to 5 April 2017, the distributions payable were calculated after the deduction of basic rate income tax. From 6 April 2017, distributions payable are calculated without deducting this tax. The tax treatment of distributions will depend on an investor's individual circumstances.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS HIGHER INCOME PLUS FUND

INVESTMENT OBJECTIVE

A high level of investment income.

INVESTMENT POLICY

Diversified investment in fixed interest securities issued by corporates, governments and supranational institutions. Investment is principally in sterling denominated securities but the Fund may also invest in global securities issued in a variety of currencies.

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

FUND MANAGER'S REPORT

Performance

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 3.52 per cent (share class 1), net of fees. The Fund's peer group, the Investment Association's (IA) Sterling Strategic Bond sector, generated a net return of 3.87 per cent.

Review

The Fund posted positive returns over the twelve months under review, although relative performance was held back by some disappointments within the high-yield portion of the Fund. These included UK retailer New Look, which reported a sharp fall in sales, and US telecom company Frontier Communications, which suffered from poor operating performance. A number of sector positions in the investment-grade portion nevertheless contributed well, including subordinated financials (banks and insurance companies) and telecoms. Elsewhere, value was added by the weighting in US banks, a position that we opened to take advantage of their higher yields relative to their European equivalents. The Fund also profited from holding companies that tendered bonds either to strengthen their own financial positions or to take advantage of possible tax reform in the US. These included Tesco, RSA and Verizon. There was a large amount of new supply into the sterling market and performance benefited from selected credits that performed well following their issue, such as packaging manufacturer D S Smith and Annington Finance. The exposure to UK banks also helped in the summer months as the potential for a rise in UK interest rates bolstered the outlook for profits.

During the period, the Fund was broadly diversified across sectors and the market capitalisation spectrum. The overall positioning was initially cautious given the Brexit-related uncertainty hanging over the UK economy and the vulnerability of the underlying government bond market to rising inflation and earlier-than-expected interest rate hikes. However, we later moved to a more neutral position as the performance of the global economy, in particular the Eurozone, showed improvement. In sector terms, the Fund was overweight in telecoms, a sector which we felt was ripe for consolidation, financials and corporate hybrids. We were underweight in consumer cyclical goods, health care, oil & gas and utilities.

Outlook

We remain cautious on the outlook for corporate bonds as the market is linked to the fortunes of government bonds, which are currently vulnerable to moves by the main central banks to tighten monetary policy. Sterling corporate bonds can draw some support, however, from the likelihood that the Bank of

England (BoE) will be obliged to keep monetary policy loose as inflationary pressures ease and as Brexit uncertainties remain. The fact that the BoE has significant ownership of corporate bonds also helps to underpin the market. It should also be noted that, in the context of an improving global economy, sterling bonds issued by international companies, have the potential to perform well.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on pages 170 and 171 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 an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

Material Portfolio Changes

Purchases	Sales
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP	Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP
UK Treasury 5.00% 07/03/2025	Lafarge 8.75% 30/05/2017
UK Treasury 4.75% 07/12/2038	RSA Insurance Group, FRN 9.38% 20/05/2039
Goldman Sachs Group 3.00% 26/04/2022	Royal Bank of Scotland, FRN 9.50% 16/03/2022
Bank of America, FRN 2.88% 24/04/2023	Paragon Group, FRN 3.73% 20/04/2017
Lloyds Bank, FRN 12.00% Perpetual	CPUK Finance 7.00% 28/02/2042
UK Treasury 4.50% 07/12/2042	Siemens Financieringsmaatschappij 3.75% 10/09/2042
JPMorgan Chase 4.63% 31/12/2049	William Hill 4.25% 05/06/2020
SoftBank Group, FRN 6.87% Perpetual	Diamond 1 Finance 8.35% 15/07/2046
Heathrow Finance 3.88% 01/03/2027	SoftBank Group, FRN 6.87% Perpetual

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
- 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.
- 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 1 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	51.91	49.48	50.23
Return before operating charges [†]	2.54	5.16	2.12
Operating charges	(0.52)	(0.51)	(0.51)
Return after operating charges [†]	2.02	4.65	1.61
Distributions	(1.98)	(2.22)	(2.36)
Closing net asset value per share	51.95	51.91	49.48
† after direct transaction costs of	-	-	-
Performance			
Return after charges	3.89%	9.40%	3.21%
Other information			
Closing net asset value (£000)	214,016	226,802	246,880
Closing number of shares	411,985,210	436,887,377	498,979,977
Operating charges (%) [‡]	1.00%	1.00%	1.00%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	53.19	53.79	52.44
Lowest share price	50.99	48.21	49.53

Class 3 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	106.92	101.91	103.45
Return before operating charges [†]	5.24	10.64	4.38
Operating charges	(0.36)	(0.35)	(0.35)
Return after operating charges [†]	4.88	10.29	4.03
Distributions	(4.81)	(5.28)	(5.57)
Closing net asset value per share	106.99	106.92	101.91
[†] after direct transaction costs of	-	-	-
Performance			
Return after charges	4.56%	10.10%	3.90%
Other information			
Closing net asset value (£000)	52,896	54,266	54,273
Closing number of shares	49,442,495	50,754,821	53,257,133
Operating charges (%) [‡]	0.34%	0.34%	0.33%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	109.47	110.69	107.98
Lowest share price	104.99	99.23	101.86

Class 2 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	78.14	74.47	75.60
Return before operating charges [†]	3.83	7.79	3.19
Operating charges	(0.50)	(0.49)	(0.48)
Return after operating charges [†]	3.33	7.30	2.71
Distributions	(3.28)	(3.63)	(3.84)
Closing net asset value per share	78.19	78.14	74.47
[†] after direct transaction costs of	-	_	-
Performance			
Return after charges	4.26%	9.80%	3.58%
Other information			
Closing net asset value (£000)	118,974	79,937	24,502
Closing number of shares	152,167,678	102,304,849	32,899,506
Operating charges (%)‡	0.64%	0.64%	0.63%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	79.98	80.88	78.89
Lowest share price	76.72	72.52	74.43

COMPARATIVE TABLES (CONTINUED)

Class A Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	58.02	55.30	56.14
Return before operating charges [†]	2.83	5.78	2.38
Operating charges	(0.80)	(0.79)	(0.79)
Return after operating charges [†]	2.03	4.99	1.59
Distributions	(1.99)	(2.27)	(2.43)
Closing net asset value per share	58.06	58.02	55.30
† after direct transaction costs of	-	-	-
Performance			
Return after charges	3.50%	9.02%	2.83%
Other information			
Closing net asset value (£000)	28,059	27,271	29,527
Closing number of shares	48,327,113	47,001,773	53,393,926
Operating charges (%) [‡]	1.39%	1.39%	1.38%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	59.44	60.10	58.57
Lowest share price	56.97	53.88	55.32

‡ The operating charges are calculated on an ex-post basis and as such may differ from the	2
Ongoing Charge Figure where:	

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

Ongoing Charges Fig	gure*	
Share class	15.10.17	15.10.16
Class 1	1.00%	1.00%
Class 2	0.64%	0.64%
Class 3	0.34%	0.34%
Class A	1.39%	1.39%

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1, when aggregated with certain other payments out of scheme property incurred in respect of it, is capped at 1.00%. Please see the Prospectus for full details.

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.

⁽b) The Ongoing Charge 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).

 $[\]thickapprox$ 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.

PORTFOLIO STATEMENT

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Collective Investment Schemes 8.47% (9.36%) Aviva Emerging Markets Bond Fund Class Zqh, Income shares, EUR [†]	EUR	38,973	35,079	8.47
Collective Investment Schemes total	LON	30,313	35,079	8.47
Equities 0.24% (0.31%)				
Ireland 0.24% (0.31%)				
Independent News & Media	EUR	10,595,433	971	0.24
			971	0.24
Equities total			971	0.24
Government Bonds 7.09% (3.52%)				
United Kingdom 7.09% (3.52%)				
UK Treasury 5.00% 07/03/2025	GBP	6,600,000	8,429	2.03
UK Treasury 4.75% 07/12/2038	GBP	7,000,000	10,422	2.52
UK Treasury 4.50% 07/12/2042	GBP	7,000,000	10,502	2.54
Government Bonds total			29,353 29,353	7.09 7.09
			29,333	7.09
Corporate Bonds 83.81% (81.05%)				
Australia 0.46% (0.53%) Goodman Australia Finance, REIT 9.75% 16/07/2018	GBP	1,800,000	1,915	0.46
dodnian riastana rimance, terr 5.7578 1070772010	GD1	1,000,000	1,915	0.46
France 4.12% (7.46%)			.,5.5	0.10
AXA, FRN 5.63% 16/01/2054	GBP	4,000,000	4,627	1.12
Electricite de France 6.13% 02/06/2034	GBP	3,800,000	5,130	1.24
Electricite de France, FRN 6.00% Perpetual	GBP	2,400,000	2,620	0.63
Horizon Holdings I 7.25% 01/08/2023	EUR	2,949,000	2,794	0.68
Orange, FRN 5.88% Perpetual	GBP	1,693,000	1,883	0.45
6 4 000/ (2 440/)			17,054	4.12
Germany 1.08% (2.44%) Unitymedia Hessen 4.63% 15/02/2026	EUR	4,620,000	4,484	1.08
			4,484	1.08
Italy 4.05% (3.12%)				
Enel, FRN 8.75% 24/09/2073	USD	7,000,000	6,381	1.54
Nuovo Trasporto Viaggiatori, FRN 3.50% 01/06/2023	EUR	2,593,000	2,356	0.57
Telecom Italia 5.88% 19/05/2023	GBP	4,800,000	5,604	1.35
Telecom Italia 2.38% 12/10/2027	EUR	2,725,000	2,423	0.59
			16,764	4.05
Japan 1.09% (0.00%) SoftBank Group 4.00% 19/09/2029	EUR	3,940,000	3,505	0.85
SoftBank Group, FRN 6.87% Perpetual	USD	1,313,000	1,019	0.24
			4,524	1.09
Jersey 4.43% (4.70%)				
AA Bond 5.50% 31/07/2043	GBP	4,000,000	4,130	1.00
Adient Global Holdings 3.50% 15/08/2024	EUR	5,500,000	5,113	1.24
CPUK Finance 4.88% 28/02/2047 Gatwick Funding 5.25% 23/01/2026	GBP GBP	765,000 3,000,000	779 3,531	0.19 0.85
Heathrow Funding 7.13% 14/02/2024	GBP	3,770,000	4,770	1.15
Ticatilow Fullating 7.13/0 14/02/2024	GDI	3,770,000	18,323	4.43
Luxembourg 2.73% (2.74%)			10,323	Т.Т.
Altice Finco 4.75% 15/01/2028	EUR	2,125,000	1,901	0.46
Altice Luxembourg 7.25% 15/05/2022	EUR	4,000,000	3,800	0.92
Fiat Chrysler Finance Europe 4.75% 15/07/2022	EUR	1,500,000	1,529	0.37
Galapagos Holding 7.00% 15/06/2022	EUR	3,000,000	2,346	0.56
LSF9 Balta Issuer 7.75% 15/09/2022	EUR	1,781,190	1,729	0.42
			11,305	2.73

PORTFOLIO STATEMENT (CONTINUED)

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Mexico 2.30% (1.75%)				
America Movil 4.38% 07/08/2041	GBP	4,800,000	5,529	1.33
America Movil, FRN, Series C 6.37% 06/09/2073	GBP	3,647,000	4,005	0.97
			9,534	2.30
Netherlands 4.14% (8.77%) Cooperatieve Rabobank 4.63% 23/05/2029	GBP	1,500,000	1,704	0.41
Enel Finance International 5.75% 14/09/2040	GBP	1,500,000	2,022	0.41
ING Bank, FRN 6.88% 29/05/2023	GBP	3,000,000	3,098	0.49
Koninklijke KPN, FRN 6.88% 14/03/2073	GBP	2,500,000	2,762	0.73
Telefonica Europe, FRN 6.75% Perpetual	GBP	5,500,000	6,084	1.47
Ziggo Secured Finance 3.75% 15/01/2025	EUR	1,576,000	1,471	0.35
			17,141	4.14
Switzerland 0.60% (0.00%)				
Credit Suisse Group, FRN 2.13% 12/09/2025	GBP	2,505,000	2,462	0.60
			2,462	0.60
United Kingdom 40.13% (41.01%) Anglian Water Osprey Financing 7.00% 31/01/2018	GBP	4,400,000	4,474	1.08
Annington Funding, REIT 2.65% 12/07/2025	GBP	1,839,000	1,850	0.45
Aviva, FRN 6.88% 20/05/2058 [†]	GBP	4,000,000	5,283	1.28
Barclays 3.25% 12/02/2027	GBP	3,054,000	3,137	0.76
Barclays Bank 10.00% 21/05/2021	GBP	5,000,000	6,315	1.53
Barclays Bank, FRN 14.00% Perpetual	GBP	3,300,000	3,876	0.94
Debenhams 5.25% 15/07/2021	GBP	1,727,000	1,800	0.43
Drax Finco 4.25% 01/05/2022	GBP	1,505,000	1,559	0.38
DS Smith 2.88% 26/07/2029	GBP	2,675,000	2,605	0.63
Eversholt Funding 6.70% 22/02/2035	GBP	3,000,000	3,971	0.96
First Hydro Finance, Series BR 9.00% 31/07/2021	GBP	4,000,000	5,038	1.22
Firstgroup 6.13% 18/01/2019	GBP	4,000,000	4,235	1.02
GlaxoSmithKline Capital 4.25% 18/12/2045	GBP	1,500,000	1,901	0.46
Heathrow Finance, REIT 3.88% 01/03/2027	GBP	4,200,000	4,143	1.00
House of Fraser Funding, FRN 6.05% 15/09/2020	GBP	1,064,000	979	0.24
HSBC Holdings 6.75% 11/09/2028	GBP	6,300,000	8,283	2.00
HSBC Holdings, FRN 3.26% 13/03/2023	USD	5,000,000	3,846	0.93
Imperial Brands Finance 9.00% 17/02/2022	GBP	5,500,000	7,139	1.72
Investec Bank 9.63% 17/02/2022	GBP GBP	4,300,000	5,409	1.31
Jaguar Land Rover Automotive 5.00% 15/02/2022	GBP	1,389,000	1,524	0.37 0.77
Juturna European Loan Conduit No. 16 5.06% 10/08/2033 Kelda Finance No. 3 5.75% 17/02/2020	GBP	2,637,163 4,000,000	3,192 4,338	1.05
Keystone Financing 9.50% 15/10/2019	GBP	1,140,684	1,178	0.28
Ladbrokes Group Finance 5.13% 08/09/2023	GBP	3,000,000	3,124	0.75
Legal & General Group, FRN 10.00% 23/07/2041	GBP	7,000,000	8,935	2.16
Lloyds Bank, FRN 12.00% Perpetual	USD	5,750,000	5,837	1.41
Matalan Finance 6.87% 01/06/2019	GBP	4,000,000	4,027	0.97
Mitchells & Butlers Finance, Series C1 6.47% 15/09/2032	GBP	4,000,000	4,901	1.18
New Look Secured Issuer 6.50% 01/07/2022	GBP	5,500,000	3,524	0.85
Newcastle Building Society, FRN 3.85% 23/12/2019	GBP	4,140,000	3,809	0.92
NWEN Finance 5.88% 21/06/2021	GBP	3,000,000	3,354	0.81
Prudential, FRN 11.37% 29/05/2039	GBP	4,000,000	4,624	1.12
RAC Bond 4.57% 06/05/2046	GBP	966,000	1,044	0.25
RAC Bond 5.00% 06/05/2046	GBP	2,417,000	2,416	0.58
Saga 3.38% 12/05/2024	GBP	3,000,000	2,946	0.71
Segro, REIT 2.88% 11/10/2037	GBP	2,008,000	1,981	0.48
Spirit Issuer, Series A5 5.47% 28/12/2028	GBP	4,234,000	4,448	1.07
Standard Chartered 4.38% 18/01/2038	GBP	2,500,000	2,768	0.67
Tesco Property Finance 3, REIT 5.74% 13/04/2040	GBP	3,807,760	4,368	1.06
Thames Water Kemble Finance 7.75% 01/04/2019 Travis Perkins 4.38% 15/09/2021	GBP	4,000,000	4,362 3,705	1.05
Virgin Media Secured Finance 5.50% 15/01/2025	GBP GBP	3,500,000 4,950,000	3,705 5,213	0.90 1.26
Western Power Distribution West Midlands 5.75% 16/04/2032	GBP	4,950,000 3,450,000	5,213 4,655	1.20
Western Fower Distribution West Wildianus 3.73/0 10/04/2032	ועט	3,730,000	166,116	40.13
			100,110	40.13

PORTFOLIO STATEMENT (CONTINUED)

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 18.68% (8.53%)				
Alliance Data Systems 4.50% 15/03/2022	EUR	4,534,000	4,193	1.01
AMC Entertainment Holdings 6.38% 15/11/2024	GBP	3,125,000	3,195	0.77
AT&T 4.38% 14/09/2029	GBP	3,750,000	4,169	1.01
AT&T 4.25% 01/06/2043	GBP	5,400,000	5,599	1.35
AT&T 5.30% 14/08/2058	USD	2,655,000	2,003	0.48
Bank of America, FRN 2.88% 24/04/2023	USD	7,900,000	5,971	1.44
Citigroup 2.90% 08/12/2021	USD	5,100,000	3,886	0.94
Citigroup 4.50% 03/03/2031	GBP	3,600,000	4,168	1.01
Dell International 5.88% 15/06/2021	USD	2,250,000	1,762	0.43
Equinix, REIT 2.88% 01/10/2025	EUR	2,143,000	1,937	0.47
Frontier Communications 11.00% 15/09/2025	USD	5,500,000	3,494	0.85
Goldman Sachs Group 3.00% 26/04/2022	USD	8,000,000	6,088	1.47
Iron Mountain, REIT 3.00% 15/01/2025	EUR	2,345,000	2,107	0.51
JPMorgan Chase 4.25% 15/10/2020	USD	4,700,000	3,741	0.90
	GBP			
JPMorgan Chase 3.50% 18/12/2026		3,000,000	3,301	0.80
JPMorgan Chase 4.63% 31/12/2049	USD	6,800,000	5,117	1.24
Quintiles IMS 3.50% 15/10/2024	EUR	3,587,000	3,343	0.81
Quintiles IMS 2.88% 15/09/2025	EUR	2,976,000	2,657	0.64
Silgan Holdings 3.25% 15/03/2025	EUR	4,000,000	3,659	0.88
Verizon Communications 4.13% 15/08/2046	USD	3,000,000	2,039	0.49
Verizon Communications 5.50% 16/03/2047	USD	4,212,000	3,479	0.84
Wal-Mart Stores 3.63% 15/12/2047	USD	1,870,000	1,411	0.34
			77,319	18.68
Corporate Bonds total			346,941	83.81
Swaps (0.33)% ((0.09)%)				
Credit Default Swap Barclays Buy iTraxx Europe Series 27 Version 1 20/06/2022	EUR	25,000,000	(561)	(0.13)
Credit Default Swap Barclays Buy iTraxx Europe Series 27 Version 1 20/06/2022	EUR	36,555,000	(821)	(0.20)
Swaps total			(1,382)	(0.33)
Forward Currency Contracts (0.42)% ((0.71)%)				
			29	0.01
Buy GBP 4,128,593 sell EUR 4,600,000 dated 20/12/2017				
Buy GBP 81,571,147 sell EUR 92,309,500 dated 20/12/2017			(703)	(0.17)
Buy GBP 52,773,978 sell USD 71,675,000 dated 20/12/2017			(1,053)	(0.26)
Forward Currency Contracts total			(1,727)	(0.42)
Futures 0.04% (0.04%)				
Euro-Bund 07/12/2017	EUR	(16)	(7)	_
Long Gilt 27/12/2017	GBP	(30)	106	0.02
US Ultra Bond 19/12/2017	USD	(51)	74	0.02
Futures total			173	0.04
Liquidity Funds 0.41% (0.00%)				
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP [†]	GBP	1,700,000	1,700	0.41
Liquidity Funds total			1,700	0.41
The state of the s			444 400	00.2:
Investment assets (including investment liabilities)			411,108	99.31
Net other assets			2,837	0.69
Net assets			413,945	100.00

All holdings are ordinary Shares or stock units or debt securities and admitted to an official stock exchange unless otherwise stated. The comparative percentage figures in brackets are as at 15 October 2016.

[†] A related party to the Fund.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

			Year ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital gains	2		353		16,956
Revenue	3	19,676		19,600	
Expenses	4	(3,479)		(3,190)	
Net revenue before taxation		16,197		16,410	
Taxation	5	-		_	
Net revenue after taxation			16,197		16,410
Total return before distributions			16,550		33,366
Distributions	6		(16,195)		(16,407)
Change in net assets attributable to shareholders from investment activities			355		16,959

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		388,276		355,182
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	57,678		41,985	
Amounts payable on cancellation of shares	(32,371)		(25,855)	
		25,307		16,130
Change in net assets attributable to shareholders from investment activities (see above)		355		16,959
Unclaimed distribution monies		7		5
Closing net assets attributable to shareholders		413,945		388,276

BALANCE SHEET

As at 15 October 2017

		As at	As at
		15.10.17	15.10.16
	Notes	£000	£000
Assets:			
Investments		414,253	366,077
Current assets:			
Debtors	8	12,292	8,217
Cash and bank balances	9	3,836	20,016
Total assets		430,381	394,310
Liabilities:			
Investment liabilities		(3,145)	(3,108)
Creditors:			
Bank overdrafts		_	(27)
Distribution payable		(1,808)	(1,935)
Other creditors	10	(11,483)	(964)
Total liabilities		(16,436)	(6,034)
Net assets attributable to shareholders		413,945	388,276

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policiesPlease see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Currency gains/(losses)	843	(204)
Derivative contracts losses	(725)	(737)
Expenses relating to the purchase and sale of investments	(3)	(1)
Forward currency contracts gains/(losses)	3,545	(15,312)
Non-derivative securities (losses)/gains	(3,307)	33,210
Net capital gains	353	16,956

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	33	92
Compensation payment	47	-
Interest on debt securities	17,936	17,842
Interest on derivatives	(245)	(257)
Revenue from offshore funds	1,905	1,923
Total revenue	19,676	19,600

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	3,256	3,064
Registration fees	136	79
	3,392	3,143
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	52	42
Interest payable	37	11
Safe custody fee	35	33
	124	86
Other expenses:		
Audit fee*	11	10
Statement fees	14	14
	25	24
Total expenses	3,541	3,253
Less those expenses rebated by the ACD	(62)	(63)
Net expenses	3,479	3,190

^{*} The audit fee was £9,161 (2016: £9,161) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Corporation tax	-	_
Total current tax (see note 5b)	-	_

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	16,197	16,410
Corporation tax at 20%	3,239	3,282
Effects of:		
Expenses not deductible for tax purposes	(10)	-
Tax deductible on interest distributions	(3,229)	(3,282)
	(3,239)	(3,282)
Total tax for the year (see note 5a)	_	_

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 year end (2016: £nil).

6 Distributions

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Gross interest distribution for the six months ended 15 April	7,301	7,916
Gross interest distribution for the five months ended 15 September	7,112	6,783
Gross interest distribution for the one month ended 15 October	1,808	1,739
	16,221	16,438
Add: Revenue deducted on cancellation of shares	73	49
Deduct: Revenue received on issue of shares	(99)	(80)
Total distributions	16,195	16,407
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	16,195	16,407
Equalisation on conversions	-	3
Other fees borne by capital account	2	-
Net revenue after taxation	16,197	16,410

Details of the distributions per share are set out in the distribution tables on pages 183 to 188.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Liabilities at 15.10.17 £000	Assets at 15.10.16 £000	Liabilities at 15.10.16 £000
Level 1: Quoted prices	1,151	(7)	1,344	_
Level 2: Observable market data	413,102	(3,138)	364,733	(3,108)
Total value	414,253	(3,145)	366,077	(3,108)

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	6,428	6,557
Accrued expense fee rebate	7	8
Amounts receivable on issue of shares	439	1,607
Overseas tax recoverable	112	-
Sales awaiting settlement	5,306	45
Total debtors	12,292	8,217

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Cash and bank balances	3,836	20,016
Total cash and bank balances	3,836	20,016

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	455	432
Amounts payable for cancellation of shares	2,876	532
Purchases awaiting settlement	8,152	-
Total creditors	11,483	964

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: £nil).

12 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.

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 ACD periodic charges was £389,000 (2016: £388,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £2,861,000 (2016: £2,444,000). The amount outstanding at the year end was £337,000 (2016: £243,000). 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.

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 £14,500,000 (2016: £14,200,000) and £12,800,000 (2016: £15,600,000) respectively. The income received during the year amounted to £2,184,000 (2016: £2,209,000).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class SC 1 Income shares)	_	(460,093)	460,093
ACD and related parties (share class SC 2 Income shares)	21,072,192	12,643,970	8,428,222
ACD and related parties (share class SC 3 Income shares)	49,442,495	(1,312,326)	50,754,821
ACD and related parties (share class SC A Income shares)	5,055,989	(535,590)	5,591,579

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

13 Shareholder funds

The Fund currently has four share classes: Class 1 and A (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 1.00% Class 2: 0.50% Class 3: 0.30% Class A: 1.25%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 170 and 171. The distributions per share are given in the distribution tables on pages 183 to 188. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Class 1 Income	436,887,377	4,801,211	(27,790,692)	(1,912,686)	411,985,210
Class 2 Income	102,304,849	61,430,461	(12,806,687)	1,239,055	152,167,678
Class 3 Income	50,754,821	4,087,974	(5,400,300)	_	49,442,495
Class A Income	47,001,773	4,802,519	(3,520,374)	43,195	48,327,113

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

Currency risk

At the year end date, 0.50% (2016: 0.14%) of the net assets of the Fund were denominated in currencies other than sterling and as such, the currency risk is not considered significant.

Interest rate risk

At the year end date 92.23% (2016: 89.72%) of the net assets of the Fund were interest bearing. The interest rate profile of the Fund's financial assets and liabilities at 15 October 2017 was:

Currency 15.10.17	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	72,291	203,410	145,713	421,414
Euro	4,613	45,192	36,951	86,756
US Dollar	28,412	27,902	4,365	60,679
Financial Liabilities				
Sterling	(256)	-	(5,138)	(5,394)
Euro	221	-	(89,394)	(89,173)
US Dollar	11	-	(60,348)	(60,337)
Total	105,292	276,504	32,149	413,945

Currency 15.10.16	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	29,652	252,355	109,002	391,009
Euro	3,770	37,323	38,447	79,540
US Dollar	4,809	20,460	398	25,667
Financial Liabilities				
Sterling	_	-	(3,250)	(3,250)
Euro	-	_	(79,112)	(79,112)
US Dollar	(27)	_	(25,551)	(25,578)
Total	38,204	310,138	39,934	388,276

If interest rates were to change by 1%, the value of the Fund would change by 0.32% (2016: 0.08%).

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate financial assets comprise investments in variable interest rate paying corporate debt and bank balances that bear interest on LIBOR or its equivalent.

Market price risk

At the year end date, 99.31% (2016: 93.48%) 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 9.93% (2016: 9.35%).

16 Counterparty exposure

Financial derivative exposure

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

15.10.17	Forward currency contracts £000	Futures contracts £000	Total £000
Citibank	17	_	17
Goldman Sachs	(1,053)	_	(1,053)
JPMorgan	-	180	180
Royal Bank of Canada	(21)	_	(21)
Royal Bank of Scotland	12	_	12
Société Générale	(682)	_	(682)
Total	(1,727)	180	(1,547)

15.10.16	Forward currency contracts £000	Futures contracts £000	Total £000
Goldman Sachs	(1,871)	_	(1,871)
JPMorgan	-	152	152
Royal Bank of Scotland	(885)	_	(885)
UBS	13	_	13
Total	(2,743)	152	(2,591)

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

Collateral

At the year end date no collateral was held or pledged by the Company or on behalf of the counterparties in respect of the above (2016: £nil).

17 Debt security credit analysis

		Market value £000		Total net assets %	
	15.10.17	15.10.16	15.10.17	15.10.16	
Investment grade	185,584	161,198	44.83%	41.53%	
Below investment grade	181,479	156,673	43.84%	40.34%	
Unrated	9,231	10,482	2.23%	2.70%	
Total debt securities	376,294	328,353	90.90%	84.57%	

The Fund invests in credit default swaps to adjust the credit risk profile of the Fund. The notional exposure of these swaps has been included in the above table.

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

18 Direct transaction costs

Due to the nature of the investments held, no transaction costs or taxes were incurred on the Fund's purchases or sales during the current year ended 15 October 2017 (2016: £nil). The total purchases for the year amounted to £178,638,000 (2016: £94,230,000) and the total sales amounted to £126,079,000 (2016: £102,646,000).

Dealing spread

As at 15 October 2017, the average portfolio dealing spread was 0.59% (2016: 0.45%). 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.

19 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: £nil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the month ended 15 October 2017

Income shares		Gross revenue	Equalisation	Final distribution payable 14 November 2017	Final distribution paid 14 November 2016
Share Class 1	Group 1	0.2188	_	0.2188	0.1880
	Group 2	0.0263	0.1925	0.2188	0.1880
Share Class 2	Group 1	0.3519	_	0.3519	0.2837
	Group 2	0.1925	0.1594	0.3519	0.2837
Share Class 3	Group 1	0.5064	_	0.5064	0.4089
	Group 2	0.0925	0.4139	0.5064	0.4089
Share Class A	Group 1	0.2500	_	0.2500	0.1825
	Group 2	0.0953	0.1547	0.2500	0.1825

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 September 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 September 2017.

Interim distribution paid in pence per share for the month ended 15 September 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 13 October 2017	Interim distribution paid 14 October 2016
Share Class 1	Group 1	0.1413	-	0.1413	0.1500
	Group 2	0.0000	0.1413	0.1413	0.1500
Share Class 2	Group 1	0.2129	-	0.2129	0.1914
	Group 2	0.0809	0.1320	0.2129	0.1914
Share Class 3	Group 1	0.3189	_	0.3189	0.2842
	Group 2	0.0317	0.2872	0.3189	0.2842
Share Class A	Group 1	0.1479	_	0.1479	0.1511
	Group 2	0.0313	0.1166	0.1479	0.1511

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 August 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 August 2017.

Interim distribution paid in pence per share for the month ended 15 August 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 14 September 2017	Interim distribution paid 14 September 2016
Share Class 1	Group 1	0.2000	-	0.2000	0.1500
	Group 2	0.0153	0.1847	0.2000	0.1500
Share Class 2	Group 1	0.2788	_	0.2788	0.2121
	Group 2	0.1413	0.1375	0.2788	0.2121
Share Class 3	Group 1	0.4100	_	0.4100	0.3120
	Group 2	0.0775	0.3325	0.4100	0.3120
Share Class A	Group 1	0.1988	-	0.1988	0.1550
	Group 2	0.0057	0.1931	0.1988	0.1550

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 July 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 July 2017.

Interim distribution paid in pence per share for the month ended 15 July 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 14 August 2017	Interim distribution paid 14 August 2016
Share Class 1	Group 1	0.1875	_	0.1875	0.1500
	Group 2	0.0000	0.1875	0.1875	0.1500
Share Class 2	Group 1	0.3177	-	0.3177	0.3122
	Group 2	0.1570	0.1607	0.3177	0.3122
Share Class 3	Group 1	0.4605	_	0.4605	0.4478
	Group 2	0.1439	0.3166	0.4605	0.4478
Share Class A	Group 1	0.1863	_	0.1863	0.1550
	Group 2	0.0000	0.1863	0.1863	0.1550

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 June 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 June 2017.

Interim distribution paid in pence per share for the month ended 15 June 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 14 July 2017	Interim distribution paid 14 July 2016
Share Class 1	Group 1	0.1813	_	0.1813	0.1500
	Group 2	0.0000	0.1813	0.1813	0.1500
Share Class 2	Group 1	0.2624	_	0.2624	0.2419
	Group 2	0.1333	0.1291	0.2624	0.2419
Share Class 3	Group 1	0.3867	-	0.3867	0.3536
	Group 2	0.1360	0.2507	0.3867	0.3536
Share Class A	Group 1	0.1800	-	0.1800	0.1550
	Group 2	0.0000	0.1800	0.1800	0.1550

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 May 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 May 2017.

Interim distribution paid in pence per share for the month ended 15 May 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 14 June 2017	Interim distribution paid 14 June 2016
Share Class 1	Group 1	0.1813	-	0.1813	0.1500
	Group 2	0.0000	0.1813	0.1813	0.1500
Share Class 2	Group 1	0.2484	-	0.2484	0.2039
	Group 2	0.1173	0.1311	0.2484	0.2039
Share Class 3	Group 1	0.3685	-	0.3685	0.2980
	Group 2	0.1150	0.2535	0.3685	0.2980
Share Class A	Group 1	0.1800	_	0.1800	0.1550
	Group 2	0.0000	0.1800	0.1800	0.1550

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

Interim distribution paid in pence per share for the month ended 15 April 2017

	Gross revenue	Equalisation	Interim distribution paid 12 May 2017	Interim distribution paid 14 May 2016
Group 1	0.1400	-	0.1400	0.1450
Group 2	0.0000	0.1400	0.1400	0.1450
Group 1	0.2978	_	0.2978	0.3004
Group 2	0.1653	0.1325	0.2978	0.3004
Group 1	0.4331	_	0.4331	0.4320
Group 2	0.1382	0.2949	0.4331	0.4320
Group 1	0.1390	_	0.1390	0.1500
Group 2	0.0000	0.1390	0.1390	0.1500
	Group 2 Group 1 Group 2 Group 1 Group 2 Group 1 Group 2	Group 1 0.1400 Group 2 0.0000 Group 1 0.2978 Group 2 0.1653 Group 1 0.4331 Group 2 0.1382 Group 1 0.1390	Group 1 0.1400 Equalisation Group 2 0.0000 0.1400 Group 1 0.2978 - Group 2 0.1653 0.1325 Group 1 0.4331 - Group 2 0.1382 0.2949 Group 1 0.1390 -	Gross revenue Equalisation paid 12 May 2017 Group 1 0.1400 — 0.1400 Group 2 0.0000 0.1400 0.1400 Group 1 0.2978 — 0.2978 Group 2 0.1653 0.1325 0.2978 Group 1 0.4331 — 0.4331 Group 2 0.1382 0.2949 0.4331 Group 1 0.1390 — 0.1390

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 March 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 March 2017.

Interim distribution paid in pence per share for the month ended 15 March 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 13 April 2017	Interim distribution paid 14 April 2016
Share Class 1	Group 1	0.1350	-	0.1350	0.1450
	Group 2	0.0000	0.1350	0.1350	0.1450
Share Class 2	Group 1	0.2508	-	0.2508	0.2063
	Group 2	0.1228	0.1280	0.2508	0.2063
Share Class 3	Group 1	0.3678	-	0.3678	0.3012
	Group 2	0.0799	0.2879	0.3678	0.3012
Share Class A	Group 1	0.1300	_	0.1300	0.1500
	Group 2	0.0222	0.1078	0.1300	0.1500

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 February 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 February 2017.

Interim distribution paid in pence per share for the month ended 15 February 2017

Income shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 14 March 2017	Interim distribution paid 14 March 2016
Share Class 1	Group 1	0.1625	0.0325	0.1300	-	0.1300	0.1450
	Group 2	0.0158	0.0032	0.0126	0.1174	0.1300	0.1450
Share Class 2	Group 1	0.2484	0.0497	0.1987	-	0.1987	0.2194
	Group 2	0.1126	0.0225	0.0901	0.1086	0.1987	0.2194
Share Class 3	Group 1	0.3686	0.0737	0.2949	-	0.2949	0.3207
	Group 2	0.1631	0.0326	0.1305	0.1644	0.2949	0.3207
Share Class A	Group 1	0.1625	0.0325	0.1300	-	0.1300	0.1500
	Group 2	0.0000	0.0000	0.0000	0.1300	0.1300	0.1500

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 January 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 January 2017.

Interim distribution paid in pence per share for the month ended 15 January 2017

Income shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 14 February 2017	Interim distribution paid 14 February 2016
Share Class 1	Group 1	0.1531	0.0306	0.1225	-	0.1225	0.1450
	Group 2	0.0045	0.0009	0.0036	0.1189	0.1225	0.1450
Share Class 2	Group 1	0.3355	0.0671	0.2684	_	0.2684	0.3032
	Group 2	0.1920	0.0384	0.1536	0.1148	0.2684	0.3032
Share Class 3	Group 1	0.4844	0.0969	0.3875	-	0.3875	0.4355
	Group 2	0.1603	0.0321	0.1282	0.2593	0.3875	0.4355
Share Class A	Group 1	0.1375	0.0275	0.1100	-	0.1100	0.1500
	Group 2	0.0446	0.0089	0.0357	0.0743	0.1100	0.1500

Interim distribution

Group 1 shares are those shares purchased at or before 9am on 15 December 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 December 2016.

Interim distribution paid in pence per share for the month ended 15 December 2016

Income shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 14 January 2017	Interim distribution paid 14 January 2016
Share Class 1	Group 1	0.1500	0.0300	0.1200	_	0.1200	0.1397
	Group 2	0.0059	0.0012	0.0047	0.1153	0.1200	0.1397
Share Class 2	Group 1	0.2255	0.0451	0.1804	_	0.1804	0.2304
	Group 2	0.0740	0.0148	0.0592	0.1212	0.1804	0.2304
Share Class 3	Group 1	0.3343	0.0669	0.2674	_	0.2674	0.3365
	Group 2	0.1260	0.0252	0.1008	0.1666	0.2674	0.3365
Share Class A	Group 1	0.1375	0.0275	0.1100	_	0.1100	0.1413
	Group 2	0.0724	0.0145	0.0579	0.0521	0.1100	0.1413

Interim distribution

Group 1 shares are those shares purchased at or before 9am on 15 November 2016. Group 2 shares are those shares purchased after 12:00 noon on 15 November 2016.

Interim distribution paid in pence per share for the month ended 15 November 2016

Income shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 14 December 2016	Interim distribution paid 14 December 2015
Share Class 1	Group 1	0.1250	0.0250	0.1000	-	0.1000	0.1200
	Group 2	0.0000	0.0000	0.0000	0.1000	0.1000	0.1200
Share Class 2	Group 1	0.2493	0.0499	0.1994	-	0.1994	0.1986
	Group 2	0.1346	0.0269	0.1077	0.0917	0.1994	0.1986
Share Class 3	Group 1	0.3688	0.0738	0.2950	-	0.2950	0.2911
	Group 2	0.0560	0.0112	0.0448	0.2502	0.2950	0.2911
Share Class A	Group 1	0.1375	0.0275	0.1100	-	0.1100	0.1208
	Group 2	0.0508	0.0102	0.0406	0.0694	0.1100	0.1208

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Up to 5 April 2017, the distributions payable were calculated after the deduction of basic rate income tax. From 6 April 2017, distributions payable are calculated without deducting this tax. The tax treatment of distributions will depend on an investor's individual circumstances.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS MANAGED HIGH INCOME FUND

INVESTMENT OBJECTIVE

To provide a high level of investment income.

INVESTMENT POLICY

Diversified investment in global fixed interest securities issued in a variety of currencies by governments, supranational institutions and corporates.

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

FUND MANAGER'S REPORT

Performance

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 3.74 per cent (share class 1), net of fees. The Fund's peer group, the Investment Association's (IA) Sterling Strategic Bond sector, generated a net return of 3.87 per cent.

Review

The Fund posted positive returns over the twelve months under review, although relative performance was held back by some disappointments within the high-yield portion of the Fund. These included UK retailer New Look, which reported a sharp fall in sales, and US telecom company Frontier, which suffered from poor operating performance. A number of sector positions in the investment grade portion nevertheless contributed well, including subordinated financials (banks and insurance companies) and telecoms. Elsewhere, value was added by the weighting in US banks, a position that we opened to take advantage of their higher yields relative to their European equivalents. The Fund also profited from holding companies that tendered bonds, either to strengthen their own financial positions or to take advantage of possible tax reform in the US. These included Tesco, RSA and Verizon. There was a large amount of new supply into the sterling market and performance benefited from selected credits that performed well following their issue, such as packaging manufacturer D S Smith and Annington Finance. The exposure to UK banks also helped in the summer months as the potential for a rise in UK interest rates bolstered the outlook for profits.

During the period, the Fund was broadly diversified across sectors and the market capitalisation spectrum. The overall positioning was initially cautious given the Brexit-related uncertainty hanging over the UK economy and the vulnerability of the underlying government bond market to rising inflation and earlier-than-expected interest rate hikes. However, we later moved to a more neutral position as the performance of the global economy, in particular the Eurozone, showed improvement. In sector terms, the Fund was overweight in telecoms, a sector which we felt was ripe for consolidation, financials and corporate hybrids. We were underweight in consumer cyclical goods, health care, oil & gas and utilities.

Outlook

We remain cautious on the outlook for corporate bonds as the market is linked to the fortunes of government bonds, which are currently vulnerable to moves by the main central banks to tighten monetary policy. Sterling corporate bonds can draw some support, however, from the likelihood that the Bank of England (BoE) will be obliged to keep monetary policy loose as inflationary pressures ease and as Brexit uncertainties remain.

The fact that the BoE has significant ownership of corporate bonds also helps to underpin the market. It should also be noted that, in the context of an improving global economy, sterling bonds issued by international companies, have the potential to perform well.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied.

Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on page 190 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 an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

Material Portfolio Changes Purchases Sales UK Treasury 4.50% 07/12/2042 UK Treasury 4.75% 07/12/2038 Lloyds Bank, FRN 12.00% Perpetual RSA Insurance Group, FRN 9.38% 20/05/2039 JPMorgan Chase 4.63% 31/12/2049 UK Treasury 4.50% 07/12/2042 HSBC Holdings 6.75% 11/09/2028 Paragon Group, FRN 3.73% 20/04/2017 SoftBank Group, FRN 6.87% Perpetual JPMorgan Chase 3.50% 18/12/2026 Alliance Data Systems 4.50% 15/03/2022 Diamond 1 Finance 8.35% 15/07/2046 UK Treasury 4.75% 07/12/2038 Lloyds Bank, FRN 12.00% Perpetual Verizon Communications 5.50% 16/03/2047 SoftBank Group, FRN 6.87% Perpetual OneMain Financial Holdings 7.25% 15/12/2021 CPUK Finance 7.00% 28/02/2020 HSBC Holdings, FRN 3.26% 13/03/2023 Lafarge 8.75% 30/05/2017

Synthetic Risk and Reward Indicator Lower risk Higher risk Typically lower rewards Typically higher rewards 1 2 3 4 5 6 7

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'.
- 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.
- 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 1 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	53.10	50.87	52.16
Return before operating charges [†]	2.90	5.19	1.64
Operating charges	(0.74)	(0.72)	(0.73)
Return after operating charges [†]	2.16	4.47	0.91
Distributions	(1.97)	(2.24)	(2.20)
Closing net asset value per share	53.29	53.10	50.87
† after direct transaction costs of	-	-	-
Performance			
Return after charges	4.07%	8.79%	1.74%
Other information			
Closing net asset value (£000)	45,100	48,265	53,266
Closing number of shares	84,633,889	90,893,924	104,702,819
Operating charges (%) [‡]	1.40%	1.39%	1.39%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	54.29	54.54	53.96
Lowest share price	52.09	48.83	50.62

	2017	2016	2015
Class 3 Income	p per share	p per share	p per share
Change in net assets per share			
Opening net asset value per share	106.99	102.51	105.10
Return before operating charges [†]	5.86	10.44	3.31
Operating charges	(0.37)	(0.36)	(0.35)
Return after operating charges [†]	5.49	10.08	2.96
Distributions	(5.11)	(5.60)	(5.55)
Closing net asset value per share	107.37	106.99	102.51
† after direct transaction costs of	-	_	-
Performance			
Return after charges	5.13%	9.83%	2.82%
Other information			
Closing net asset value (£000)	93,092	92,579	88,205
Closing number of shares	86,703,403	86,526,224	86,042,989
Operating charges (%) [‡]	0.35%	0.34%	0.34%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	109.42	109.83	108.76
Lowest share price	104.97	98.34	101.95

2017 2016 2015 Class 2 Income p per share p per share p per share Change in net assets per share Opening net asset value per share 79.67 76.34 78.26 Return before operating charges[†] 4.36 7 77 2 47 (0.50)Operating charges (0.51)(0.50)Return after operating charges[†] 1.97 3.85 7.27 Distributions (3.57)(3.94)(3.89)Closing net asset value per share 76.34 79.95 79.67 † after direct transaction costs of Performance 4.83% Return after charges 9.52% 2.52% Other information 13,706 Closing net asset value (£000) 13,116 13,537

17,142,155

0.65%

81.46

78.16

17,732,794

0.64%

80.97

75.91

16,462,664

0.64%

81.77

73.23

- ‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charge Figure where:
- (a) Changes to fee rates were made during the year and the Ongoing Charge Figure has been amended to be future proofed for this change.
- (b) The Ongoing Charge 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 $6.3.6\,\mathrm{G}$ (4).
- pprox The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. 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	15.10.17	15.10.16
Class 1	1.40%	1.39%
Class 2	0.65%	0.64%
Class 3	0.35%	0.34%

* 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

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.

Closing number of shares

Direct transaction costs (%)#

Operating charges (%)[‡]

Highest share price

Lowest share price

Prices≈

PORTFOLIO STATEMENT

Investment	Currency	Holding	Market Value £000	% of Net Assets
Collective Investment Schemes 9.59% (9.81%) Aviva Emerging Markets Bond Fund Class Zqh, Income shares, EUR [†]	EUR	16,189	14,572	9.59
Collective Investment Schemes total	LOIT	10,103	14,572	9.59
Equities 0.08% (0.09%)			,-	
•				
Ireland 0.08% (0.09%) Independent News & Media	EUR	1,284,294	118	0.08
	2011	.,20.,20.	118	0.08
Equities total			118	0.08
Government Bonds 0.56% (1.12%)				
United Kingdom 0.56% (1.12%)				
UK Treasury 4.50% 07/12/2042	GBP	570,000	855	0.56
			855	0.56
Government Bonds total			855	0.56
Corporate Bonds 90.98% (90.05%)				
Australia 1.30% (1.10%)		E00.555		
FMG Resources August 2006 5.13% 15/05/2024 Goodman Australia Finance, REIT 9.75% 16/07/2018	USD GBP	500,000 1,500,000	380 1,596	0.25 1.05
douthan Australia Finance, NET 3.73% 10/07/2010	GDI	1,300,000	1,976	1.30
Bermuda 0.10% (1.51%)			.,,	
Fly Leasing 5.25% 15/10/2024	USD	200,000	151	0.10
			151	0.10
Canada 3.63% (2.17%) 1011778 BC 4.25% 15/05/2024	USD	320,000	241	0.16
ATS Automation Tooling Systems 6.50% 15/06/2023	USD	250,000	197	0.10
Eldorado Gold 6.13% 15/12/2020	USD	855,000	654	0.43
IAMGOLD 7.00% 15/04/2025	USD	690,000	547	0.36
Kinross Gold 4.50% 15/07/2027	USD	1,085,000	823	0.54
NOVA Chemicals 5.25% 01/06/2027	USD	350,000	266	0.18
Reliance Intermediate Holdings 6.50% 01/04/2023	USD	750,000	599	0.40
Teck Resources 6.25% 15/07/2041	USD	1,000,000	839	0.55
Valeant Pharmaceuticals International 7.50% 15/07/2021	USD	715,000	531	0.35
Valeant Pharmaceuticals International 6.50% 15/03/2022	USD	40,000	32	0.02
Yamana Gold 4.95% 15/07/2024	USD	1,000,000	778	0.51
Cayman Islands 0.95% (1.54%)			5,507	3.63
THPA Finance, Series B 8.24% 15/03/2028	GBP	1,300,000	1,446	0.95
			1,446	0.95
France 2.96% (4.90%)				
AXA, FRN 5.63% 16/01/2054	GBP	1,200,000	1,388	0.92
Electricite de France, FRN 6.00% Perpetual	GBP	1,000,000	1,092	0.72
Horizon Holdings I 7.25% 01/08/2023	EUR	1,335,000	1,265	0.83
Orange, FRN 5.88% Perpetual	GBP	668,000	743	0.49
			4,488	2.96
Germany 1.30% (0.93%) Unitymedia 6.13% 15/01/2025	USD	650,000	522	0.34
Unitymedia Hessen 4.63% 15/02/2026	EUR	1,500,000	1,456	0.54
,	20	, , , 0 0 0	1,978	1.30
Italy 3.31% (3.18%)				
Enel, FRN 8.75% 24/09/2073	USD	2,000,000	1,823	1.20
Telecom Italia 5.88% 19/05/2023	GBP	2,000,000	2,335	1.54
Telecom Italia 2.38% 12/10/2027	EUR	975,000	867	0.57
			5,025	3.31

nvestment	Currency	Holding	Market Value £000	% of Net Assets
lapan 1.12% (0.00%)				
SoftBank Group 4.00% 19/09/2029	EUR	1,505,000	1,339	0.88
SoftBank Group, FRN 6.87% Perpetual	USD	468,000	363	0.24
			1,702	1.12
lersey 1.98% (2.54%)	5115	0.45.000	750	
Adient Global Holdings 3.50% 15/08/2024	EUR	815,000	758	0.50
Adient Global Holdings 4.88% 15/08/2026	USD	410,000	316	0.21
Aston Martin Capital Holdings 6.50% 15/04/2022	USD	435,000	348	0.23
Heathrow Funding 7.13% 14/02/2024	GBP	1,250,000	1,581 3,003	1.04
uxembourg 1.79% (1.89%)			5,005	1.50
Altice Finco 4.75% 15/01/2028	EUR	850,000	760	0.50
Altice Luxembourg 7.75% 15/05/2022	USD	1,000,000	797	0.52
Consolidated Energy Finance 6.88% 15/06/2025	USD	170,000	134	0.09
ntelsat Jackson Holdings 8.00% 15/02/2024	USD	485,000	392	0.26
Nind Acquisition Finance 4.75% 15/07/2020	USD	840,000	638	0.42
		0.0,000	2,721	1.79
Mexico 1.98% (1.39%)			,	
America Movil 4.38% 07/08/2041	GBP	1,400,000	1,613	1.06
America Movil, Series C,FRN 6.37% 06/09/2073	GBP	1,275,000	1,400	0.92
			3,013	1.98
Netherlands 3.55% (6.41%)				
Alpha 3 6.25% 01/02/2025	USD	600,000	460	0.30
CNH Industrial 4.50% 15/08/2023	USD	725,000	576	0.38
NG Bank, FRN 6.88% 29/05/2023	GBP	1,200,000	1,239	0.81
elefonica Europe, FRN 6.75% Perpetual	GBP	1,100,000	1,217	0.80
JPC Holding 6.75% 15/03/2023	EUR	1,400,000	1,318	0.87
Ziggo Secured Finance 3.75% 15/01/2025	EUR	630,000	588	0.39
			5,398	3.55
Switzerland 0.57% (0.00%) Credit Suisse Group, FRN 2.13% 12/09/2025	GBP	875,000	860	0.57
Tealt 301356 Gloup, 1111 2.1376 1270372023	GDI	075,000	860	0.57
Jnited Kingdom 31.02% (26.83%)				
Anglian Water Osprey Financing 7.00% 31/01/2018	GBP	1,400,000	1,424	0.94
Annington Funding, REIT 2.65% 12/07/2025	GBP	706,000	710	0.47
Aviva, FRN 6.88% 20/05/2058†	GBP	1,600,000	2,113	1.39
Barclays Bank 10.00% 21/05/2021	GBP	1,750,000	2,210	1.45
OS Smith 2.88% 26/07/2029	GBP	1,000,000	974	0.64
Eversholt Funding 6.70% 22/02/2035	GBP	1,000,000	1,324	0.87
First Hydro Finance, Series BR 9.00% 31/07/2021	GBP	1,400,000	1,763	1.16
Firstgroup 6.13% 18/01/2019	GBP	1,450,000	1,535	1.01
GlaxoSmithKline Capital 4.25% 18/12/2045	GBP	650,000	824	0.54
Heathrow Finance 3.88% 01/03/2027	GBP	1,500,000	1,480	0.97
House of Fraser Funding, FRN 6.05% 15/09/2020	GBP	456,000	420	0.28
HSBC Holdings 6.75% 11/09/2028	GBP	1,400,000	1,841	1.21
ISBC Holdings, FRN 3.26% 13/03/2023	USD	1,300,000	1,000	0.66
mperial Brands Finance 9.00% 17/02/2022	GBP	1,900,000	2,466	1.62
nvestec Bank 9.63% 17/02/2022	GBP	1,500,000	1,887	1.24
aguar Land Rover Automotive 5.00% 15/02/2022	GBP	128,000	140	0.09
uturna European Loan Conduit No. 16 5.06% 10/08/2033	GBP	1,318,582	1,596	1.05
Kelda Finance No. 3 5.75% 17/02/2020	GBP	1,400,000	1,518	1.00
egal & General Group, FRN 10.00% 23/07/2041	GBP	2,000,000	2,553	1.68
loyds Bank, FRN 12.00% Perpetual	USD	2,412,000	2,449	1.61
	GBP	1,800,000	2,206	1.45
Altchells & Butlers Finance, Series CT 6.47% 15/09/2032				
	GBP	2,000.000	1 <i>.</i> 281	0.84
lew Look Secured Issuer 6.50% 01/07/2022	GBP GBP	2,000,000 1,200,000	1,281 1,104	
Mitchells & Butlers Finance, Series C1 6.47% 15/09/2032 New Look Secured Issuer 6.50% 01/07/2022 Newcastle Building Society, FRN 3.85% 23/12/2019 Prudential, FRN 11.37% 29/05/2039	GBP GBP GBP	2,000,000 1,200,000 1,750,000	1,281 1,104 2,023	0.84 0.73 1.33

Investment	Currency	Holding	Market Value £000	% of Net Assets
United Kingdom 31.02% (26.83%) (continued)				
RAC Bond 5.00% 06/05/2046	GBP	846,000	846	0.56
Saga 3.38% 12/05/2024	GBP	1,000,000	982	0.65
Segro, REIT 2.88% 11/10/2037	GBP	717,000	707	0.47
Standard Chartered 4.38% 18/01/2038	GBP	1,000,000	1,107	0.73
Tesco Property Finance 3, REIT 5.74% 13/04/2040	GBP	1,220,436	1,400	0.92
Travis Perkins 4.38% 15/09/2021	GBP	1,000,000	1,058	0.70
Virgin Media Secured Finance 5.50% 15/01/2025	GBP	1,350,000	1,422	0.94
Virgin Media Secured Finance 5.25% 15/01/2026	USD	1,000,000	782	0.51
Western Power Distribution West Midlands 5.75% 16/04/2032	GBP	1,100,000	1,484	0.98
			47,125	31.02
United States of America 35.42% (35.66%)	LICD	F10 000	200	0.20
Acadia Healthcare 6.13% 15/03/2021	USD	510,000	390	0.26
Acadia Healthcare 6.50% 01/03/2024	USD	285,000	228	0.15
ADT 3.50% 15/07/2022	USD	525,000	394	0.26
AECOM 5.13% 15/03/2027	USD	275,000	213	0.14
Alliance Data Systems 4.50% 15/03/2022	EUR	1,619,000	1,497	0.99
Alliance Data Systems 5.38% 01/08/2022	USD	1,200,000	925	0.61
Ally Financial 4.13% 13/02/2022	USD	675,000	523	0.34
Ally Financial 5.75% 20/11/2025	USD	300,000	245	0.16
Andeavor Logistics 5.25% 15/01/2025	USD	170,000	137	0.09
Antero Resources 5.13% 01/12/2022	USD	850,000	648	0.43
Ashtead Capital 4.13% 15/08/2025	USD	520,000	399	0.26
Ashtead Capital 4.38% 15/08/2027	USD	350,000	268	0.18
AT&T 4.25% 01/06/2043	GBP	2,100,000	2,177	1.43
AT&T 5.30% 14/08/2058	USD	975,000	735	0.48
Avis Budget Car Rental 5.13% 01/06/2022	USD	285,000	216	0.14
Boyd Gaming 6.88% 15/05/2023	USD	55,000	44	0.03
Boyd Gaming 6.38% 01/04/2026	USD	410,000	335	0.22
Brink's 4.63% 15/10/2027	USD	275,000	207	0.14
Calpine 5.75% 15/01/2025	USD	1,000,000	714	0.47
CCO Holdings 5.50% 01/05/2026	USD	850,000	658	0.43
Centene 4.75% 15/01/2025	USD	270,000	210	0.14
Century Communities 6.88% 15/05/2022	USD	855,000	674	0.44
Cheniere Corpus Christi Holdings 7.00% 30/06/2024	USD	320,000	274	0.18
CIT Group 5.00% 15/08/2022	USD	315,000	256	0.10
Citigroup 4.50% 03/03/2031	GBP	1,500,000	1,737	1.14
9 1	USD	830,000	648	0.43
CNO Financial Group 4.50% 30/05/2020				
Community Health Systems 6.25% 31/03/2023	USD	775,000	568	0.37
CRC Escrow Issuer 5.25% 15/10/2025	USD	400,000	299	0.20
Crescent Communities, REIT 8.88% 15/10/2021	USD	167,000	132	0.09
CrownRock 5.63% 15/10/2025	USD	170,000	127	0.08
CSC Holdings 6.63% 15/10/2025	USD	415,000	341	0.22
CSC Holdings 5.50% 15/04/2027	USD	400,000	311	0.20
CVR Partners 9.25% 15/06/2023	USD	400,000	322	0.21
DaVita 5.13% 15/07/2024	USD	850,000	635	0.42
Dell International 7.13% 15/06/2024	USD	1,000,000	829	0.55
Diamondback Energy 4.75% 01/11/2024	USD	286,000	217	0.14
DISH DBS 7.75% 01/07/2026	USD	600,000	514	0.34
DPL 7.25% 15/10/2021	USD	640,000	524	0.34
Dynegy 8.00% 15/01/2025	USD	305,000	243	0.16
Dynegy 8.13% 30/01/2026	USD	675,000	535	0.35
Eldorado Resorts 6.00% 01/04/2025	USD	650,000	514	0.34
Energy Transfer Equity 4.25% 15/03/2023	USD	455,000	346	0.23
Equinix, REIT 2.88% 01/10/2025	EUR	714,000	645	0.42
FGI Operating 7.88% 01/05/2020	USD	350,000	163	0.11
First Data 7.00% 01/12/2023	USD	1,000,000	806	0.53
Frontier Communications 10.50% 15/09/2022	USD	910,000	598	0.33
Greatbatch 9.13% 01/11/2023	USD	225,000	185	0.39
	USD	900,000	724	0.12
Greystar Real Estate Partners, REIT 8.25% 01/12/2022				
HCA 5.88% 01/05/2023	USD	1,250,000	1,018	0.67

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 35.42% (35.66%) (continued)				
HCA 5.50% 15/06/2047	USD	155,000	119	0.08
HealthSouth 5.75% 01/11/2024	USD	910,000	702	0.46
Huntsman International 5.13% 15/11/2022	USD	1,000,000	803	0.53
INVISTA Finance 4.25% 15/10/2019	USD	850,000	660	0.43
Iron Mountain, REIT 4.88% 15/09/2027	USD	685,000	522	0.34
JC Penney 5.88% 01/07/2023	USD	210,000	158	0.10
JPMorgan Chase 4.63% 31/12/2049	USD	2,600,000	1,956	1.29
KAR Auction Services 5.13% 01/06/2025	USD	50,000	39	0.03
Live Nation Entertainment 5.38% 15/06/2022	USD	1,000,000	781	0.51
LPL Holdings 5.75% 15/09/2025	USD	351,000	274	0.18
M/I Homes 6.75% 15/01/2021	USD	650,000	512	0.34
MGM Resorts International 8.63% 01/02/2019	USD	375,000	304	0.20
MPT Operating Partnership, REIT 6.38% 01/03/2024	USD	1,250,000	1,013	0.67
MSCI 5.75% 15/08/2025	USD	850,000	697	0.46
Murphy Oil 6.88% 15/08/2024	USD	175,000	140	0.09
NextEra Energy Operating Partners 4.25% 15/09/2024	USD	100,000	77	0.05
NRG Energy 6.63% 15/01/2027	USD	540,000	432	0.28
Nuance Communications 6.00% 01/07/2024	USD	875,000	711	0.47
OneMain Financial Holdings 7.25% 15/12/2021	USD	1,325,000	1,037	0.68
Parsley Energy 6.25% 01/06/2024	USD	485,000	383	0.25
Parsley Energy 5.63% 15/10/2027	USD	50,000	38	0.03
PBF Holding 7.25% 15/06/2025	USD	650,000	502	0.33
Peabody Energy 6.00% 31/03/2022	USD	500,000	389	0.26
Plastipak Holdings 6.25% 15/10/2025	USD	635,000	486	0.32
Potlatch, REIT 7.50% 01/11/2019	USD	715,000	583	0.38
Prime Security Services Borrower 9.25% 15/05/2023	USD	450,000	374	0.25
Quintiles IMS 3.50% 15/10/2024	EUR	1,400,000	1,305	0.86
Resolute Forest Products 5.88% 15/05/2023	USD	175,000	130	0.09
Rockies Express Pipeline 6.00% 15/01/2019	USD	365,000	284	0.19
RSP Permian 6.63% 01/10/2022	USD	400,000	316	0.21
RSP Permian 5.25% 15/01/2025	USD	70,000	53	0.03
Sirius XM Radio 3.88% 01/08/2022	USD	195,000	150	0.10
Sirius XM Radio 6.00% 15/07/2024	USD	800,000	647	0.43
Six Flags Entertainment 4.88% 31/07/2024	USD	495,000	379	0.25
Southwestern Energy 6.70% 23/01/2025	USD	250,000	190	0.13
Southwestern Energy 7.75% 01/10/2027	USD	285,000	222	0.15
Sprint 7.25% 15/09/2021	USD	515,000	429	0.28
Sprint 7.88% 15/09/2023	USD	175,000	152	0.10
Standard Industries 6.00% 15/10/2025	USD	840,000	686	0.45
Tempur Sealy International 5.63% 15/10/2023	USD	650,000	515	0.34
Tenet Healthcare 4.50% 01/04/2021	USD	1,000,000	763	0.50
Terex 5.63% 01/02/2025	USD	300,000	236	0.16
T-Mobile USA 6.50% 15/01/2026	USD	1,000,000	833	0.55
Toll Brothers Finance 5.88% 15/02/2022	USD	825,000	686	0.45
Tribune Media 5.88% 15/07/2022	USD	760,000	595	0.39
Triumph Group 7.75% 15/08/2025	USD	235,000	187	0.12
United Rentals North America 5.88% 15/09/2026	USD	250,000	205	0.13
Univision Communications 5.13% 15/02/2025	USD	113,000	86	0.06
Vector Group 6.13% 01/02/2025	USD	1,000,000	777	0.51
Verizon Communications 4.13% 15/08/2046	USD	732,000	498	0.33
Verizon Communications 5.50% 16/03/2047	USD	1,500,000	1,239	0.82
Wal-Mart Stores 3.63% 15/12/2047	USD	700,000	528	0.35
Western Digital 10.50% 01/04/2024	USD	675,000	596	0.39
Westmoreland Coal 8.75% 01/01/2022	USD	1,500,000	807	0.53
William Lyon Homes 5.88% 31/01/2025	USD	325,000	248	0.16
Zayo Group 5.75% 15/01/2027	USD	535,000	425	0.28
ZF North America Capital 4.50% 29/04/2022	USD	762,000	601	0.40
			53,808	35.42
Corporate Bonds total	<u> </u>		138,201	90.98

As at 15 October 2017

			Market Value	
Investment	Currency	Holding	£000	% of Net Assets
Swaps (0.21)% ((0.05)%)				
Credit Default Swap Barclays Buy iTraxx Europe Series 27 Version 1 20/06/2022	EUR	5,500,000	(124)	(80.0)
Credit Default Swap Barclays Buy iTraxx Europe Series 27 Version 1 20/06/2022	EUR	9,015,000	(202)	(0.13)
Swaps total			(326)	(0.21)
Forward Currency Contracts (0.90)% ((2.08)%)				
Buy GBP 49,145,911 sell USD 66,747,000 dated 20/12/2017			(980)	(0.64)
Buy GBP 1,624,443 sell EUR 1,810,000 dated 20/12/2017			11	0.01
Buy GBP 24,408,458 sell EUR 27,616,000 dated 20/12/2017			(205)	(0.14)
Buy GBP 1,118,672 sell USD 1,480,000 dated 20/12/2017			7	_
Buy GBP 10,648,029 sell USD 14,441,000 dated 20/12/2017			(197)	(0.13)
Forward Currency Contracts total			(1,364)	(0.90)
Futures 0.04% (0.05%)				
Euro-Bund 07/12/2017	EUR	(6)	(2)	_
Long Gilt 27/12/2017	GBP	(8)	28	0.02
US Ultra Bond 19/12/2017	USD	(21)	33	0.02
Futures total			59	0.04
Investment assets (including investment liabilities)			152,115	100.14
Net other liabilities			(217)	(0.14)
Net assets			151,898	100.00

 $All \ holdings \ are \ or dinary \ shares \ or \ stock \ units \ or \ debt \ securities \ and \ admitted \ to \ an \ official \ stock \ exchange \ unless \ otherwise \ stated.$

The comparative percentage figures in brackets are as at 15 October 2016.

[†] A related party to the Fund.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

			Year ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital gains	2		522		6,370
Revenue	3	7,759		8,731	
Expenses	4	(1,041)		(1,069)	
Net revenue before taxation		6,718		7,662	
Taxation	5	-		_	
Net revenue after taxation			6,718		7,662
Total return before distributions			7,240		14,032
Distributions	6		(6,718)		(7,662)
Change in net assets attributable to shareholders from investment activities			522		6,370

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		153,960		155,008
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	12,689		10,284	
Amounts payable on cancellation of shares	(15,273)		(17,705)	
		(2,584)		(7,421)
Change in net assets attributable to shareholders from investment activities (see above)		522		6,370
Unclaimed distribution monies		-		3
Closing net assets attributable to shareholders		151,898		153,960

BALANCE SHEET

		As at	As at
		15.10.17	15.10.16
	Notes	£000	£000
Assets:			
Investments		153,825	155,681
Current assets:			
Debtors	8	4,406	2,931
Cash and bank balances	9	1,086	756
Total assets		159,317	159,368
Liabilities:			
Investment liabilities		(1,710)	(3,279)
Creditors:			
Bank overdrafts		-	(12)
Distribution payable		(1,117)	(1,388)
Other creditors	10	(4,592)	(729)
Total liabilities		(7,419)	(5,408)
Net assets attributable to shareholders		151,898	153,960

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policies Please see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Currency gains/(losses)	724	(238)
Derivative contracts losses	(147)	(164)
Expenses relating to the purchase and sale of investments	(5)	(5)
Forward currency contracts gains/(losses)	3,978	(17,742)
Non-derivative securities (losses)/gains	(4,028)	24,519
Net capital gains	522	6,370

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	2	42
Interest on debt securities	7,034	7,941
Interest on derivatives	(69)	(78)
Revenue from offshore funds	792	826
Total revenue	7,759	8,731

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	927	952
Registration fees	60	63
	987	1,015
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	21	19
Interest payable	3	6
Safe custody fee	13	13
	37	38
Other expenses:		
Audit fee*	11	10
Statement fees	6	6
	17	16
Total expenses	1,041	1,069
+TI 15 C		

^{*} The audit fee was £9,161 (2016: £9,161) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Corporation tax	-	_
Total tax for the year (see note 5b)	-	_

b Factors affecting current tax charge

The tax assessed for the year is lower than (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	6,718	7,662
Corporation tax at 20%	1,344	1,532
Effects of:		
Movement in excess expenses	158	(1)
Tax deductible on interest distributions	(1,502)	(1,531)
	(1,344)	(1,532)
Total tax for the year (see note 5a)	-	_

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 year end (2016: £nil).

6 Distributions

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Gross interest distribution for the six months ended 15 April	3,361	3,779
Gross interest distribution for the five months ended 15 September	2,645	3,027
Gross interest distribution for the month ended 15 October	702	840
	6,708	7,646
Add: Revenue deducted on cancellation of shares	31	33
Deduct: Revenue received on issue of shares	(21)	(17)
Total distributions	6,718	7,662
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	6,718	7,662
Net revenue after taxation	6,718	7,662

Details of the distributions per share are set out in the distribution tables on pages 205 to 209.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Liabilities at 15.10.17 £000	Assets at 15.10.16 £000	Liabilities at 15.10.16 £000
Level 1: Quoted prices	179	(2)	213	_
Level 2: Observable market data	153,646	(1,708)	155,468	(3,279)
Total value	153,825	(1,710)	155,681	(3,279)

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	2,481	2,766
Amounts receivable on issue of shares	131	61
Overseas tax recoverable	295	-
Sales awaiting settlement	1,499	104
Total debtors	4,406	2,931

9 Cash and bank balances

Total cash and bank balances	1,086	756
Cash and bank balances	1,078	756
Amounts held at futures clearing house and brokers	8	-
	As at 15.10.17 £000	As at 15.10.16 £000

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	142	144
Amounts payable for cancellation of shares	250	254
Purchases awaiting settlement	4,200	331
Total creditors	4,592	729

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: fnil).

12 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.

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 ACD periodic charges was £109,000 (2016: £116,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £4,190,000 (2016: £3,978,000). The amount outstanding at the year end was £756,000 (2016: £425,000). 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.

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 £700,000 (2016: £2,800,000) and £700,000 (2016: £3,841,000) respectively. The income received during the year amounted to £792,000 (2016: £725,000).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 1 Income shares)	1,857,931	(192,292)	2,050,223
ACD and related parties (share class 2 Income shares)	2,532,441	443,275	2,089,166
ACD and related parties (share class 3 Income shares)	86,703,403	177,179	86,526,224

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

13 Shareholder funds

The Fund currently has three share classes: Class 1 (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 1.25% Class 2: 0.50% Class 3: 0.30%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on page 190. The distributions per share are given in the distribution tables on pages 205 to 209. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Share Class 1 Income	90,893,924	1,268,706	(7,314,386)	(214,355)	84,633,889
Share Class 2 Income	16,462,664	3,239,653	(2,703,059)	142,897	17,142,155
Share Class 3 Income	86,526,224	8,766,627	(8,589,448)	_	86,703,403

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency risk

At the year end date, 0.15% (2016: 0.28%) of the net assets of the Fund were denominated in currencies other than sterling. As such, the currency risk is not considered significant.

Interest rate risk

At the year end date 92.26% (2016: 91.65%) of the net assets of the Fund were interest bearing. If interest rates were to change by 1%, the value of the Fund would change by 0.10% (2016: 0.77%).

The interest rate profile of the Fund's financial assets and liabilities at 15 October 2017 was:

Currency	Floating Rate	Fixed Rate	None	Total
15.10.17	£000	£000	£000	£000
Financial Assets				
Sterling	19,570	45,002	88,607	153,179
Euro	554	11,798	14,978	27,330
US Dollar	9,520	53,698	2,518	65,736
Financial Liabilities				
Sterling	_	_	(1,509)	(1,509)
Euro	_	_	(27,270)	(27,270)
US Dollar	-	_	(65,568)	(65,568)
Total	29,644	110,498	11,756	151,898

The interest rate profile of the Fund's financial assets and liabilities at 15 October 2016 was:

Currency 15.10.16	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	3,832	65,663	86,156	155,651
Euro	3	8,448	15,540	23,991
US Dollar	1,998	61,162	1,220	64,380
Financial Liabilities				
Sterling	-	-	(2,117)	(2,117)
Euro	-	-	(23,967)	(23,967)
US Dollar	-	_	(63,978)	(63,978)
Total	5,833	135,273	12,854	153,960

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

The floating rate financial assets comprise investments in variable interest rate paying corporate debt and bank balances that bear interest on LIBOR or its equivalent.

Market price risk

At the year end date, 100.14% (2016: 98.99%) 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 10.01% (2016: 9.90%).

16 Counterparty exposure

Financial derivative exposure

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

	Forward currency contracts	Futures contracts	Total
15.10.17	£000	£000	£000
Citi	6	-	6
Goldman Sachs	(1,155)	-	(1,155)
JPMorgan	(9)	61	52
Nomura International	4	_	4
Royal Bank of Scotland	5	-	5
Société Générale	(203)	_	(203)
Standard Chartered Bank	(3)	_	(3)
UBS	(9)	_	(9)
Total	(1,364)	61	(1,303)

15.10.16	Forward currency contracts £000	Futures contracts £000	Total £000
Citibank	(2)	-	(2)
Goldman Sachs	(563)	-	(563)
JPMorgan	-	68	68
Royal Bank of Scotland	(2,637)	_	(2,637)
Total	(3,202)	68	(3,134)

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

Collateral

At the year end date no collateral was held or pledged by the Company or on behalf of the counterparties in respect of the above (2016: £nil).

17 Debt security credit analysis

		Market value £000		net assets %
	15.10.17	15.10.16	15.10.17	15.10.16
Investment grade	39,400	47,080	25.93%	30.56%
Below investment grade	93,515	88,985	61.56%	57.81%
Unrated	6,141	4,297	4.05%	2.80%
Total debt securities	139,056	140,362	91.54%	91.17%

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

18 Direct transaction costs

Due to the nature of the investments held, no transaction costs or taxes were incurred on the Fund's purchases or sales during the current year ended 15 October 2017 (2016: £nil). The total purchases for the year amounted to £60,352,000 (2016: £51,118,000) and the total sales amounted to £57,786,000 (2016: £69,152,000).

Dealing spread

As at 15 October 2017, the average portfolio dealing spread was 0.30% (2016: 0.84%). 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.

19 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016:£nil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the month ended 15 October 2017

Income shares		Gross revenue	Equalisation	Final distribution payable 27 November 2017	Final distribution paid 27 November 2016
Share Class 1	Group 1	0.2171	_	0.2171	0.2295
	Group 2	0.1271	0.0900	0.2171	0.2295
Share Class 2	Group 1	0.3722	_	0.3722	0.3400
	Group 2	0.1778	0.1944	0.3722	0.3400
Share Class 3	Group 1	0.5247	_	0.5247	0.4773
	Group 2	0.2936	0.2311	0.5247	0.4773

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 September 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 September 2017.

Interim distribution paid in pence per share for the month ended 15 September 2017

Income shares		Gross revenue	Equalisation	Interim distribution payable 27 October 2017	Interim distribution paid 27 October 2016
Share Class 1	Group 1	0.1132	-	0.1132	0.1450
	Group 2	0.0444	0.0688	0.1132	0.1450
Share Class 2	Group 1	0.2214	_	0.2214	0.2189
	Group 2	0.0916	0.1298	0.2214	0.2189
Share Class 3	Group 1	0.3250	-	0.3250	0.3162
	Group 2	0.1237	0.2013	0.3250	0.3162

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 August 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 August 2017.

Interim distribution paid in pence per share for the month ended 15 August 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 27 September 2017	Interim distribution paid 27 September 2016
Share Class 1	Group 1	0.1681	-	0.1681	0.1450
	Group 2	0.0810	0.0871	0.1681	0.1450
Share Class 2	Group 1	0.2800	-	0.2800	0.2345
	Group 2	0.1639	0.1161	0.2800	0.2345
Share Class 3	Group 1	0.4046	_	0.4046	0.3369
	Group 2	0.2511	0.1535	0.4046	0.3369

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 July 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 July 2017.

Interim distribution paid in pence per share for the month ended 15 July 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 25 August 2017	Interim distribution paid 27 August 2017
Share Class 1	Group 1	0.1813	-	0.1813	0.1450
	Group 2	0.0865	0.0948	0.1813	0.1450
Share Class 2	Group 1	0.3399	_	0.3399	0.3474
	Group 2	0.1735	0.1664	0.3399	0.3474
Share Class 3	Group 1	0.4824	-	0.4824	0.4872
	Group 2	0.3414	0.1410	0.4824	0.4872

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 June 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 June 2017.

Interim distribution paid in pence per share for the month ended 15 June 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 27 July 2017	Interim distribution paid 27 July 2016
Share Class 1	Group 1	0.1813	_	0.1813	0.1450
	Group 2	0.0600	0.1213	0.1813	0.1450
Share Class 2	Group 1	0.2837	-	0.2837	0.2489
	Group 2	0.1450	0.1387	0.2837	0.2489
Share Class 3	Group 1	0.4088	_	0.4088	0.3570
	Group 2	0.1504	0.2584	0.4088	0.3570

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 May 2016. Group 2 shares are those shares purchased after 12:00 noon on 15 May 2016.

Interim distribution paid in pence per share for the month ended 15 May 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 27 June 2017	Interim distribution paid 27 June 2016
Share Class 1	Group 1	0.1813	-	0.1813	0.1450
	Group 2	0.0423	0.1390	0.1813	0.1450
Share Class 2	Group 1	0.2436	-	0.2436	0.2064
	Group 2	0.0654	0.1782	0.2436	0.2064
Share Class 3	Group 1	0.3557	_	0.3557	0.2963
	Group 2	0.1932	0.1625	0.3557	0.2963

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

Interim distribution paid in pence per share for the month ended 15 April 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 27 May 2017	Interim distribution paid 27 May 2016
Share Class 1	Group 1	0.1450	-	0.1450	0.1450
	Group 2	0.0153	0.1297	0.1450	0.1450
Share Class 2	Group 1	0.3158	-	0.3158	0.3123
	Group 2	0.1899	0.1259	0.3158	0.3123
Share Class 3	Group 1	0.4497	-	0.4497	0.4403
	Group 2	0.2418	0.2079	0.4497	0.4403

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 March 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 March 2017.

Interim distribution paid in pence per share for the month ended 15 March 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 27 April 2017	Interim distribution paid 27 April 2016
Share Class 1	Group 1	0.1450	-	0.1450	0.1450
	Group 2	0.0522	0.0928	0.1450	0.1450
Share Class 2	Group 1	0.2882	-	0.2882	0.2287
	Group 2	0.1381	0.1501	0.2882	0.2287
Share Class 3	Group 1	0.4117	_	0.4117	0.3261
	Group 2	0.2444	0.1673	0.4117	0.3261

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 February 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 February 2017.

Interim distribution paid in pence per share for the month ended 15 February 2017

Income shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 27 March 2017	Interim distribution paid 27 March 2016
Share Class 1	Group 1	0.1750	0.0350	0.1400	-	0.1400	0.1450
	Group 2	0.0564	0.0113	0.0451	0.0949	0.1400	0.1450
Share Class 2	Group 1	0.2703	0.0541	0.2162	_	0.2162	0.2252
	Group 2	0.0740	0.0148	0.0592	0.1570	0.2162	0.2252
Share Class 3	Group 1	0.3920	0.0784	0.3136	_	0.3136	0.3229
	Group 2	0.2480	0.0496	0.1984	0.1152	0.3136	0.3229

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 January 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 January 2017.

Interim distribution paid in pence per share for the month ended 15 January 2017

Income shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 27 Febraury 2017	Interim distribution paid 27 February 2016
Share Class 1	Group 1	0.1750	0.0350	0.1400	-	0.1400	0.1450
	Group 2	0.0160	0.0032	0.0128	0.1272	0.1400	0.1450
Share Class 2	Group 1	0.4008	0.0802	0.3206	_	0.3206	0.3270
	Group 2	0.2043	0.0409	0.1634	0.1572	0.3206	0.3270
Share Class 3	Group 1	0.5634	0.1127	0.4507	_	0.4507	0.4598
	Group 2	0.2729	0.0546	0.2183	0.2324	0.4507	0.4598

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 December 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 December 2016.

Interim distribution paid in pence per share for the month ended 15 December 2016

Income shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 27 January 2017	Interim distribution paid 27 January 2016
Share Class 1	Group 1	0.1375	0.0275	0.1100	-	0.1100	0.1369
	Group 2	0.0663	0.0133	0.0530	0.0570	0.1100	0.1369
Share Class 2	Group 1	0.2673	0.0535	0.2138	_	0.2138	0.2459
	Group 2	0.0975	0.0195	0.0780	0.1358	0.2138	0.2459
Share Class 3	Group 1	0.3850	0.0770	0.3080	_	0.3080	0.3518
	Group 2	0.2384	0.0477	0.1907	0.1173	0.3080	0.3518

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 November 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 November 2016.

Interim distribution paid in pence per share for the month ended 15 November 2016

Income shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 27 December 2016	Interim distribution paid 27 December 2015
Share Class 1	Group 1	0.1500	0.0300	0.1200	_	0.1200	0.1196
	Group 2	0.0866	0.0173	0.0693	0.0507	0.1200	0.1196
Share Class 2	Group 1	0.2843	0.0569	0.2274	_	0.2274	0.2162
	Group 2	0.1186	0.0237	0.0949	0.1325	0.2274	0.2162
Share Class 3	Group 1	0.4098	0.0820	0.3278	-	0.3278	0.3101
	Group 2	0.2549	0.0510	0.2039	0.1239	0.3278	0.3101

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Up to 5 April 2017, the distributions payable were calculated after the deduction of basic rate income tax. From 6 April 2017, distributions payable are calculated without deducting this tax. The tax treatment of distributions will depend on an investor's individual circumstances.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS MONTHLY INCOME PLUS FUND

INVESTMENT OBJECTIVE

A high income payable monthly and to guard against capital erosion.

INVESTMENT POLICY

Diversified investment, principally in the UK, in fixed interest securities, convertibles, preference shares and high yielding equities.

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

FUND MANAGER'S REPORT

Performance

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 2.30 per cent (share class 1), net of fees. The Fund's peer group, the Investment Association's (IA) Sterling Corporate Bond sector, generated a net return of 3.05 per cent.

Review

The Fund posted positive returns over the twelve months under review. The underperformance compared to its peer group relates to the Fund's higher sensitivity to changes in interest rates than many of its peers. In the investment-grade portion of the Fund, a number of sector positions nevertheless contributed well, including subordinated financials (banks and insurance companies) and telecoms. Elsewhere, value was added by the weighting in US banks, a position that we opened to take advantage of their higher yields relative to their European equivalents. The Fund also profited from holding companies that tendered bonds, either to strengthen their own financial positions or to take advantage of possible tax reform in the US. These included Tesco, RSA and Verizon. There was a large amount of new supply into the sterling market and performance benefited from selected credits that performed well following their issue, such as packaging manufacturer D S Smith and Annington Finance. The exposure to UK banks also helped in the summer months as the potential for a rise in UK interest rates bolstered the outlook for profits.

During the period, the Fund was broadly diversified across sectors and the market capitalisation spectrum. The overall positioning was initially cautious given the Brexit-related uncertainty hanging over the UK economy and the vulnerability of the underlying government bond market to rising inflation and earlier-than-expected interest rate hikes. However, we later moved to a more neutral position as the performance of the global economy, in particular the Eurozone, showed improvement. In sector terms, the Fund was overweight in telecoms, a sector which we felt was ripe for consolidation, financials and corporate hybrids. We were underweight in consumer cyclical goods, health care, oil & gas and utilities.

Outlook

We remain cautious on the outlook for corporate bonds as the market is linked to the fortunes of government bonds, which are currently vulnerable to moves by the main central banks to tighten monetary policy. Sterling corporate bonds can draw some support, however, from the likelihood that the Bank of England (BoE) will be obliged to keep monetary policy loose as inflationary pressures ease and as Brexit uncertainties remain.

The fact that the BoE has significant ownership of corporate bonds also helps to underpin the market. It should also be noted that, in the context of an improving global economy, sterling bonds issued by international companies, have the potential to perform well.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied.

Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on pages 211 and 212 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 an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

Material Portfolio Changes

Purchases	Sales
Kreditanstalt fuer Wiederaufbau 2.00% 06/12/2018	European Investment Bank 1.50% 01/02/2019
European Investment Bank 1.50% 01/02/2019	UK Treasury 4.50% 07/12/2042
UK Treasury 6.00% 07/12/2028	UK Treasury 6.00% 07/12/2028
HSBC Holdings 6.75% 11/09/2028	UK Treasury 4.75% 07/12/2038
UK Treasury 4.50% 07/12/2042	HSBC Bank, FRN 5.38% 04/11/2030
Legal & General Group, FRN 10.00% 23/07/2041	European Investment Bank 3.88% 08/06/2037
Bank of America, FRN 2.88% 24/04/2023	Swiss Reinsurance, FRN 6.37% 01/09/2024
JPMorgan Chase 4.63% Perpetual	Silverstone Master Issuer, FRN 5.06% 21/01/2055
Goldman Sachs Group 3.00% 26/04/2022	America Movil, FRN 6.37% 06/09/2073
America Movil, FRN 6.37% 06/09/2073	JPMorgan Chase 3.50% 18/12/2026

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'.
- 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.
- 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 1 Income	2017 p per share	2016 p per share	2015 p per share	Class 3 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share				Change in net assets per share			
Opening net asset value per share	52.55	49.52	49.74	Opening net asset value per share	164.76	150.33	145.96
Return before operating charges†	1.98	5.26	2.10	Return before operating charges†	6.25	16.22	6.15
Operating charges	(0.60)	(0.58)	(0.57)	Operating charges	(0.56)	(0.52)	(0.50)
Return after operating charges [†]	1.38	4.68	1.53	Return after operating charges [†]	5.69	15.70	5.65
Distributions	(1.55)	(1.65)	(1.75)	Distributions	(6.27)	(6.33)	(6.42)
Closing net asset value per share	52.38	52.55	49.52	Retained distributions on accumulation shares	5.86	5.06	5.14
† after direct transaction costs of	_	_	_	Closing net asset value per share	170.04	164.76	150.33
				† after direct transaction costs of	-	_	-
Performance							
Return after charges	2.63%	9.45%	3.08%	Performance Return after charges	3.45%	10.44%	3.87%
Other information				Neturn after charges	3.43/0	10.4470	3.07 /0
Closing net asset value (£000)	120,259	129,914	141,302	Other information			
Closing number of shares	229,591,755	247,204,320	285,360,703	Closing net asset value (£000)	12,352	12,505	12,278
Operating charges (%) [‡]	1.13%	1.13%	1.13%	Closing number of shares	7,264,037	7,589,582	8,167,578
Direct transaction costs (%)#	-	-	_	Operating charges (%) [‡]	0.33%	0.33%	0.33%
Drivers				Direct transaction costs (%)#	-	-	-
Prices≈ Highest share price	54.09	55.34	52.80	Prices≈			
Lowest share price	51.28	48.49	49.43	Highest share price	174.13	172.38	156.29
Lowest share price	51.20			Lowest share price	161.24	148.88	145.24
				·			
	2017	2016	2015				
Class 1 Accumulation	p per share	p per share	p per share	Class R3 Income	2017	2016	2015
Change in net assets per share	150.24	120.04	124.00		p per share	p per share	p per share
Opening net asset value per share	150.34	138.04	134.90	Change in net assets per share Opening net asset value per share	113.59	107.02	107.51
Return before operating charges [†]	5.66	14.86	5.67	Opening het asset value per share	115.39	107.02	107.31
Operating charges	(1.72)	(1.63)	(1.57)	Return before operating charges [†]	4.25	11.38	4.53
Return after operating charges [†]	3.94	13.23	4.10	Operating charges	(0.72)	(0.70)	(0.69)
Distributions	(4.47)	(4.64)	(4.80)	Return after operating charges [†]	3.53	10.68	3.84
Retained distributions on accumulation shares	4.19	3.71	3.84	Distributions	(3.91)	(4.11)	(4.33)
Closing net asset value per share	154.00	150.34	138.04	Closing net asset value per share	113.21	113.59	107.02
† after direct transaction costs of	-	-	-	† after direct transaction costs of	_	_	-
Performance				Performance			
Return after charges	2.62%	9.58%	3.04%	Return after charges	3.11%	9.98%	3.57%
Other information				Other information			
Closing net asset value (£000)	94,511	99,166	105,141	Closing net asset value (£000)	20,932	22,510	10,487
Closing number of shares	61,368,665	65,962,940	76,164,662	Closing number of shares	18,488,749	19,816,713	9,798,206
Operating charges (%) [‡]	1.13%	1.13%	1.13%	Operating charges (%) [‡]	0.63%	0.63%	0.63%
Direct transaction costs (%)#	1.13/0	1.13/0	1.13/0	Direct transaction costs (%)#	0.0570	0.05/0	0.03/0
Prices [≈]				Prices≈			
Highest share price	157.83	157.46	144.16	Highest share price	116.95	119.68	114.14
Lowest share price	146.97	136.41	134.19	Lowest share price	110.87	104.81	106.85

COMPARATIVE TABLES (CONTINUED)

Class R3 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	130.25	119.12	115.94
Return before operating charges [†]	4.92	12.85	4.88
Operating charges	(0.84)	(0.79)	(0.75)
Return after operating charges [†]	4.08	12.06	4.13
Distributions	(4.54)	(4.64)	(4.74)
Retained distributions on accumulation shares	4.25	3.71	3.79
Closing net asset value per share	134.04	130.25	119.12
[†] after direct transaction costs of	_	_	-
Performance			
Return after charges	3.13%	10.12%	3.56%
Other information			
Closing net asset value (£000)	22,754	31,498	15,923
Closing number of shares	16,975,144	24,183,877	13,367,309
Operating charges (%) [‡]	0.63%	0.63%	0.63%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	137.31	136.32	124.05
Lowest share price	127.41	117.87	115.35

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

 $[\]approx$ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. 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 Fig	gure*	
Share class	15.10.17	15.10.16
Class 1	1.13%	1.13%
Class 3	0.33%	0.33%
Class R3	0.63%	0.63%

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

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.

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

⁽b) The Ongoing Charge 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).

PORTFOLIO STATEMENT

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equities 0.00% (0.00%)				
United Kingdom 0.00% (0.00%)				
Automotive Products Preference 9.00%^	GBP	692,258	_	_
Whitnash Preference 6.50%^	GBP	312,500		_
Equities total				
Government Bond 0.00% (4.62%)				
United Kingdom 0.00% (4.62%)				
Government Bond total				_
Corporate Bonds 95.08% (86.16%)				
Australia 1.02% (1.22%)				
Goodman Australia Finance, REIT 9.75% 16/07/2018	GBP	2,600,000	2,766	1.02
			2,766	1.02
Belgium 0.82% (0.00%)	-			
Anheuser-Busch InBev 2.85% 25/05/2037	GBP	2,275,000	2,214	0.82
			2,214	0.82
Cayman Islands 3.23% (3.27%) Parmalat Capital Finance 9.38% Perpetual^	GBP	5,790,000	_	_
Thames Water Utilities Cayman Finance 2.88% 03/05/2027	GBP	1,800,000	1,764	0.65
Thames Water Utilities Cayman Finance 7.74% 09/04/2058	GBP	969,000	1,971	0.73
ΓΗΡΑ Finance, Series B 8.24% 15/03/2028	GBP	4,499,000	5,004	1.85
			8,739	3.23
France 4.90% (8.86%)				
AXA, FRN 5.63% 16/01/2054	GBP	3,220,000	3,725	1.37
Electricite de France 6.13% 02/06/2034	GBP	3,500,000	4,725	1.74
Electricite de France, FRN 5.87% Perpetual	GBP	1,400,000	1,485	0.55
Orange 5.38% 22/11/2050 Orange, FRN 5.87% Perpetual	GBP GBP	1,900,000 580,000	2,703 645	1.00 0.24
orange, This 3.07 /01 espectual	dbl	360,000	13,283	4.90
Germany 4.50% (0.67%)				
Kreditanstalt fuer Wiederaufbau 2.00% 06/12/2018	GBP	12,000,000	12,197	4.50
			12,197	4.50
reland 0.00% (2.14%)				
lt aly 2.88% (1.99%) Enel, FRN 6.62% 15/09/2076	GBP	3,200,000	3,613	1.33
Telecom Italia 5.88% 19/05/2023	GBP	2,700,000	3,153	1.17
Telecom Italia 2.38% 12/10/2027	EUR	1,165,000	1,036	0.38
			7,802	2.88
l <mark>apan 0.35% (0.00%)</mark> SoftBank Group 4.00% 19/09/2029	ELID	1.056.000	020	0.25
SOILBAIK G10UP 4.00% 19/09/2029	EUR	1,056,000	939	0.35
Jorgan 7 159/ /7 249/\			959	0.55
ersey 7.15% (7.24%) AA Bond 6.27% 02/07/2043	GBP	4,055,000	4,870	1.80
AA Bond 5.50% 31/07/2043	GBP	2,600,000	2,684	0.99
Gatwick Funding 5.25% 23/01/2026	GBP	3,400,000	4,002	1.48
Gatwick Funding 2.63% 07/10/2048	GBP	2,615,000	2,356	0.87
Heathrow Funding 7.13% 14/02/2024	GBP	4,300,000	5,441	2.01
Marries 2 COO/ /2 4F9/\			19,353	7.15
Mexico 2.60% (2.45%) America Movil 4.38% 07/08/2041	GBP	3,528,000	4,064	1.50
America Movil, Series B, FRN 6.37% 06/09/2073	EUR	2,800,000	2,990	1.10
		•	7,054	2.60
			.,	

Investment	Currency	Holding	Market Value £000	% of Net Assets
Netherlands 5.03% (5.13%)				
ABN AMRO Bank 1.00% 30/06/2020	GBP	1,400,000	1,392	0.51
ABN AMRO Bank 1.00% 30/06/2020	GBP	900,000	896	0.33
Cooperatieve Rabobank 4.63% 23/05/2029	GBP	1,000,000	1,136	0.42
E.ON International Finance 6.38% 07/06/2032	GBP	1,800,000	2,525	0.93
Enel Finance International 5.75% 14/09/2040	GBP	1,000,000	1,348	0.50
NG Bank, FRN 6.88% 29/05/2023	GBP	5,000,000	5,164	1.91
nnogy Finance 5.50% 06/07/2022	GBP	1,000,000	1,173	0.43
(/)			13,634	5.03
Spain 1.33% (1.26%) Felefonica Emisiones 5.45% 08/10/2029	GBP	2,900,000	3,597	1.33
		,,	3,597	1.33
Switzerland 0.59% (0.00%)				
Credit Suisse Group, FRN 2.13% 12/09/2025	GBP	1,630,000	1,602	0.59
11. 11. 14. 14. 14. 14. 14. 14. 14. 14.			1,602	0.59
United Kingdom 44.92% (40.48%) Annington Funding, REIT 2.65% 12/07/2025	GBP	2,355,000	2,370	0.88
Annington Funding, REIT 3.94% 12/07/2047	GBP	1,096,000	1,161	0.43
Aviva, FRN 5.90% Perpetual [†]	GBP	3,610,000	3,913	1.45
Barclays 3.25% 12/02/2027	GBP	4,100,000	4,211	1.56
Barclays Bank 10.00% 21/05/2021	GBP	2,557,000	3,229	1.19
Barclays Bank 4.25% 12/01/2022	GBP	1,800,000	2,030	0.75
Barclays Bank, FRN 14.00% Perpetual	GBP	1,500,000	1,762	0.65
BAT International Finance 2.25% 09/09/2052	GBP	2,300,000	1,828	0.68
Broadgate Financing, Series B, REIT 5.00% 05/10/2033	GBP	295,000	359	0.13
Cadent Finance 2.13% 22/09/2028	GBP	3,200,000	3,080	1.14
Canary Wharf Finance II, REIT , Series A1 6.46% 22/10/2033	GBP	968,636	1,237	0.46
Channel Link Enterprises Finance, Series A5, FRN 3.04% 30/06/2050	GBP	821,000	817	0.30
OS Smith 2.88% 26/07/2029	GBP	1,725,000	1,680	0.62
Eastern Power Networks 4.75% 30/09/2021	GBP	3,000,000	3,379	1.25
Firstgroup 6.88% 18/09/2024	GBP	3,000,000	3,811	1.41
GlaxoSmithKline Capital 4.25% 18/12/2045	GBP	2,000,000	2,535	0.94
Great Rolling Stock 6.50% 05/04/2031	GBP	2,035,000	2,612	0.96
Greene King Finance, Series B1 5.70% 15/12/2034	GBP	3,982,000	3,723	1.37
HSBC Holdings 6.75% 11/09/2028 HSBC Holdings, FRN 3.26% 13/03/2023	GBP USD	3,800,000	4,996	1.84 0.99
mperial Brands Finance 9.00% 17/02/2022	GBP	3,500,000 5,220,000	2,692 6,775	2.50
Intu Metrocentre Finance, REIT 4.13% 06/12/2028	GBP	3,220,000	3,613	1.33
Juturna European Loan Conduit No. 16 5.06% 10/08/2033	GBP	2,373,447	2,872	1.06
Legal & General Group, FRN 10.00% 23/07/2041	GBP	3,200,000	4,084	1.51
Lloyds Bank 5.13% 07/03/2025	GBP	1,000,000	1,238	0.46
Lloyds Bank 7.63% 22/04/2025	GBP	3,400,000	4,533	1.67
Lloyds Banking Group 2.25% 16/10/2024	GBP	2,474,000	2,450	0.90
Meadowhall Finance, REIT, Series B 4.99% 12/07/2037	GBP	1,621,827	1,987	0.73
Mitchells & Butlers Finance, Series C1 6.47% 15/09/2032	GBP	2,600,000	3,186	1.18
Newcastle Building Society, FRN 3.85% 23/12/2019	GBP	2,000,000	1,840	0.68
Notting Hill Housing Trust, REIT 3.75% 20/12/2032	GBP	3,200,000	3,515	1.30
Prudential, FRN 11.37% 29/05/2039	GBP	2,900,000	3,352	1.24
RELX Investments 2.75% 01/08/2019	GBP	3,200,000	3,276	1.21
Segro, REIT 2.38% 11/10/2029	GBP	1,461,000	1,443	0.53
Sky Group Finance 5.75% 20/10/2017	GBP	3,100,000	3,101	1.15
Spirit Issuer, Series A4 6.58% 28/12/2027	GBP	2,482,000	2,631	0.97
Standard Chartered 4.38% 18/01/2038	GBP	2,500,000	2,768	1.02
Standard Life Aberdeen, FRN 5.50% 04/12/2042	GBP	2,400,000	2,690	0.99
Tesco 4.88% 24/03/2042	GBP	3,700,000	3,731	1.38
Travis Perkins 4.38% 15/09/2021	GBP	2,218,000	2,348	0.87
JNITE USAF II 3.92% 30/06/2030	GBP	719,000	805	0.30
Virgin Media Secured Finance 5.50% 15/01/2025	GBP	2,700,000	2,843	1.05
Western Power Distribution West Midlands 5.75% 16/04/2032	GBP	3,800,000	5,128	1.89
			121,634	44.92

PORTFOLIO STATEMENT (CONTINUED)

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 15.76% (11.45%)				
AT&T 4.38% 14/09/2029	GBP	2,645,000	2,941	1.09
AT&T 4.25% 01/06/2043	GBP	3,500,000	3,629	1.34
AT&T 5.30% 14/08/2058	USD	1,680,000	1,267	0.47
Bank of America 7.75% 30/04/2018	GBP	3,200,000	3,317	1.23
Bank of America 7.00% 31/07/2028	GBP	2,500,000	3,501	1.29
Bank of America, FRN 2.88% 24/04/2023	USD	5,300,000	4,006	1.48
Citigroup 2.90% 08/12/2021	USD	3,500,000	2,667	0.98
Citigroup 4.50% 03/03/2031	GBP	3,500,000	4,052	1.50
Goldman Sachs Group 3.00% 26/04/2022	USD	4,200,000	3,196	1.18
JPMorgan Chase 4.63% Perpetual	USD	4,400,000	3,311	1.22
Prologis, REIT 2.25% 30/06/2029	GBP	380,000	363	0.13
Verizon Communications 4.13% 15/08/2046	USD	1,098,000	746	0.28
Verizon Communications 5.50% 16/03/2047	USD	2,769,000	2,287	0.84
Wal-Mart Stores 3.63% 15/12/2047	USD	1,170,000	883	0.33
Wells Fargo 2.00% 28/07/2025	GBP	3,500,000	3,450	1.27
Wells Fargo 3.50% 12/09/2029	GBP	2,800,000	3,066	1.13
			42,682	15.76
Corporate Bonds total			257,496	95.08
Supranationals 5.17% (7.33%)				
European Investment Bank 1.50% 01/02/2019	GBP	4,000,000	4,046	1.49
European Investment Bank 5.00% 15/04/2039	GBP	5,300,000	7,838	2.89
European Investment Bank 4.63% 12/10/2054	GBP	1,300,000	2,129	0.79
Supranationals total		.,,	14,013	5.17
Swaps (0.37)% ((0.09)%)				
Credit Default Swap Barclays Buy iTraxx Europe Series 27 Version 1 20/06/2022	EUR	25,040,000	(562)	(0.21)
Credit Default Swap Merrill Lynch Buy iTraxx Europe Series 27 Version 1 20/06/2022			, ,	
	EUR	20,000,000	(449)	(0.16)
Swaps total			(1,011)	(0.37)
Forward Currency Contracts (0.13)% ((0.14)%)				
Buy EUR 905,000 sell GBP 799,716 dated 20/12/2017			7	_
Buy GBP 1,077,340 sell EUR 1,200,000 dated 20/12/2017			8	_
Buy GBP 3,979,517 sell EUR 4,500,000 dated 20/12/2017			(31)	(0.01)
Buy GBP 20,993,486 sell USD 28,512,000 dated 20/12/2017			(419)	(0.15)
Buy USD 5,750,000 sell GBP 4,239,606 dated 20/12/2017			78	0.03
Forward Currency Contracts total			(357)	(0.13)
Futures (0.20)% (0.13%)				
Euro-Bund 07/12/2017	EUR	(25)	(12)	(0.01)
Long Gilt 27/12/2017	GBP	301	(605)	(0.22)
US Ultra Bond 19/12/2017	USD	(45)	75	0.03
Futures total	030	(43)	(542)	(0.20)
			, ,	
Investment assets (including investment liabilities)			269,599	99.55
Net other assets			1,209	0.45
Net assets			270,808	100.00

 $All\ holdings\ are\ debt\ securities\ denominated\ in\ Sterling\ and\ admitted\ to\ an\ official\ stock\ exchange\ unless\ otherwise\ stated.$

The comparative percentage figures in brackets are as at 15 October 2016.

[^] Unlisted, suspended or delisted security.

 $[\]dagger$ A related party to the Fund.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

		Year ended 15.10.17			Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(811)		17,176
Revenue	3	11,423		12,645	
Expenses	4	(2,847)		(2,962)	
Net revenue before taxation		8,576		9,683	
Taxation	5	-		-	
Net revenue after taxation			8,576		9,683
Total return before distributions			7,765		26,859
Distributions	6		(8,576)		(9,686)
Change in net assets attributable to shareholders from investment activities			(811)		17,173

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		295,593		285,131
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	4,997		11,962	
Amounts payable on cancellation of shares	(32,821)		(22,405)	
		(27,824)		(10,443)
Change in net assets attributable to shareholders from investment activities (see above)		(811)		17,173
Retained distribution on accumulation shares		3,844		3,732
Unclaimed distribution monies		6		-
Closing net assets attributable to shareholders		270,808		295,593

BALANCE SHEET

As at 15 October 2017

		As at	As at
		15.10.17	15.10.16
	Notes	£000	£000
Assets:			
Investments		271,677	290,366
Current assets:			
Debtors	8	4,253	5,456
Cash and bank balances	9	5,923	2,117
Total assets		281,853	297,939
Liabilities:			
Investment liabilities		(2,078)	(668)
Creditors:			
Distribution payable		(786)	(852)
Other creditors	10	(8,181)	(826)
Total liabilities		(11,045)	(2,346)
Net assets attributable to shareholders		270,808	295,593

NOTES TO THE FINANCIAL STATEMENT

1 Accounting basis and policiesPlease see pages 7 to 9 for accounting basis and policies.

2 Net capital (losses)/gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital (losses)/gains on investments during the year comprise:		
Currency (losses)/gains	(160)	231
Derivative contracts gains/(losses)	48	(874)
Expenses relating to the purchase and sale of investments	(3)	(3)
Forward currency contracts gains/(losses)	1,507	(2,142)
Non-derivative securities (losses)/gains	(2,203)	19,964
Net capital (losses)/gains	(811)	17,176

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	7	2
Income from derivatives	(34)	(281)
Interest on debt securities	11,450	12,924
Total revenue	11,423	12,645

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	2,490	2,585
Registration fees	268	278
	2,758	2,863
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	38	35
Interest payable	2	15
Safe custody fee	27	27
	67	77
Other expenses:		
Audit fee*	12	11
Printing & postage expenses	1	3
Statement fees	9	8
	22	22
Total expenses	2,847	2,962

^{*} The audit fee was £9,683 (2016: £9,683) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Corporation tax	-	_
Total tax for the year (see note 5b)	-	_

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	8,576	9,683
Corporation tax at 20%	1,715	1,937
Effects of:		
Movement in excess expenses	(3)	3
Tax deductible on interest distributions	(1,712)	(1,940)
	(1,715)	(1,937)
Total tax for the year (see note 5a)	-	_

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 year end (2016: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £1,000 (2016: £15,000) creating a potential deferred tax asset of £nil (2016: £3,000). 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 15.10.17	Year ended 15.10.16
	£000	£000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Gross interest distribution for the six months ended 15 April	3,938	5,028
Gross interest distribution for the five months ended 15 September	3,708	3,972
Gross interest distribution for the month ended 15 October	885	673
	8,531	9,673
Add: Revenue deducted on cancellation of shares	54	32
Deduct: Revenue received on issue of shares	(9)	(19)
Total distributions	8,576	9,686
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	8,576	9,686
Equalisation on conversions	-	(3)
Net revenue after taxation	8,576	9,683

Details of the distributions per share are set out in the distribution tables on pages 224 to 229.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Liabilities at 15.10.17 £000	Assets at 15.10.16 £000	Liabilities at 15.10.16 £000
Level 1: Quoted prices	75	(617)	197	-
Level 2: Observable market data	271,602	(1,461)	290,169	(668)
Total value	271,677	(2,078)	290,366	(668)

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	4,076	5,167
Amounts receivable on issue of shares	127	97
Overseas tax recoverable	32	-
Sales awaiting settlement	18	192
Total debtors	4,253	5,456

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Amounts held at futures clearing house and brokers	1,286	137
Cash and bank balances	4,637	1,980
Total cash and bank balances	5,923	2,117

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	360	386
Amounts payable for cancellation of shares	354	440
Purchases awaiting settlement	7,467	-
Total creditors	8,181	826

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: fnil).

12 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.

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 ACD periodic charges was £288,000 (2016: £323,000) and registration fees was £31,000 (2016: £35,000). 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 10

Distributions payable to the ACD and related parties of the ACD during the year amounted to £520,000 (2016: £462,000). The amount outstanding at the year end was £91,000 (2016: £69,000). 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.

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 (2016: £1,046,000) and £nil (2016: £nil) respectively. The income received during the year amounted to £213,000 (2016: £193,000).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 1 Income shares)	_	(82,746)	82,746
ACD and related parties (share class 1 Accumulation shares)	6	(8,694)	8,700
ACD and related parties (share class 3 Accumulation shares)	7,264,037	(325,545)	7,589,582
ACD and related parties (share class R3 Income shares)	674,500	88,335	586,165
ACD and related parties (share class R3 Accumulation shares)	1,495,480	(10,417)	1,505,897

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

13 Shareholder funds

The Fund currently has three share classes: Class 1 and Class R3 (Retail) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 1.00% Class 3: 0.30% Class R3: 0.50%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 211 and 212. The distributions per share are given in the distribution tables on pages 224 to 229. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Share Class 1 Income	247,204,320	212,520	(17,188,429)	(636,656)	229,591,755
Share Class 1 Accumulation	65,962,940	136,848	(4,624,670)	(106,453)	61,368,665
Share Class 3 Accumulation	7,589,582	491,466	(817,011)	_	7,264,037
Share Class R3 Income	19,816,713	1,469,099	(3,091,553)	294,490	18,488,749
Share Class R3 Accumulation	24,183,877	1,649,503	(8,980,766)	122,530	16,975,144

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency risk

At the year end date, (0.02)% (2016: 0.28%) of the net assets of the Fund were denominated in currencies other than sterling and as such, the currency risk is not considered significant.

Interest rate risk

At the year end date 102.45% (2016: 98.82%) of the net assets of the Fund were interest bearing. If the interest rates were to change by 1%, the value of the Fund will change by 0.18% (2016: 0.82%).

The interest rate profile of the Fund's financial assets and liabilities at 15 October 2017 was:

Currency 15.10.17	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	49,587	201,610	25,353	276,550
Euro	3,092	1,975	37	5,104
US Dollar	10,121	11,047	265	21,433
Financial Liabilities				
Sterling	_	-	(5,699)	(5,699)
Euro	_	-	(5,296)	(5,296)
US Dollar	_	-	(21,284)	(21,284)
Total	62,800	214,632	(6,624)	270,808

The interest rate profile of the Fund's financial assets and liabilities at 15 October 2016 was:

Currency 15.10.16	Floating Rate £000	Fixed Rate £000	None £000	Total £000
Financial Assets				
Sterling	9,501	271,728	15,224	296,453
Euro	816	-	18	834
US Dollar	944	9,124	317	10,385
Financial Liabilities				
Sterling	_	-	(1,679)	(1,679)
Euro	_	-	(243)	(243)
US Dollar	_	-	(10,157)	(10,157)
Total	11,261	280,852	3,480	295,593

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate financial assets comprise investments in variable interest rate paying corporate debt and sterling denominated bank balances that bear interest rates based on LIBOR.

Market price risk

At the year end date, 99.55% (2016: 98.01%) 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 9.96% (2016: 9.80%).

16 Counterparty exposure

Financial derivative exposure

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

15.10.17	Forward currency contracts £000	Futures contracts £000	Total £000
Citigroup Global Markets	8	_	8
Goldman Sach	(418)	_	(418)
HSBC	29	_	29
JPMorgan	4	75	79
Royal Bank of Canada	(32)	_	(32)
Société Générale	6	_	6
UBS	46	_	46
Total	(357)	75	(282)

15.10.16	Forward currency contracts £000	Futures contracts £000	Total £000
JPMorgan	(418)	371	(47)
Total	(418)	371	(47)

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

Collatera

At the year end date no collateral was held or pledged by the company or on behalf of the counterparties in respect of the above (2016: £nil).

17 Debt security credit analysis

		Market value £000		net assets %
	15.10.17	15.10.16	15.10.17	15.10.16
Investment grade	219,130	240,845	80.90%	81.47%
Below investment grade	49,068	47,264	18.13%	16.00%
Unrated	3,311	1,886	1.22%	0.64%
Total debt securities	271,509	289,995	100.25%	98.11%

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

18 Direct transaction costs

Due to the nature of the investments held, no transaction costs or taxes were incurred on the Fund's purchases or sales during the current year ended 15 October 2017 (2016: £nil). The total purchases for the year amounted to £136,252,000 (2016: £147,388,000) and the total sales amounted to £150,931,000 (2016: £156,761,000).

Dealing spread

As at 15 October 2017, the average portfolio dealing spread was 0.67% (2016: 0.96%). 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.

19 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: fnil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the month ended 15 October 2017

Income shares		Gross revenue	Equalisation	Final distribution payable 27 November 2017	Final distribution paid 27 November 2016
Share Class 1	Group 1	0.1602	_	0.1602	0.0915
	Group 2	0.0765	0.0837	0.1602	0.0915
Share Class R3	Group 1	0.3930	_	0.3930	0.2348
	Group 2	0.0956	0.2974	0.3930	0.2348

Accumulation shares		Gross revenue	Equalisation	Final distribution payable 27 November 2017	Final distribution paid 27 November 2016
Share Class 1	Group 1	0.5217	-	0.5217	0.2612
	Group 2	0.1860	0.3357	0.5217	0.2612
Share Class 3	Group 1	0.4868	-	0.4868	0.3718
	Group 2	0.4868	0.0000	0.4868	0.3718
Share Class R3	Group 1	0.5257	_	0.5257	0.2686
	Group 2	0.1758	0.3499	0.5257	0.2686

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 September 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 September 2017.

Interim distribution paid in pence per share for the month ended 15 September 2017

Income shares		Gross revenue	Equalisation	Interim distribution payable 27 October 2017	Interim distribution paid 27 October 2016
Share Class 1	Group 1	0.1250	_	0.1250	0.0999
	Group 2	0.0058	0.1192	0.1250	0.0999
Share Class R3	Group 1	0.3100	_	0.3100	0.2618
	Group 2	0.0113	0.2987	0.3100	0.2618

	Gross revenue	Equalisation	Interim distribution payable 27 October 2017	Interim distribution paid 27 October 2016
Group 1	0.3563	-	0.3563	0.2840
Group 2	0.0000	0.3563	0.3563	0.2840
Group 1	0.5143	_	0.5143	0.3843
Group 2	0.1784	0.3359	0.5143	0.3843
Group 1	0.3539	-	0.3539	0.2975
Group 2	0.0506	0.3033	0.3539	0.2975
_	Group 2 Group 1 Group 2 Group 1	Group 1 0.3563 Group 2 0.0000 Group 1 0.5143 Group 2 0.1784 Group 1 0.3539	Group 1 0.3563 Group 2 0.0000 0.3563 Group 1 0.5143 Group 2 0.1784 0.3359 Group 1 0.3559	Group 1 0.3563 Equalisation Payable 27 October 2017 Group 1 0.3563 — 0.3563 Group 2 0.0000 0.3563 0.3563 Group 1 0.5143 — 0.5143 Group 2 0.1784 0.3359 0.5143 Group 1 0.3593 — 0.3539

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 August 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 August 2017.

Interim distribution paid in pence per share for the month ended 15 August 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 27 September 2017	Interim distribution paid 27 September 2016
Share Class 1	Group 1	0.1625	_	0.1625	0.1000
	Group 2	0.0212	0.1413	0.1625	0.1000
Share Class R3	Group 1	0.4000	_	0.4000	0.2800
	Group 2	0.1135	0.2865	0.4000	0.2800

Accumulation shares		Gross revenue	Equalisation	Interim distribution paid 27 September 2017	Interim distribution paid 27 September 2016
Share Class 1	Group 1	0.4631	-	0.4631	0.2845
	Group 2	0.0259	0.4372	0.4631	0.2845
Share Class 3	Group 1	0.5170	-	0.5170	0.3911
	Group 2	0.2756	0.2414	0.5170	0.3911
Share Class R3	Group 1	0.4566	_	0.4566	0.3189
	Group 2	0.0000	0.4566	0.4566	0.3189

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 July 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 July 2017.

Interim distribution paid in pence per share for the month ended 15 July 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 25 August 2017	Interim distribution paid 27 August 2016
Share Class 1	Group 1	0.1500	-	0.1500	0.1150
	Group 2	0.0214	0.1286	0.1500	0.1150
Share Class R3	Group 1	0.3750	_	0.3750	0.2800
	Group 2	0.0616	0.3134	0.3750	0.2800

Accumulation shares		Gross revenue	Equalisation	Interim distribution paid 25 August 2017	Interim distribution paid 27 August 2016
Share Class 1	Group 1	0.4275	_	0.4275	0.3264
	Group 2	0.0000	0.4275	0.4275	0.3264
Share Class 3	Group 1	0.7624	_	0.7624	0.4173
	Group 2	0.4579	0.3045	0.7624	0.4173
Share Class R3	Group 1	0.4280	_	0.4280	0.3181
	Group 2	0.1029	0.3251	0.4280	0.3181

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 June 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 June 2017.

Interim distribution paid in pence per share for the month ended 15 June 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 27 July 2017	Interim distribution paid 27 July 2016
Share Class 1	Group 1	0.1250	-	0.1250	0.1150
	Group 2	0.0429	0.0821	0.1250	0.1150
Share Class R3	Group 1	0.3250	_	0.3250	0.2800
	Group 2	0.0896	0.2354	0.3250	0.2800

Accumulation shares		Gross revenue	Equalisation	Interim distribution paid 27 July 2017	Interim distribution paid 27 July 2016
Share Class 1	Group 1	0.3563	-	0.3563	0.3257
	Group 2	0.0511	0.3052	0.3563	0.3257
Share Class 3	Group 1	0.4734	-	0.4734	0.4771
	Group 2	0.1475	0.3259	0.4734	0.4771
Share Class R3	Group 1	0.3710	_	0.3710	0.3173
	Group 2	0.0558	0.3152	0.3710	0.3173

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 May 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 May 2017.

Interim distribution paid in pence per share for the month ended 15 May 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 27 June 2017	Interim distribution paid 27 June 2016
Share Class 1	Group 1	0.1250	_	0.1250	0.1150
	Group 2	0.0188	0.1062	0.1250	0.1150
Share Class R3	Group 1	0.3250	_	0.3250	0.2800
	Group 2	0.1081	0.2169	0.3250	0.2800

Accumulation shares		Gross revenue	Equalisation	Interim distribution paid 27 June 2017	Interim distribution paid 27 June 2016
Share Class 1	Group 1	0.3563	-	0.3563	0.3250
	Group 2	0.0000	0.3563	0.3563	0.3250
Share Class 3	Group 1	0.5101	-	0.5101	0.4054
	Group 2	0.2827	0.2274	0.5101	0.4054
Share Class R3	Group 1	0.3710	-	0.3710	0.3165
	Group 2	0.0270	0.3440	0.3710	0.3165

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

Interim distribution paid in pence per share for the month ended 15 April 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 26 May 2017	Interim distribution paid 27 May 2016
Share Class 1	Group 1	0.1000	-	0.1000	0.1150
	Group 2	0.0005	0.0995	0.1000	0.1150
Share Class R3	Group 1	0.2600	_	0.2600	0.2800
	Group 2	0.0077	0.2523	0.2600	0.2800

Accumulation shares		Gross revenue	Equalisation	Interim distribution paid 26 May 2017	Interim distribution paid 27 May 2016
Share Class 1	Group 1	0.2850	-	0.2850	0.3242
	Group 2	0.0000	0.2850	0.2850	0.3242
Share Class 3	Group 1	0.4796	-	0.4796	0.4461
	Group 2	0.2023	0.2773	0.4796	0.4461
Share Class R3	Group 1	0.2968	_	0.2968	0.3157
	Group 2	0.0230	0.2738	0.2968	0.3157

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 March 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 March 2017.

Interim distribution paid in pence per share for the month ended 15 March 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 27 April 2017	Interim distribution paid 27 April 2016
Share Class 1	Group 1	0.1000	_	0.1000	0.1150
	Group 2	0.0345	0.0655	0.1000	0.1150
Share Class R3	Group 1	0.2600	_	0.2600	0.2800
	Group 2	0.1013	0.1587	0.2600	0.2800

Accumulation shares		Gross revenue	Equalisation	Interim distribution paid 27 April 2017	Interim distribution paid 27 April 2016
Share Class 1	Group 1	0.2850	_	0.2850	0.3235
	Group 2	0.0799	0.2051	0.2850	0.3235
Share Class 3	Group 1	0.4709	-	0.4709	0.4201
	Group 2	0.3096	0.1613	0.4709	0.4201
Share Class R3	Group 1	0.2968	-	0.2968	0.3149
	Group 2	0.0722	0.2246	0.2968	0.3149

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 February 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 February 2017.

Interim distribution paid in pence per share for the month ended 15 February 2017

Income shares		Gross revenue	Income tax at 20%	Net revenue	Equalisation	Interim distribution paid 27 March 2017	Interim distribution paid 27 March 2016
Share Class 1	Group 1	0.1250	0.0250	0.1000	_	0.1000	0.1150
	Group 2	0.0503	0.0101	0.0402	0.0598	0.1000	0.1150
Share Class R3	Group 1	0.3250	0.0650	0.2600	-	0.2600	0.2800
	Group 2	0.1343	0.0269	0.1074	0.1526	0.2600	0.2800

Accumulation shares		Gross revenue	Income tax at 20%	Net revenue	Equalisation	Interim distribution paid 27 March 2017	Interim distribution paid 27 March 2016
Share Class 1	Group 1	0.3563	0.0713	0.2850	-	0.2850	0.3228
	Group 2	0.1850	0.0370	0.1480	0.1370	0.2850	0.3228
Share Class 3	Group 1	0.5554	0.1111	0.4443	-	0.4443	0.4362
	Group 2	0.2710	0.0542	0.2168	0.2275	0.4443	0.4362
Share Class R3	Group 1	0.3710	0.0742	0.2968	-	0.2968	0.3140
	Group 2	0.1328	0.0266	0.1062	0.1906	0.2968	0.3140

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 January 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 January 2017.

Interim distribution paid in pence per share for the month ended 15 January 2017

Income shares		Gross revenue	Income tax at 20%	Net revenue	Equalisation	Interim distribution paid 27 February 2017	Interim distribution paid 27 February 2016
Share Class 1	Group 1	0.1234	0.0247	0.0987	_	0.0987	0.1150
	Group 2	0.0380	0.0076	0.0304	0.0683	0.0987	0.1150
Share Class R3	Group 1	0.3125	0.0625	0.2500	-	0.2500	0.2800
	Group 2	0.1635	0.0327	0.1308	0.1192	0.2500	0.2800

Accumulation shares		Gross revenue	Income tax at 20%	Net revenue	Equalisation	Interim distribution paid 27 February 2017	Interim distribution paid 27 February 2016
Share Class 1	Group 1	0.3516	0.0703	0.2813	-	0.2813	0.3219
	Group 2	0.1605	0.0321	0.1284	0.1529	0.2813	0.3219
Share Class 3	Group 1	0.4743	0.0949	0.3794	_	0.3794	0.4458
	Group 2	0.1906	0.0381	0.1525	0.2269	0.3794	0.4458
Share Class R3	Group 1	0.3568	0.0714	0.2854	_	0.2854	0.3132
	Group 2	0.1276	0.0255	0.1021	0.1833	0.2854	0.3132

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 December 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 December 2016.

Interim distribution paid in pence per share for the month ended 15 December 2016

Income shares		Gross revenue	Income tax at 20%	Net revenue	Equalisation	Interim distribution paid 27 January 2017	Interim distribution paid 27 January 2016
Share Class 1	Group 1	0.1250	0.0250	0.1000	_	0.1000	0.1100
	Group 2	0.0719	0.0144	0.0575	0.0425	0.1000	0.1100
Share Class R3	Group 1	0.3125	0.0625	0.2500	-	0.2500	0.2800
	Group 2	0.1601	0.0320	0.1281	0.1219	0.2500	0.2800

Accumulation shares		Gross revenue	Income tax at 20%	Net revenue	Equalisation	Interim distribution paid 27 January 2017	Interim distribution paid 27 January 2016
Share Class 1	Group 1	0.3563	0.0713	0.2850	_	0.2850	0.3073
	Group 2	0.2009	0.0402	0.1607	0.1243	0.2850	0.3073
Share Class 3	Group 1	0.4933	0.0987	0.3946	-	0.3946	0.4572
	Group 2	0.3766	0.0753	0.3013	0.0933	0.3946	0.4572
Share Class R3	Group 1	0.3568	0.0714	0.2854	_	0.2854	0.3124
	Group 2	0.1401	0.0280	0.1121	0.1733	0.2854	0.3124

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 November 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 November 2016.

Interim distribution paid in pence per share for the month ended 15 November 2016

Income shares		Gross revenue	Income tax at 20%	Net revenue	Equalisation	Interim distribution paid 27 December 2016	Interim distribution paid 27 December 2015
Share Class 1	Group 1	0.1250	0.0250	0.1000	_	0.1000	0.1100
	Group 2	0.0774	0.0155	0.0619	0.0381	0.1000	0.1100
Share Class R3	Group 1	0.3125	0.0625	0.2500	_	0.2500	0.2719
	Group 2	0.1523	0.0305	0.1218	0.1282	0.2500	0.2719

Accumulation shares		Gross revenue	Income tax at 20%	Net revenue	Equalisation	Interim distribution paid 27 December 2016	Interim distribution paid 27 December 2015
Share Class 1	Group 1	0.3563	0.0713	0.2850	-	0.2850	0.3065
	Group 2	0.1883	0.0377	0.1506	0.1344	0.2850	0.3065
Share Class 3	Group 1	0.5313	0.1063	0.4250	-	0.4250	0.4104
	Group 2	0.2093	0.0419	0.1674	0.2576	0.4250	0.4104
Share Class R3	Group 1	0.3568	0.0714	0.2854	-	0.2854	0.3026
	Group 2	0.1625	0.0325	0.1300	0.1554	0.2854	0.3026

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Up to 5 April 2017, the distributions payable were calculated after the deduction of basic rate income tax. From 6 April 2017, distributions payable are calculated without deducting this tax. The tax treatment of distributions will depend on an investor's individual circumstances.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS STRATEGIC BOND FUND

INVESTMENT OBJECTIVE

To provide a high total return from a diversified portfolio of global debt securities.

INVESTMENT POLICY

Diversified investment in global fixed interest securities, including non-investment grade.

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

Note: at least 80 per cent of assets will either be in sterling or currency hedged back to sterling.

FUND MANAGER'S REPORT

Performance

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 3.00 per cent (share class 1) net of fees. The Fund's peer group, the Investment Association's (IA) Sterling Strategic Bond sector, generated net return of 3.87 per cent.

Review

The Fund posted a positive return in the twelve months under review, thanks largely to its exposure to corporate bonds. However, relative returns were hurt by the portfolio's cautious positioning given our concerns about rich bond market valuations and the ability of the Trump administration to follow through on its ambitious economic stimulus agenda. The Fund's avoidance of energy-related companies detracted from performance initially, although the renewed weakness of the oil market at the start of 2017 helped to compensate. The Fund's holdings in conventional government bonds were unhelpful as total returns were pushed into negative territory by concerns about rising global inflation bringing forward interest hikes from the main central banks.

The Fund was positioned cautiously given the number of political and monetary policy uncertainties hanging over the global economy. At the global level, we favoured US and UK-based bonds, as we felt that yields would be more attractive than in the Eurozone, where central bank policy continued to depress payouts. With new technologies and uneven demand disrupting the commodity markets, we opted to take no exposure to energy-related corporate bonds. At the sector level, we were overweight in telecoms and underweight in basic industries. In terms of our government bond exposure, we were underweight in US treasuries but held exposure to US index-linked bonds to hedge against the potential for rising inflation. With central bank policies having distorted the market to the degree that investors were not being rewarded for taking interest rate or credit risk, we were able to achieve a competitive yield of around three per cent by holding certain shorter-dated, higher-quality corporate bonds.

Outlook

We are cautious on the outlook for bond markets as the recent improvement in the performance of the global economy will put pressure on the main central banks to press ahead with the normalisation of monetary policy. While bond-purchasing programmes, otherwise known as quantitative easing, and the maintenance of ultra-low interest rates have helped drive strong returns from the fixed income markets since the global financial crisis, this support is now gradually being removed. That said, the process is expected to be gradual, with interest rates in the US and UK likely to rise very slowly. It should also be noted that

the European Central Bank (ECB) has recently extended the timeline for its quantitative easing by nine months, which will be supportive of the market as a whole. We expect corporate bonds, particularly in the lower-quality area of the market, to outperform government bonds as company profits reflect the improving economic outlook.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied.

Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on page 231 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 an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

Material Portfolio Changes

Purchases	Sales
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP	Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP
US Treasury 2.00% 15/11/2026	UK Treasury 1.00% 07/09/2017
Lloyds Bank, FRN 12.00% Perpetual	Royal Bank of Scotland, FRN 9.50% 16/03/2022
JPMorgan Chase 4.63% 31/12/2049	CPUK Finance 7.00% 28/08/2042
Barclays Bank, FRN 14.00% Perpetual	UK Treasury 4.50% 07/12/2020
US Treasury 0.75% 31/08/2018	Aquarius & Investments 6.38% 01/09/2024
UK Treasury 3.75% 07/09/2021	RSA Insurance Group, FRN 9.38% 20/05/2039
Goldman Sachs Group 3.00% 26/04/2022	SoftBank Group, FRN 6.87% Perpetual
Bank of America, FRN 2.88% 24/04/2023	Orange, FRN 5.88% Perpetual
SoftBank Group, FRN 6.87% Perpetual	Glasstank 8.50% 15/05/2019

Synthetic Risk and Reward Indicator

Lower risk Higher risk

Typically lower rewards Typically higher rewards

1 2 3 4 5 6 7

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'.
- 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.
- 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 1 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	72.69	70.80	71.19
Return before operating charges [†]	3.18	5.11	3.07
Operating charges	(0.83)	(0.81)	(0.82)
Return after operating charges [†]	2.35	4.30	2.25
Distributions	(1.97)	(2.41)	(2.64)
Closing net asset value per share	73.07	72.69	70.80
† after direct transaction costs of	-	-	-
Performance			
Return after charges	3.23%	6.07%	3.16%
Other information			
Closing net asset value (£000)	3,036	3,215	4,030
Closing number of shares	4,155,254	4,423,269	5,692,906
Operating charges (%) [‡]	1.13%	1.13%	1.13%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	74.38	74.44	74.23
Lowest share price	72.30	68.53	70.99

Class 2 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	109.45	106.60	107.19
Return before operating charges [†]	4.78	7.71	4.62
Operating charges	(0.69)	(0.68)	(0.69)
Return after operating charges [†]	4.09	7.03	3.93
Distributions	(3.52)	(4.18)	(4.52)
Closing net asset value per share	110.02	109.45	106.60
† after direct transaction costs of	-	-	-
Performance			
Return after charges	3.74%	6.59%	3.67%
Other information			
Closing net asset value (£000)	291,846	299,552	218,582
Closing number of shares	265,275,262	273,690,970	205,046,770
Operating charges (%) [‡]	0.63%	0.63%	0.63%
Direct transaction costs (%)#	-	-	-
Prices≈			
Highest share price	112.07	112.16	111.88
Lowest share price	108.90	103.21	106.97

Class 3 Accumulation	2017 p per share	2016 p per share	2015
	p per snare	p per snare	p per share
Change in net assets per share			
Opening net asset value per share	206.89	194.91	189.15
Return before operating charges [†]	9.11	14.31	8.15
Operating charges	(0.69)	(0.66)	(0.65)
Return after operating charges [†]	8.42	13.65	7.50
Distributions	(7.37)	(8.33)	(8.68)
Retained distributions on accumulation shares	7.00	6.66	6.94
Closing net asset value per share	214.94	206.89	194.91
[†] after direct transaction costs of	-	_	-
Performance			
Return after charges	4.07%	7.00%	3.97%
Other information			
Closing net asset value (£000)	183,310	174,355	123,722
Closing number of shares	85,283,487	84,274,000	63,474,817
Operating charges (%) [‡]	0.33%	0.33%	0.33%
Direct transaction costs (%)#	-	-	-
Prices [≈]			
Highest share price	216.42	210.42	199.25
Lowest share price	205.89	190.38	189.36

COMPARATIVE TABLES (CONTINUED)

Class 5 Income	2017§ p per share
Change in net assets per share	PP
Opening net asset value per share	100.00
Return before operating charges [†]	4.02
Operating charges	(0.50)
Return after operating charges†	3.52
Distributions	(3.08)
Closing net asset value per share	100.44
† after direct transaction costs of	-
Performance	
Return after charges	3.52%
Other information	
Closing net asset value (£000)	102,834
Closing number of shares	102,383,647
Operating charges (%) [‡]	0.58%
Direct transaction costs (%)#	-
Prices≈	
Highest share price	102.31
Lowest share price	99.30

- ‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charge Figure where:
- (a) Changes to fee rates were made during the year and the Ongoing Charge Figure has been amended to be future proofed for this change.
- (b) The Ongoing Charge 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 $6.3.6\,\mathrm{G}$ (4).
- \approx The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. 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.
- § Class 5 was launched on 28 October 2016.

Ongoing Charges Fig	gure*	
Share class	15.10.17	15.10.16
Class 1	1.13%	1.13%
Class 2	0.63%	0.63%
Class 3	0.33%	0.33%
Class 5	0.58%	_

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

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 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Government Bonds 23.34% (25.11%)				
United Kingdom 8.68% (12.51%)				
UK Treasury 5.00% 07/03/2018	GBP	17,000,000	17,312	2.98
JK Treasury 3.75% 07/09/2021	GBP	20,000,000	22,376	3.85
JK Treasury 4.75% 07/12/2038	GBP	3,695,447	5,502	0.95
JK Treasury 4.50% 07/12/2042	GBP	3,500,000	5,251	0.90
			50,441	8.68
nited States of America 14.66% (12.60%)	1150	22.000.000	24.600	4.25
S Treasury 0.75% 31/08/2018	USD	33,000,000	24,690	4.25
S Treasury 2.00% 15/11/2026	USD	20,000,000	14,671	2.53
S Treasury Inflation Indexed, FRN 0.38% 15/07/2023	USD	23,000,000	18,488	3.18
S Treasury Inflation Indexed, FRN 0.66% 15/01/2024	USD	22,000,000	17,798	3.06
S Treasury Inflation Indexed, FRN 1.03% 15/02/2046	USD	12,000,000	9,552	1.64
			85,199	14.66
overnment Bonds total			135,640	23.34
orporate Bonds 71.81% (70.81%)				
ustralia 0.73% (0.95%)	600	4 000 000	4.256	0.73
oodman Australia Finance, REIT 9.75% 16/07/2018	GBP	4,000,000	4,256	0.73
			4,256	0.73
ayman Islands 0.35% (0.47%) HPA Finance, Series B 8.24% 15/03/2028	GBP	1,805,000	2,008	0.35
11 A Tillatice, 3ctics b 0.24% 13/03/2020	GBI	1,005,000	2,008	0.35
rance 4.56% (8.02%)			2,000	0.55
XA, FRN 5.63% 16/01/2054	GBP	6,500,000	7,520	1.30
ectricite de France, FRN 6.00% Perpetual	GBP	3,000,000	3,275	0.56
orizon Holdings I 7.25% 01/08/2023	EUR	2,949,000	2,794	0.48
range, FRN 5.88% Perpetual	GBP	1,114,000	1,239	0.40
CI Banque 3.25% 25/04/2018	GBP	5,100,000	5,158	0.21
R Group 7.38% 01/05/2026	USD	8,000,000	6,492	1.12
n Gloup 7.30% 01703/2020	030	8,000,000	26,478	4.56
owners 0.039/ /3.509/\			20,470	4.30
ermany 0.93% (3.59%) nitymedia Hessen 4.63% 15/02/2026	EUR	5,544,000	5,381	0.93
,		0,0 : 1,0 0 0	5,381	0.93
ong Kong 0.41% (0.57%)				
TIC, FRN 8.62% Perpetual	USD	3,000,000	2,395	0.41
			2,395	0.41
eland 0.00% (1.43%)				
aly 3.47% (4.52%)				
nel, FRN 8.75% 24/09/2073	USD	6,000,000	5,469	0.94
uovo Trasporto Viaggiatori, FRN 3.50% 01/06/2023	EUR	3,890,000	3,535	0.61
elecom Italia 5.88% 19/05/2023	GBP	6,700,000	7,822	1.35
elecom Italia 2.38% 12/10/2027	EUR	3,735,000	3,321	0.57
			20,147	3.47
ppan 1.22% (0.00%)	FLID	6 402 000	F 400	0.05
oftBank Group 4.00% 19/09/2029	EUR	6,182,000	5,499	0.95
oftBank Group, FRN 6.87% Perpetual	USD	2,062,000	1,601	0.27
2 - 20/ (2 - 20/)			7,100	1.22
ersey 2.74% (3.45%) A Bond 6.27% 02/07/2043	GBP	3,850,000	4,624	0.79
A Bond 5.50% 31/07/2043	GBP	6,000,000	6,194	1.07
dient Global Holdings 3.50% 15/08/2024	EUR	5,500,000	5,113	0.88
arene Global Holdings 5.30/0 15/00/2027	LOIN	3,300,000		
			15,931	2.74

PORTFOLIO STATEMENT (CONTINUED)

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Luxembourg 3.23% (2.13%)				
Altice Finco 4.75% 15/01/2028	EUR	4,250,000	3,802	0.66
Altice Luxembourg 7.25% 15/05/2022	EUR	4,000,000	3,800	0.65
Galapagos Holding 7.00% 15/06/2022	EUR	6,000,000	4,692	0.81
Kleopatra Holdings 1 8.38% 30/06/2023	EUR	5,568,000	4,946	0.85
LSF9 Balta Issuer 7.75% 15/09/2022	EUR	1,558,440	1,513	0.26
			18,753	3.23
Mexico 1.32% (1.33%)	GBP	7,000,000	7 607	1 22
America Movil, FRN 6.37% 06/09/2073	GDF	7,000,000	7,687	1.32
Netherlands 3.34% (6.05%)			,,,,,,	
Cooperatieve Rabobank 4.63% 23/05/2029	GBP	2,000,000	2,271	0.39
Koninklijke KPN, FRN 6.88% 14/03/2073	GBP	5,500,000	6,076	1.05
Telefonica Europe, FRN 6.75% Perpetual	GBP	10,000,000	11,061	1.90
			19,408	3.34
South Africa 0.13% (0.16%)	740	12,000,000	7.7	0.12
Transnet SOC 13.50% 18/04/2028	ZAR	12,000,000	767 767	0.13
Switzerland 0.57% (0.00%)			707	0.13
Credit Suisse Group, FRN 2.13% 12/09/2025	GBP	3,380,000	3,322	0.57
			3,322	0.57
United Kingdom 31.51% (30.26%)		4.500.000		0.70
Anglian Water Osprey Financing 7.00% 31/01/2018	GBP	4,500,000	4,576	0.79
Annington Funding 2.65% 12/07/2025	GBP	5,237,000	5,270	0.91
Aviva, FRN 5.13% 04/06/2050 [†]	GBP	5,500,000	5,964	1.03
Barclays 3.25% 12/02/2027	GBP	6,500,000	6,676	1.15
Barclays Bank, FRN 14.00% Perpetual	GBP	9,000,000	10,570	1.82
Debenhams 5.25% 15/07/2021 DS Smith 2.88% 26/07/2029	GBP GBP	1,727,000 3,625,000	1,800 3,530	0.31 0.61
Eversholt Funding 6.70% 22/02/2035	GBP	1,900,000	2,515	0.43
First Hydro Finance 9.00% 31/07/2021	GBP	1,100,000	1,386	0.43
Firstgroup 6.88% 18/09/2024	GBP	4,000,000	5,082	0.87
Greene King Finance, Series B1 5.70% 15/12/2034	GBP	6,000,000	5,610	0.97
Heathrow Finance 3.88% 01/03/2027	GBP	6,000,000	5,918	1.02
House of Fraser Funding, FRN 6.05% 15/09/2020	GBP	1,590,000	1,463	0.25
HSBC Holdings 6.75% 11/09/2028	GBP	7,300,000	9,598	1.65
HSBC Holdings, FRN 3.26% 13/03/2023	USD	6,500,000	5,000	0.86
Imperial Brands Finance 6.25% 04/12/2018	GBP	6,000,000	6,336	1.09
Imperial Brands Finance 9.00% 17/02/2022	GBP	5,500,000	7,139	1.23
Investec Bank 9.63% 17/02/2022	GBP	4,000,000	5,032	0.87
Keystone Financing 9.50% 15/10/2019	GBP	1,140,684	1,178	0.20
Legal & General Group, FRN 10.00% 23/07/2041	GBP	9,000,000	11,487	1.98
Lloyds Bank 7.63% 22/04/2025	GBP	2,243,000	2,990	0.51
Lloyds Bank, FRN 12.00% Perpetual	USD	11,000,000	11,167	1.92
Lloyds Banking Group 2.25% 16/10/2024	GBP	5,256,000	5,204	0.90
Matalan Finance 6.87% 01/06/2019	GBP	4,500,000	4,530	0.78
Mitchells & Butlers Finance, FRN, Series D1 2.43% 15/06/2036	GBP	4,000,000	3,240	0.56
New Look Secured Issuer 6.50% 01/07/2022	GBP	1,000,000	641	0.11
New Look Senior Issuer 8.00% 01/07/2023	GBP	7,000,000	2,554	0.44
Prudential, FRN 11.37% 29/05/2039	GBP	6,000,000	6,935	1.19
RAC Bond 5.00% 06/05/2046	GBP	3,384,000	3,382	0.58
RELX Investments 2.75% 01/08/2019	GBP	6,100,000	6,245	1.08
Saga 3.38% 12/05/2024	GBP	5,500,000	5,401	0.93
Segro, REIT 2.88% 11/10/2037	GBP	2,677,000	2,641	0.45
Spirit Issuer 5.47% 28/12/2028	GBP	5,500,000	5,779	0.99
Travis Perkins 4.38% 15/09/2021	GBP	5,500,000	5,822	1.00
Virgin Media Secured Finance 5.50% 15/01/2025	GBP	9,900,000	10,426	1.79
			183,087	31.51

PORTFOLIO STATEMENT (CONTINUED)

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 17.30% (7.88%)				
Alliance Data Systems 4.50% 15/03/2022	EUR	5,181,000	4,791	0.82
AT&T 4.38% 14/09/2029	GBP	5,000,000	5,559	0.96
AT&T 4.25% 01/06/2043	GBP	5,000,000	5,184	0.89
AT&T 5.30% 14/08/2058	USD	3,550,000	2,678	0.46
Bank of America, FRN 2.88% 24/04/2023	USD	10,300,000	7,785	1.34
Citigroup 2.90% 08/12/2021	USD	6,600,000	5,028	0.87
Citigroup 4.50% 03/03/2031	GBP	3,559,000	4,120	0.71
Dell International 5.88% 15/06/2021	USD	2,965,000	2,321	0.40
Dell International 6.02% 15/06/2026	USD	5,000,000	4,183	0.72
Dollar Tree 5.75% 01/03/2023	USD	7,000,000	5,530	0.95
Goldman Sachs Group 3.00% 26/04/2022	USD	11,100,000	8,448	1.45
Iron Mountain, REIT 3.00% 15/01/2025	EUR	3,752,000	3,372	0.58
JPMorgan Chase 4.25% 15/10/2020	USD	6,200,000	4,935	0.85
JPMorgan Chase 4.63% 31/12/2049	USD	15,200,000	11,437	1.97
Quintiles IMS 3.50% 15/10/2024	EUR		5,591	0.96
		6,000,000		
Quintiles IMS 2.88% 15/09/2025	EUR	2,976,000	2,657	0.46
Verizon Communications 4.13% 15/08/2046	USD	7,000,000	4,758	0.82
Verizon Communications 5.50% 16/03/2047	USD	5,538,000	4,575	0.79
Wal-Mart Stores 3.63% 15/12/2047	USD	2,810,000	2,120	0.36
Western Digital 10.50% 01/04/2024	USD	6,200,000	5,476	0.94
			100,548	17.30
Corporate Bonds total			417,268	71.81
Swaps (0.30)% ((0.09)%)				
Credit Default Swap Barclays Buy iTraxx Europe Series 27 Version 1 20/06/2022	EUR	30,000,000	(674)	(0.11)
Credit Default Swap Barclays Buy iTraxx Europe Series 27 Version 1 20/06/2022	EUR	48,575,000	(1,090)	(0.19)
Swaps total			(1,764)	(0.30)
Forward Currency Contracts (0.69)% ((1.24)%)				
Buy GBP 7,089,462 sell EUR 7,900,000 dated 20/12/2017			48	0.01
Buy GBP 52,099,241 sell EUR 58,947,000 dated 20/12/2017			(439)	(0.08)
Buy GBP 180,522,349 sell USD 245,176,500 dated 20/12/2017			(3,603)	(0.62)
Buy GBP 765,513 sell ZAR 13,953,000 dated 20/12/2017			(11)	(0.02)
Buy USD 21,542 sell ARS 367,000 dated 20/12/2017			(11)	_
Forward Currency Contracts total			(4,004)	(0.69)
			(4,004)	(0.03)
Futures 0.14% (0.21%)	FLID	(22)	(10)	
Euro-Bund 07/12/2017	EUR	(22)	(10)	-
Long Gilt 27/12/2017	GBP	(140)	468	0.08
US 10 Year Note 19/12/2017	USD	(255)	217	0.04
US Ultra Bond 19/12/2017	USD	(90)	139	0.02
Futures total			814	0.14
Liquidity Funds 2.62% (2.68%)				
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP [†]	GBP	15,200,000	15,200	2.62
Liquidity Funds total			15,200	2.62
Investment assets (including investment liabilities)			563,154	96.92
Net other assets			17,872	3.08
Net assets			581,026	100.00

All holdings are debt securities and admitted to an official stock exchange unless otherwise stated. The comparative percentage figures in brackets are as at 15 October 2016. † A related party to the Fund.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

			ar ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital gains	2		2,415		11,613
Revenue	3	20,473		18,726	
Expenses	4	(2,859)		(2,206)	
Net revenue before taxation		17,614		16,520	
Taxation	5	-		(1)	
Net revenue after taxation			17,614		16,519
Total return before distributions			20,029		28,132
Distributions	6		(17,622)		(16,519)
Change in net assets attributable to shareholders from investment activities			2,407		11,613

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		477,122		346,334
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	114,552		153,738	
Amounts payable on cancellation of shares	(19,131)		(40,404)	
		95,421		113,334
Dilution adjustment		132		370
Change in net assets attributable to shareholders from investment activities (see above)		2,407		11,613
Retained distribution on accumulation shares		5,944		5,469
Unclaimed distribution monies		_		2
Closing net assets attributable to shareholders		581,026		477,122

BALANCE SHEET

As at 15 October 2017

		As at	As at
		15.10.17	15.10.16
	Notes	£000	£000
Assets:			
Investments		568,981	471,448
Current assets:			
Debtors	8	27,446	8,530
Cash and bank balances	9	17,651	8,605
Total assets		614,078	488,583
Liabilities:			
Investment liabilities		(5,827)	(6,358)
Creditors:			
Distribution payable		(3,333)	(3,087)
Other creditors	10	(23,892)	(2,016)
Total liabilities		(33,052)	(11,461)
Net assets attributable to shareholders		581,026	477,122

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policiesPlease see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Currency gains/(losses)	987	(1,070)
Derivative contracts gains/(losses)	523	(1,650)
Expenses relating to the purchase and sale of investments	(6)	(5)
Forward currency contracts gains/(losses)	11,912	(25,172)
Non-derivative securities (losses)/gains	(11,001)	39,510
Net capital gains	2,415	11,613

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	62	-
Interest on debt securities	21,396	19,454
Interest on derivatives	(985)	(728)
Total revenue	20,473	18,726

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	2,332	1,780
Registration fees	356	259
	2,688	2,039
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	62	48
Interest payable	42	58
Safe custody fee	42	34
	146	140
Other expenses:		
Audit fee*	11	10
Printing & postage expenses	2	5
Statement fees	12	12
	25	27
Total expenses	2,859	2,206

^{*} The audit fee was £8,848 (2016: £8,848) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Corporation tax	-	1
Total tax for the year (see note 5b)	-	1

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	17,614	16,520
Corporation tax at 20%	3,523	3,304
Effects of:		
Overseas dividends not subject to corporation tax	-	1
Tax deductible on interest distributions	(3,523)	(3,304)
	(3,523)	(3,303)
Current tax charge (see note 5a)	-	1

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 year end (2016: £nil).

The unrelieved excess expenses within the 2016 accounts have been restated to agree to the final tax computation.

6 Distributions

	Year ended 15.10.17	Year ended 15.10.16	
	£000	£000	
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:			
Gross interest distribution for the three months ended 15 January	4,319	3,733	
Gross interest distribution for the three months ended 15 April	4,235	4,266	
Gross interest distribution for the three months ended 15 July	4,528	4,696	
Gross interest distribution for the three months ended 15 October	4,990	4,446	
	18,072	17,141	
Add: Revenue deducted on cancellation of shares	88	101	
Deduct: Revenue received on issue of shares	(538)	(723)	
Total distributions	17,622	16,519	
Reconciliations of distributions for the year to net revenue after taxation			
Distributions for the year	17,622	16,519	
Equalisation on conversions	(8)	_	
Net revenue after taxation	17,614	16,519	

Details of the distributions per share are set out in the distribution tables on pages 244 and 245.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Liabilities at 15.10.17 £000	Assets at 15.10.16 £000	Liabilities at 15.10.16 £000
Level 1: Quoted prices	16,024	(10)	13,389	_
Level 2: Observable market data	552,957	(5,817)	458,059	(6,358)
Total value	568,981	(5,827)	471,448	(6,358)

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	7,304	6,733
Amounts receivable on issue of shares	11,990	1,789
Overseas tax recoverable	95	-
Sales awaiting settlement	8,057	8
Total debtors	27,446	8,530

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Amounts held at futures clearing house and brokers	35	146
Cash and bank balances	17,616	8,459
Total cash and bank balances	17,651	8,605

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	392	317
Amounts payable for cancellation of shares	_	2
Purchases awaiting settlement	23,500	1,697
Total creditors	23,892	2,016

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: £nil).

12 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.

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 ACD periodic charges was £294,000 (2016: £248,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £6,319,000 (2016: £5,729,000). The amount outstanding at the year end was £1,770,000 (2016: £1,437,000). 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.

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 £198,800,000 (2016: £210,542,000) and £194,200,000 (2016: £197,000,000) respectively. The income received during the year amounted to £325,000 (2016: £354,000).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (Class 1 Income shares)	20,588	20,588	_
ACD and related parties (Class 2 Income shares)	12,246,932	3,122,428	9,124,504
ACD and related parties (Class 3 Accumulation shares)	85,283,487	1,009,487	84,274,000
ACD and related parties (Class 5 Income shares)	-	_	-

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

13 Shareholder funds

The Fund currently has four share classes: Class 1 (Retail), Classes 2 and 5 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 1.00% Class 2: 0.50% Class 3: 0.30% Class 5: 0.45%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 231 and 232. The distributions per share are given in the distribution tables on pages 244 and 245. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Share Class 1 Income	4,423,269	473,290	(710,383)	(30,922)	4,155,254
Share Class 2 Income	273,690,970	96,962,245	(12,949,920)	(92,428,033)	265,275,262
Share Class 3 Accumulation	84,274,000	2,923,252	(1,913,765)	-	85,283,487
Share Class 5 Income	_	1,466,575	(334,008)	101,251,080	102,383,647

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

Value at risk

The Fund enters into derivative transactions in the form of forward currency contracts, futures and credit default 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 15 October 2017 was as follows:

	15.10.17 %	15.10.16 %
As at 15 October, the company's value at risk is		
During the financial year, the highest utilisation of value at risk was	(1.30)	(1.07)
During the financial year, the average utilisation of value at risk was	(1.70)	(1.84)
During the financial year, the lowest utilisation of value at risk was	(2.27)	(2.51)

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 15 October 2017 the average leverage was 63% (2016: 53%).

Market price risk

At the year end date, 96.92% (2016: 97.48%) of the net assets of the Fund were invested in 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 9.69% (2016: 9.75%).

16 Counterparty exposure

Financial derivative exposure

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

15.10.17	Forward currency contracts £000	Futures contracts £000	Total £000
Citibank	20	_	20
Goldman Sachs	(3,603)	_	(3,603)
JPMorgan	(11)	824	813
Royal Bank of Scotland	12	_	12
Société Générale	(422)	_	(422)
Total	(4,004)	824	(3,180)

15.10.16	Forward currency contracts £000	Futures contracts £000	Total £000
Citibank	6	-	6
Goldman Sachs	(1,158)	-	(1,158)
JPMorgan	(1)	979	978
Morgan Stanley	(4)	-	(4)
Nomura International	(23)	_	(23)
Royal Bank of Scotland	(4,752)	-	(4,752)
UBS	11	-	11
Total	(5,921)	979	(4,942)

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

At the year end date no collateral was held or pledged by the company or on behalf of the counterparties in respect of the above (2016: £nil).

17 Debt security credit analysis

		Market value £000		Total net assets %	
	15.10.17	15.10.16	15.10.17	15.10.16	
Investment grade	313,894	264,897	54.03%	55.52%	
Below investment grade	219,005	187,331	37.68%	39.27%	
Unrated	20,009	5,421	3.44%	1.13%	
Total debt securities	552,908	457,649	95.15%	95.92%	

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

18 Direct transaction costs

Due to the nature of the investments held, no transaction costs or taxes were incurred on the Fund's purchases or sales during the current year ended 15 October 2017 (2016: £nil). The total purchases for the year amounted to £483,234,000 (2016: £447,308,000) and the total sales amounted to £372,729,000 (2016: £332,137,000).

Dealing spread

As at 15 October 2017, the average portfolio dealing spread was 0.55% (2016: 0.71%). 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.

19 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: £nil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the three months ended 15 October 2017

Income shares		Gross revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	0.5189	-	0.5189	0.4556
	Group 2	0.3432	0.1757	0.5189	0.4556
Share Class 2	Group 1	0.9198	_	0.9198	0.7968
	Group 2	0.3281	0.5917	0.9198	0.7968
Share Class 5	Group 1	0.8512	_	0.8512	_
	Group 2	0.1493	0.7019	0.8512	_

Accumulation shares		Gross revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 3	Group 1	1.9432	_	1.9432	1.6187
	Group 2	0.8704	1.0728	1.9432	1.6187

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 July 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 July 2017.

Interim distribution paid in pence per share for the three months ended 15 July 2017

		Gross		Interim distribution paid	Interim distribution paid
Income shares		revenue	Equalisation	15 September 2017	
Share Class 1	Group 1	0.4812	_	0.4812	0.5017
	Group 2	0.1581	0.3231	0.4812	0.5017
Share Class 2	Group 1	0.8657	-	0.8657	0.8636
	Group 2	0.3714	0.4943	0.8657	0.8636
Share Class 5	Group 1	0.7883	-	0.7883	_
	Group 2	0.7883	_	0.7883	_

Accumulation shares		Gross revenue	Equalisation	paid	Interim distribution paid 15 September 2016
Share Class 3	Group 1	1.8232	_	1.8232	1.7255
	Group 2	0.9867	0.8365	1.8232	1.7255

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

Interim distribution paid in pence per share for the three months ended 15 April 2017

Income shares		Gross revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 1	Group 1	0.4674	_	0.4674	0.4806
	Group 2	0.1982	0.2692	0.4674	0.4806
Share Class 2	Group 1	0.8410	_	0.8410	0.8293
	Group 2	0.3621	0.4789	0.8410	0.8293
Share Class 5	Group 1	0.7620	_	0.7620	_
	Group 2	0.7620	_	0.7620	_

Accumulation shares	5	Gross revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 3	Group 1	1.7566	_	1.7566	1.6459
	Group 2	0.7840	0.9726	1.7566	1.6459

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 January 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 January 2017.

Interim distribution paid in pence per share for the three months ended 15 January 2017

Income shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 15 March 2017	Interim distribution paid 15 March 2016
Share Class 1	Group 1	0.5041	0.1008	0.4033	-	0.4033	0.4925
	Group 2	0.2001	0.0400	0.1601	0.2432	0.4033	0.4925
Share Class 2	Group 1	0.8960	0.1792	0.7168	-	0.7168	0.8507
	Group 2	0.3345	0.0669	0.2676	0.4492	0.7168	0.8507
Share Class 5	Group 1	0.6825	0.1365	0.5460	-	0.5460	_
	Group 2	0.6825	0.1365	0.5460	_	0.5460	_

Accumulation shares		Gross revenue	Income tax	Net revenue	Equalisation	Interim distribution paid 15 March 2017	Interim distribution paid 15 March 2016
Share Class 3	Group 1	1.8479	0.3696	1.4783	_	1.4783	1.6739
	Group 2	0.9229	0.1846	0.7383	0.7400	1.4783	1.6739

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Up to 5 April 2017, the distributions payable were calculated after the deduction of basic rate income tax. From 6 April 2017, distributions payable are calculated without deducting this tax. The tax treatment of distributions will depend on an investor's individual circumstances.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS EUROPEAN EQUITY FUND

INVESTMENT OBJECTIVE

Long term capital appreciation.

INVESTMENT POLICY

Diversified investment within and across European equity markets. Allocations to individual markets will vary over time. Individual equity selections will be based on price and long term total return prospects.

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

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 16.67 per cent (share class A), net of fees, compared to an average return of 18.69 per cent for its peer group the Investment Association Europe excluding UK sector. The Fund's benchmark, the FTSE® AW Europe ex UK Index, returned 19.40 per cent.

Review

The combination of an improving economic background and greater political stability led to strong performance from European equity markets over the year under review as corporate results have highlighted improving earnings momentum. European economic growth for the year ending in September came in above expectations at 2.5 per cent, while the European Central Bank (ECB) raised its 2017 growth forecast for the euro area to 2.2 per cent, the fastest in ten years. Domestic demand has provided much of the impetus, with unemployment declining to its lowest rate for nearly nine years. This has boosted consumer sentiment and spending, with economic confidence in the euro area recording its highest level for more than a decade. However, inflation has remained stubbornly low and the ECB maintained a cautious approach to unwinding its highly accommodating monetary policy of negative interest rates and asset purchases.

Elections in the Netherlands and France concluded successfully. The French presidential elections resulted in a convincing victory for centrist candidate Macron, easing concerns about the rise of nationalist political parties in Europe and adding to the momentum for closer European integration. In September, the German election saw the re-election of Chancellor Merkel, albeit with a reduced vote.

The Fund underperformed the benchmark index during the year under review. The main factor that detracted from performance relative to the index was our overweight position in the healthcare sector, which underperformed the broader market. The Fund retained an emphasis on small cap stocks, where our holding in 4D Pharma detracted on concerns over rising research and development costs as the company concluded phase one clinical trials for its treatment for irritable bowel syndrome and is developing a treatment for pediatric Crohn's disease. Amongst large cap healthcare stocks, our holding in Roche weakened after the company released disappointing results from trials of Perjeta breast cancer drug candidate, while holdings in lens maker Essilor and hospital operator Fresenius SE also detracted. However, we remain confident about the long-term potential of these highquality companies. On a more encouraging note, our holding in biotech group Oxford Biomedica rose sharply following impressive results from its partner Novartis' drug CTL0019.

Exposure to the Consumer Services sector also detracted from performance during the reporting period. We increased our holding in bookmaker Paddy Power Betfair, but concerns surrounding regulation in the betting industry both in the UK and Australia weighed on the shares. After a recent meeting with management, we believe this uncertainty is excessively reflected in the share price. The Fund's holding in Publicis also detracted, reflecting the market's concerns over the earnings outlook for advertising agencies. In our view, Publicis should benefit from improving earnings momentum after several years of internal disorganisation following the failed merger with Omnicom.

Amongst other consumer stocks, our relatively new holding in jewellery retailer Pandora underperformed due to poor trading in the company's core markets. However, the company's CEO commented favourably on the medium-term opportunities in the US market, and we expect the third quarter, and especially the fourth quarter numbers, to be very strong. Food producer Glanbia also weakened mainly because of the company's exposure to the US and ongoing dollar weakness. After a recent meeting with management, we remain optimistic on the company's earnings growth outlook in the medium to long term.

The Fund retained a substantial overweight position in technology stocks which was beneficial over the year under review. The main contributor was Dutch semiconductor equipment maker ASML, which delivered strong performance on the back of encouraging quarterly results. The company is a leader in its market and its innovative EUV (extreme ultraviolet lithography) technology is gaining traction. Temenos is a leading provider of software for the banking sector. The company's third quarter results came in ahead of market expectations, with strong growth in software licensing as digital and regulatory pressures on banks continue to drive revenue growth, while management upgraded earnings guidance for the full-year.

Outlook

European equities have re-rated on the positive outcome of the French Presidential election, but remain relatively attractive on a valuation basis particularly in comparison with the US. Merger and acquisition activity so far this year has remained healthy, with several deals announced across a range of sectors. Interestingly there have been several proposed cross-border transactions, with US companies increasingly looking to acquire European counterparts. This reflects the positive corporate earnings momentum we have been seeing in Europe, where corporate earnings growth for 2017 is set to be the strongest in years. which combined with the valuation discount relative to US equities and increased political stability has spurred US corporates into action. With balance sheets remaining in healthy shape and interest rates near record lows we would expect M&A activity to remain strong.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on pages 248 and 249 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 securities. 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.

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AVIVA INVESTORS EUROPEAN EQUITY FUND (CONTINUED)

Material Portfolio Changes	
Purchases	Sales
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP	Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP
Pandora	Syngenta
Thales	Kone 'B'
BNP Paribas	Temenos Group
Air Liquide	Cie Financiere Richemont
Gemalto	Infineon Technologies
Essilor International	Bureau Veritas
Pirelli & C	Amadeus IT Group 'A'
Iliad	United Internet
ING Groep	Chr Hansen Holding

Synthetic Risk and Reward Indicator

Lower risk										ŀ	High	er risk
—												
Typica	lly lo	wer re	ewa	rds				Туріс	ally	high	er re	wards
1		2		3		4		5		6		7

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'.
- The value of investments will be affected by changes in exchange rates.
- During the year ended 15 October 2017, the indicator changed from category 6 to category 5.
- 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 1 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	214.54	169.93	142.61
Return before operating charges [†]	38.15	46.49	29.00
Operating charges	(2.28)	(1.88)	(1.68)
Return after operating charges [†]	35.87	44.61	27.32
Distributions	(2.55)	(1.81)	(1.23)
Retained distributions on accumulation shares	2.55	1.81	1.23
Closing net asset value per share	250.41	214.54	169.93
† after direct transaction costs of	(0.16)	(0.15)	(0.20)
Performance			
Return after charges	16.72%	26.25%	19.16%
Other information			
Closing net asset value (£000)	125,946	116,462	109,092
Closing number of shares	50,296,455	54,284,226	64,198,426
Operating charges (%) [‡]	1.00%	1.00%	1.00%
Direct transaction costs (%)#	0.07%	0.07%	0.12%
Prices [≈]			
Highest share price	252.66	217.16	183.04
Lowest share price	195.96	166.73	138.31

	2017	2016	2015	
Class 3 Income	p per share	p per share	p per share	
Change in net assets per share				
Opening net asset value per share	347.10	277.18	234.37	
Return before operating charges [†]	61.78	75.98	39.92	
Operating charges	(1.34)	(1.06)	(0.97)	
Return after operating charges [†]	60.44	74.92	38.95	
Distributions	(6.58)	(5.00)	3.86	
Closing net asset value per share	400.96	347.10	277.18	
[†] after direct transaction costs of	(0.26)	(0.24)	(0.33)	
Performance				
Return after charges	17.41%	27.03%	16.62%	
Other information				
Closing net asset value (£000)	16,901	17,279	16,138	
Closing number of shares	4,214,982	4,978,001	5,822,213	
Operating charges (%) [‡]	0.36%	0.35%	0.35%	
Direct transaction costs (%)#	0.07%	0.07%	0.12%	
Prices≈				
Highest share price	410.00	355.39	301.68	
Lowest share price	317.30	272.56	227.24	

Class 2 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	334.37	264.46	221.61
Return before operating charges [†]	59.51	72.41	45.09
Operating charges	(3.07)	(2.50)	(2.24)
Return after operating charges [†]	56.44	69.91	42.85
Distributions	(4.60)	(3.45)	(2.39)
Retained distributions on accumulation shares	4.60	3.45	2.39
Closing net asset value per share	390.81	334.37	264.46
[†] after direct transaction costs of	(0.25)	(0.24)	(0.32)
Performance			
Return after charges	16.88%	26.43%	19.34%
Other information			
Closing net asset value (£000)	35,316	29,675	7,370
Closing number of shares	9,036,788	8,874,729	2,786,918
Operating charges (%) [‡]	0.86%	0.85%	0.85%
Direct transaction costs (%)#	0.07%	0.07%	0.12%
Prices≈			
Highest share price	394.33	338.44	284.64
Lowest share price	305.48	259.60	214.92

COMPARATIVE TABLES (CONTINUED)

Class A Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	209.96	167.40	141.40
Return before operating charges [†]	37.19	45.59	28.73
Operating charges	(3.70)	(3.03)	(2.73)
Return after operating charges [†]	33.49	42.56	26.00
Distributions	(1.05)	(0.57)	(0.10)
Retained distributions on accumulation shares	1.05	0.57	0.10
Closing net asset value per share	243.45	209.96	167.40
† after direct transaction costs of	(0.16)	(0.15)	(0.20)
Performance			
Return after charges	15.95%	25.42%	18.39%
Other information			
Closing net asset value (£000)	14,434	13,269	12,335
Closing number of shares	5,929,089	6,319,938	7,368,603
Operating charges (%) [‡]	1.66%	1.65%	1.65%
Direct transaction costs (%)#	0.07%	0.07%	0.12%
Prices≈			
Highest share price	245.65	212.53	180.91
Lowest share price	191.61	163.89	137.14

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

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

Ongoing Charges Fig	gure*	
Share class	15.10.17	15.10.16
Class 1	1.00%	1.00%
Class 2	0.86%	0.85%
Class 3	0.36%	0.35%
Class A	1.66%	1.65%

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share class 1, when aggregated with certain other payments out of scheme property incurred in respect of it, is capped at 1.00%. Please see the Prospectus for full details.

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.

⁽b) The Ongoing Charge 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).

 $[\]approx$ 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.

PORTFOLIO STATEMENT

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equities 98.04% (98.64%)	<u> </u>			
Belgium 3.12% (2.77%)				
Ablynx	EUR	89,418	1,396	0.72
Biocartis	EUR	93,987	924	0.48
Bone Therapeutics	EUR	80,753	709	0.37
Celyad	EUR	10,670	475	0.25
Ontex Group	EUR	91,235	2,495	1.30
			5,999	3.12
Denmark 3.48% (3.02%)	DIVI	47.404	502	0.24
Bavarian Nordic	DKK	17,401	593	0.31
Novozymes 'B'	DKK	73,456	2,895	1.50
Pandora	DKK	44,577	3,213	1.67
			6,701	3.48
Finland 0.00% (2.37%)				
France 32.13% (25.66%) Abivax	EUR	13,515	137	0.07
Abivax Air Liquide	EUR	37,473	3,476	1.81
Amplitude Surgical	EUR	293,017	1,163	0.60
Amundi	EUR	60,494	3,723	1.93
AMA AXA	EUR		3,723 4,510	2.34
ANA BNP Paribas	EUR	198,555 60,757		1.86
	EUR		3,587	
Essilor International liad		42,839	3,888	2.02
	EUR	11,087	2,214	1.15
egrand	EUR	87,757	4,801	2.49
Orange	EUR	303,205	3,746	1.95
Pernod Ricard	EUR	42,248	4,577	2.38
Publicis Groupe	EUR	67,648	3,652	1.90
Rexel	EUR	166,790	2,160	1.12
Schneider Electric	EUR	80,654	5,274	2.74
Sodexo	EUR	36,631	3,372	1.75
SPIE 	EUR	127,940	2,652	1.38
[hales	EUR	41,871	3,547	1.84
TOTAL	EUR	63,390	2,583	1.34
Worldline	EUR	79,274	2,815	1.46
Common 16 260/ (40 420/)			01,077	32.13
Germany 16.26% (19.13%) Bayer	EUR	55,680	5,854	3.04
Continental	EUR	24,060	4,612	2.39
Deutsche Boerse	EUR	53,717	4,553	2.36
resenius	EUR	57,171	3,523	1.83
nfineon Technologies	EUR	154,601	2,986	1.55
Medigene	EUR	82,751	936	0.49
Probiodrug	EUR	21,784	258	0.13
5AP	EUR	101,765	8,602	4.47
		,	31,324	16.26
reland 6.64% (6.29%)			,-	
Glanbia	EUR	205,198	2,986	1.55
Kerry Group 'A'	EUR	40,725	2,960	1.54
Malin	EUR	107,873	1,027	0.53
Paddy Power Betfair	EUR	26,135	2,013	1.04
Ryanair Holdings	EUR	254,881	3,809	1.04
., aa Holdings	LON	25-7,001	12,795	6.64
			12,733	0.04

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
Italy 6.99% (4.73%)				
Anima Holding	EUR	593,743	3,395	1.76
Cerved Information Solutions	EUR	247,038	2,308	1.20
Intesa Sanpaolo	EUR	1,877,997	4,783	2.48
Newron Pharmaceuticals	CHF	56,523	589	0.31
Pirelli & C	EUR	412,301	2,392	1.24
			13,467	6.99
Luxembourg 1.13% (0.67%)	FUD	20.702	2.466	4.42
Stabilus	EUR	30,702	2,166 2,166	1.13
Netherlands 12 (E0/ (11 (20/)			2,100	1.13
Netherlands 13.45% (11.43%) ABN AMRO Group, CVA	EUR	196,658	4,495	2.33
ASML Holding	EUR	49,388	6,542	3.40
Gemalto	EUR	58,709	1,705	0.89
IMCD Group	EUR	45,184	2,070	1.07
ING Groep	EUR	142,089	1,977	1.03
Intertrust	EUR	69,889	832	0.43
Unilever, CVA	EUR	179,780	8,287	4.30
			25,908	13.45
Norway 0.00% (0.32%)				
Spain 3.68% (4.68%)				
Amadeus IT Group 'A'	EUR	59,479	3,026	1.57
Bankinter	EUR	575,995	4,061	2.11
			7,087	3.68
Sweden 1.32% (2.03%)	CEN	475.200	2 540	1 22
Coor Service Management Holding	SEK	475,368	2,548 2,548	1.32
Switzerland 8.59% (13.99%)			2,340	1.52
Cie Financiere Richemont	CHF	31,796	2,194	1.14
Evolva Holding	CHF	733,749	181	0.09
GeNeuro	EUR	27,553	120	0.06
Roche Holding	CHF	40,052	7,551	3.92
Temenos Group	CHF	81,544	6,504	3.38
			16,550	8.59
United Kingdom 1.25% (1.55%)				
4d pharma#	GBP	88,319	318	0.16
Avacta Group#	GBP	264,154	190	0.10
ImmuPharma#	GBP	436,614	384	0.20
Oxford Biomedica	GBP	8,510,099	759	0.39
Oxford Pharmascience Group#	GBP	3,920,116	49	0.03
ReNeuron Group#	GBP	5,507,392	91	0.05
Silence Therapeutics#	GBP	156,300	326	0.17
Verona Pharma#	GBP	200,100	286	0.15
F. W			2,403	1.25
Equities total			188,825	98.04
Liquidity Funds 0.05% (0.00%)	CDD	100 100	100	٥٥٢
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP [†] Liquidity Funds total	GBP	100,100	100 100	0.05 0.05
Equivity Fullus total			100	0.05
Investment assets			188,925	98.09
Net other assets			3,672	1.91
Net assets			192,597	100.00

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

The comparative percentage figures in brackets are as at 15 October 2016.

[#] Security traded on another regulated market.

[†] A related party to the Fund.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

			Year ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital gains	2		26,755		35,942
Revenue	3	4,342		3,251	
Expenses	4	(1,764)		(1,535)	
Net revenue before taxation		2,578		1,716	
Taxation	5	(433)		(117)	
Net revenue after taxation			2,145		1,599
Total return before distributions			28,900		37,541
Distributions	6		(2,144)		(1,613)
Change in net assets attributable to shareholders from investment activities			26,756		35,928

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		176,685		144,935
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	9,446		8,373	
Amounts payable on cancellation of shares	(22,052)		(13,875)	
		(12,606)		(5,502)
Change in net assets attributable to shareholders from investment activities (see above)		26,756		35,928
Retained distribution on accumulation shares		1,762		1,324
Closing net assets attributable to shareholders		192,597		176,685

BALANCE SHEET

		As at	As at
	Notes	15.10.17 £000	15.10.16 £000
Assets:			
Investments		188,925	174,277
Current assets:			
Debtors	8	829	359
Cash and bank balances	9	3,482	2,829
Total assets		193,236	177,465
Liabilities:			
Creditors:			
Distribution payable		(227)	(201)
Other creditors	10	(412)	(579)
Total liabilities		(639)	(780)
Net assets attributable to shareholders		192,597	176,685

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policiesPlease see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Currency (losses)/gains	(76)	279
Expenses relating to the purchase and sale of investments	(19)	5
Forward currency contracts gains	_	1
Non-derivative securities gains	26,850	35,657
Net capital gains	26,755	35,942

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	-	32
Interest on debt securities	1	-
Overseas dividends	4,307	3,219
Stock dividends	34	-
Total revenue	4,342	3,251

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	1,682	1,455
Registration fees	48	34
	1,730	1,489
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	25	20
Interest payable	13	12
Safe custody fee	29	26
	67	58
Other expenses:		
Audit fee*	10	9
Printing & postage expenses	1	1
Professional fees	24	17
Statement fees	6	5
	41	32
Total expenses	1,838	1,579
Less those expenses rebated by the ACD	(74)	(44)
Net expenses	1,764	1,535
+T		

^{*} The audit fee was £8,326 (2016: £8,326) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Corporation tax	433	117
Total current tax for the year (see note 5b)	433	117

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	2,578	1,716
Corporation tax at 20%	516	343
Effects of:		
Expenses not deductible for tax purposes	(1)	3
Movement in excess expenses	351	298
Overseas dividends not subject to corporation tax	(861)	(644)
Overseas tax suffered	433	117
Stock dividends not taxable	(7)	-
Non-trade deficit set against current year income	2	-
	(83)	(226)
Current tax charge (see note 5a)	433	117

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 year end (2016: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £11,322,000 (2016: £9,568,000) creating a potential deferred tax asset of £2,265,000 (2016: £1,914,000). 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 15.10.17	Year ended 15.10.16
	£000	£000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Interim distribution	105	81
Final distribution	1,940	1,495
	2,045	1,576
Add: Revenue deducted on cancellation of shares	128	67
Deduct: Revenue received on issue of shares	(29)	(30)
Total distributions	2,144	1,613
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	2,144	1,613
Equalisation on conversions	(2)	(1)
Other fees borne by capital account	3	(13)
Net revenue after taxation	2,145	1,599

Details of the distributions per share are set out in the distribution tables on page 260.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Assets at 15.10.16 £000
Level 1: Quoted prices	188,825	174,277
Level 2: Observable market data	100	_
Total value	188,925	174,277

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

- 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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	7	6
Accrued expense fee rebate	8	8
Amounts receivable on issue of shares	17	-
Corporation tax recoverable	69	69
Overseas tax recoverable	207	273
Sales awaiting settlement	521	3
Total debtors	829	359

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Cash and bank balances	3,482	2,829
Total cash and bank balances	3,482	2,829

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	246	217
Amounts payable for cancellation of shares	166	228
Purchases awaiting settlement	_	134
Total creditors	412	579

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: fnil).

12 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.

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 ACD periodic charges was £207,000 (2016: £190,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £333,000 (2016: £287,000). The amount outstanding at the year end was £275,000 (2016: £234,000). 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.

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 £12,100,000 (2016: £2,900,000) and £11,999,900 (2016: £2,900,000) respectively. The income received during the year amounted to £1,000 (2016: £nil).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 1 Accumulation shares)	3,210	(137,642)	140,852
ACD and related parties (share class 2 Accumulation shares)	596,681	24,740	571,941
ACD and related parties (share class 3 Income shares)	4,214,982	(763,019)	4,978,001
ACD and related parties (share class A Accumulation shares)	2,202,899	(110,722)	2,313,621

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

13 Shareholder funds

The Fund currently has four share classes: Class 1 and A (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 1.00% Class 2: 0.70% Class 3: 0.30% Class A: 1.50%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 248 and 249. The distributions per share are given in the distribution tables on page 260. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Share Class 1 Accumulation	54,284,226	243,736	(4,050,270)	(181,237)	50,296,455
Share Class 2 Accumulation	8,874,729	2,321,421	(2,400,835)	241,473	9,036,788
Share Class 3 Income	4,978,001	77,636	(840,655)	-	4,214,982
Share Class A Accumulation	6,319,938	244,091	(434,320)	(200,620)	5,929,089

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency risk

At the year end date, 97.64% (2016: 97.31%) of the net assets of the Fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by currency movements. If currency rates were to change by 10%, the value of the Fund would change by 9.76% (2016: 9.73%).

		Net foreign currency assets							
Currency	-	Monetary exposure £000		y exposure 0	Total £000				
	15.10.17	15.10.16	15.10.17	15.10.16	15.10.17	15.10.16			
Danish Krone	263	25	6,701	5,338	6,964	5,363			
Euro	468	225	160,154	136,548	160,622	136,773			
Norwegian Krone	_	-	-	567	-	567			
Swedish Krona	82	41	2,548	3,588	2,630	3,629			
Swiss Franc	736	97	17,019	25,502	17,755	25,599			
US Dollar	90	_	_	_	90	_			

Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

At the year end date 1.86% (2016: 1.60%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

Market price risk

At the year end date, 98.09% (2016: 98.64%) of the net assets of the Fund were invested in ordinary shares or stock units admitted to an offcial stock exchange. If the market value were to change by 10%, the value of the Fund would change by 9.81%. (2016: 9.86%)

16 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.

15.10.17	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(41,543)	(31)	(62)	(41,636)	0.07%	0.15%
Purchases (corporate action activity only)						
Equities	(378)	_		(378)	0.00%	0.00%
	(41,921)	(31)	(62)	(42,014)		
Sales						
Equities	54,250	(34)	-	54,216	0.06%	0.00%
	54,250	(34)	_	54,216		
Total	_	(65)	(62)			
Percentage of Fund average net assets	-	0.04%	0.03%			
15.10.16	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases						
Equities	(45,806)	(38)	(39)	(45,883)	0.08%	0.09%
	(45,806)	(38)	(39)	(45,883)		
Sales						
Equities	48,691	(45)	_	48,646	0.09%	0.00%
	48,691	(45)	_	48,646		
Total	_	(83)	(39)			
Percentage of Fund average net assets	_	0.05%	0.02%			

Dealing spread

As at 15 October 2017, the average portfolio dealing spread was 0.13% (2016: 0.21%). 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.

17 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: £nil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the six months ended 15 October 2017

Income shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 3	Group 1	5.3843	-	5.3843	4.0316
	Group 2	0.5050	4.8793	5.3843	4.0316

Accumulation shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	2.5193	_	2.5193	1.8121
	Group 2	0.1685	2.3508	2.5193	1.8121
Share Class 2	Group 1	4.2390	_	4.2390	3.0933
	Group 2	0.9878	3.2512	4.2390	3.0933
Share Class A	Group 1	1.0534	-	1.0534	0.5714
	Group 2	0.0000	1.0534	1.0534	0.5714

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

Interim distribution paid in pence per share for the six months ended 15 April 2017

Income shares		Net revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 3	Group 1	1.1940	-	1.1940	0.9716
	Group 2	1.0890	0.1050	1.1940	0.9716

Accumulation shares		Net revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 1	Group 1	0.0262	_	0.0262	0.0000
	Group 2	0.0000	0.0262	0.0262	0.0000
Share Class 2	Group 1	0.3622	_	0.3622	0.3582
	Group 2	0.3340	0.0282	0.3622	0.3582
Share Class A	Group 1	0.0000	_	0.0000	0.0000
	Group 2	0.0000	0.0000	0.0000	0.0000

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND

INVESTMENT OBJECTIVE

To track the total return (after charges) of the FTSE® World (ex UK) Index.

INVESTMENT POLICY

To invest in international equities employing a combination of sampling and full replication strategies across the equity markets which comprise the FTSE® World (ex UK) Index.

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

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 12.07 per cent (share class 1) net of fees. The Fund's benchmark, the FTSE® World ex UK index, returned 13.10 per cent. The sector average return generated by the Fund's peer group, the Investment Association's Global (equity) sector was 13.19 per cent.

Review

Equity markets recorded double-digit percentage gains as investors became more positive on the prospects for global economic growth. The economic background has improved over the past twelve months, led by a modest acceleration in the major developed economies. Despite a rise in commodity prices, inflationary pressures worldwide have remained subdued. In the US, economic activity has rebounded after a disappointing first quarter of 2017, as both consumer spending and business capital expenditure have picked up. Donald Trump's unexpected victory in the November presidential election focused investors on the prospect of increased infrastructure spending and tax cuts, and the Republican administration finally tabled tax reforms in September, which will now be subject to approval by Congress. The Federal Reserve (Fed) sanctioned a gradual tightening of monetary policy, raising interest rates in three times over the last twelve months. The Fed also signalled it would begin unwinding its asset purchase programme, known as quantitative easing (QE), in October.

In recent months, the recovery in economic activity has been most pronounced in the euro area, where economic confidence recorded its highest level for more than a decade. Consequently, European markets have outperformed the World Index, as corporate results have highlighted improving earnings momentum. The French presidential elections resulted in a convincing victory for centrist candidate Macron, easing concerns about the rise of nationalist political parties in Europe and adding to the momentum for closer European integration. In September, the German election saw the re-election of Chancellor Merkel, albeit with a reduced vote.

From a sector standpoint, commodity-related areas such as mining performed relatively well as economic growth in China, the major destination for industrial metal exports, has stabilised after picking up in late 2016, supported by expansionary fiscal policy and continued rapid credit growth. Financials have also rallied strongly as investors began to factor in the end of extraordinary central bank monetary support and the prospect of higher interest rates, reflecting an improvement in the global economic background. Investors have also favoured the technology sector, where several leading companies have reported positive earnings momentum. In contrast, sectors that are closely correlated with bond markets, notably utilities, telecoms and healthcare, underperformed as investors discounted an end to the period of ultra-low interest rates that has prevailed since the global financial crisis. Energy stocks weakened before retrieving some lost ground as the reporting year ended, rallying in line with the oil price during the third quarter of 2017 on evidence that a supply squeeze from OPEC is now finally impacting on inventories.

Outlook

While 2017 has so far seen a cooling of the so-called reflation trade that dominated equity markets in closing stages of 2016, equities have performed strongly year to date with emerging markets leading the way. We believe this reflects the steadily improving global economic outlook, while modest inflation has been accompanied by a marked decline in market volatility. European equities have re-rated on increased political stability and positive earnings momentum, with 2017 set to be the strongest in years for corporate results. Merger and acquisition (M&A) activity has remained healthy, with several deals announced across a range of sectors. Interestingly we have seen several proposed cross-border transactions, with US companies increasingly looking to acquire European counterparts. With corporate balance sheets remaining in healthy shape and interest rates still near record lows we would expect M&A activity to remain strong.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied.

Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on page 263 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 securities. 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.

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AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND (CONTINUED)

Material Portfolio Changes	
Purchases	Sales
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP	Aviva Investors Sterling Liquidity Fund Class 3 Income shares, GBP
Apple	British American Tobacco Malaysia
Microsoft	Syngenta
Amazon.com	Yahoo!
Facebook 'A'	Apple
Exxon Mobil	Actelion
Alphabet 'C'	Wells Fargo
Johnson & Johnson	LinkedIn 'A'
Berkshire Hathaway 'B'	Procter & Gamble
Alphabet 'A'	Microsoft

Synthetic Risk and Reward Indicator

Lower risk									ŀ	Highe	er risk	
—												
Typically lower rewards								Туріс	cally	highe	er rev	wards
1		2		3		4		5		6		7

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'.
- The value of investments will be affected by changes in exchange rates.
- 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 1 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	145.69	110.29	103.72
Return before operating charges [†]	18.62	36.26	7.67
Operating charges	(1.03)	(0.86)	(1.10)
Return after operating charges [†]	17.59	35.40	6.57
Distributions	(2.17)	(1.81)	(1.23)
Retained distributions on accumulation shares	2.17	1.81	1.23
Closing net asset value per share	163.28	145.69	110.29
† after direct transaction costs of	(0.02)	(0.02)	-
Performance			
Return after charges	12.07%	32.10%	6.33%
Other information			
Closing net asset value (£000)	63,734	64,060	79,707
Closing number of shares	39,033,832	43,969,907	72,272,560
Operating charges (%) [‡]	0.67%	0.70%	0.96%
Direct transaction costs (%)#	0.01%	0.02%	-
Prices≈			
Highest share price	165.11	147.19	124.70
Lowest share price	140.17	104.07	101.76

Class 2 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	155.20	116.91	109.19
Return before operating charges [†]	19.87	38.71	8.04
Operating charges	(0.44)	(0.42)	(0.32)
Return after operating charges [†]	19.43	38.29	7.72
Distributions	(2.98)	(2.56)	(2.14)
Retained distributions on accumulation shares	2.98	2.56	2.14
Closing net asset value per share	174.63	155.20	116.91
[†] after direct transaction costs of	(0.02)	(0.03)	-
Performance			
Return after charges	12.52%	32.75%	7.07%
Other information			
Closing net asset value (£000)	407,602	234,891	42,716
Closing number of shares	233,402,009	151,344,422	36,538,278
Operating charges (%) [‡]	0.27%	0.31%	0.26%
Direct transaction costs (%)#	0.01%	0.02%	-
Prices≈			
Highest share price	176.58	156.79	131.72
Lowest share price	149.36	110.57	107.12

Class 3 Accumulation	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share	p per snare	p per snare	p per snare
	200 56	225.40	244.45
Opening net asset value per share	300.56	226.40	211.45
Return before operating charges [†]	38.49	74.93	15.56
Operating charges	(0.86)	(0.77)	(0.61)
Return after operating charges†	37.63	74.16	14.95
Distributions	(5.76)	(4.95)	(4.15)
Retained distributions on accumulation shares	5.76	4.95	4.15
Closing net asset value per share	338.19	300.56	226.40
† after direct transaction costs of	(0.03)	(0.05)	-
Performance			
Return after charges	12.52%	32.76%	7.07%
Other information			
Closing net asset value (£000)	356,490	348,416	274,962
Closing number of shares	105,412,646	115,923,531	121,448,624
Operating charges (%) [‡]	0.27%	0.31%	0.26%
Direct transaction costs (%)#	0.01%	0.02%	-
Prices≈			
Highest share price	341.95	303.63	255.09
Lowest share price	289.24	214.12	207.44

- ‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charge Figure where:
- (a) Changes to fee rates were made during the year and the Ongoing Charge Figure has been amended to be future proofed for this change.
- (b) The Ongoing Charge 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).
- \approx 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 Fig	gure*	
Share class	15.10.17	15.10.16
Class 1	0.67%	0.70%**
Class 2	0.27%	0.31%
Class 3	0.27%	0.31%

- * 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).
- ** Please note that with effect from 8 February 2016, the Annual Management Charge on share class 1 was reduced from 0.9% to 0.6%. The OCF for share class 1, when aggregated with certain other payments out of scheme property incurred in respect of it, is capped at 0.70%. Please see the Prospectus for full details.

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

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equities 98.54% (98.05%)				
Australia 2.62% (2.78%)				
Adelaide Brighton	AUD	12,500	43	0.01
AGL Energy	AUD	18,520	258	0.03
ALS	AUD	14,000	68	0.01
Alumina	AUD	69,433	91	0.01
Amcor	AUD	32,074	296	0.04
AMP	AUD	80,517	239	0.03
Ansell	AUD	4,113	59	0.01
APA Group	AUD	30,630	152	0.02
Aristocrat Leisure	AUD	17,540	234	0.03
ASX	AUD	5,319	169	0.02
Aurizon Holdings	AUD	54,080	157	0.02
AusNet Services	AUD	48,500	49	0.01
Australia & New Zealand Banking Group	AUD	81,350	1,444	0.17
Bank of Queensland	AUD	10,650	81	0.01
Bendigo & Adelaide Bank	AUD	13,240	91	0.01
BHP Billiton	AUD	88,988	1,385	0.17
BlueScope Steel	AUD	15,688	112	0.01
Boral	AUD	32,380	130	0.02
Brambles	AUD	43,686	238	0.03
Caltex Australia	AUD	7,160	139	0.02
Challenger	AUD	15,760	116	0.01
CIMIC Group	AUD	2,522	69	0.01
Coca-Cola Amatil	AUD	14,815	71	0.01
Cochlear	AUD	1,550	153	0.02
Commonwealth Bank of Australia	AUD	47,937	2,170	0.26
Computershare	AUD	13,360	116	0.01
Crown Resorts	AUD	10,440	72	0.01
CSL	AUD	12,560	1,021	0.12
CSR	AUD	13,433	37	_
Dexus, REIT	AUD	27,892	153	0.02
Domino's Pizza Enterprises	AUD	1,690	49	0.01
Downer EDI	AUD	16,320	67	0.01
DuluxGroup	AUD	10,671	44	0.01
Fairfax Media	AUD	64,200	38	_
Flight Centre Travel Group	AUD	1,530	41	_
Fortescue Metals Group	AUD	44,190	128	0.02
Goodman Group, REIT	AUD	48,266	238	0.03
GPT Group, REIT	AUD	49,530	145	0.02
Harvey Norman Holdings	AUD	15,410	36	_
Healthscope	AUD	48,380	53	0.01
Iluka Resources	AUD	11,520	67	0.01
Incitec Pivot	AUD	46,290	100	0.01
Insurance Australia Group	AUD	65,580	251	0.03
IOOF Holdings	AUD	7,990	53	0.01
LendLease Group, REIT	AUD	15,535	170	0.02
Macquarie Atlas Roads Group	AUD	13,950	46	0.01
Macquarie Group	AUD	8,527	467	0.06
Magellan Financial Group	AUD	3,600	53	0.01
Medibank	AUD	76,420	139	0.02
Metcash	AUD	26,690	40	- 0.02
Mirvac Group, REIT	AUD	101,764	140	0.02
National Australia Bank	AUD	74,099	1,407	0.02
Newcrest Mining	AUD	21,262	274	0.17
Nufarm	AUD	4,730	274	0.03
Orica	AUD	10,411	124	0.02
	AUD	48,103	203	0.02
Origin Energy	AUD			0.02
Orora O7 Minorale		33,484	63	0.01
OZ Minerals	AUD	8,091	38	_
Perpetual	AUD	1,210	37	_
Platinum Asset Management	AUD	6,370	27	_

Investment	Currency	Holding	Market Value £000	% of Net Assets
Australia 2.62% (2.78%) (continued)				
Qantas Airways	AUD	24,583	92	0.01
QBE Insurance Group	AUD	37,670	230	0.03
Ramsay Health Care	AUD	3,520	137	0.02
REA Group	AUD	1,380	57	0.01
Rio Tinto	AUD	11,750	473	0.06
Santos	AUD	48,485	119	0.01
Scentre Group, REIT	AUD	141,677	330	0.04
SEEK Seven West Media	AUD	9,460	99	0.01
	AUD AUD	24,890	9 28	_
Shopping Centres Australasia Property Group, REIT Sims Metal Management	AUD	20,379 4,390	35	_
Sonic Healthcare	AUD	11,510	148	0.02
South32	AUD	146,368	279	0.02
Star Entertainment Group	AUD	22,700	71	0.03
Stockland, REIT	AUD	66,290	169	0.02
Suncorp Group	AUD	35,805	282	0.03
Sydney Airport	AUD	30,589	132	0.02
Tabcorp Holdings	AUD	22,964	58	0.01
Tatts Group	AUD	36,270	85	0.01
Telstra	AUD	115,380	240	0.03
TPG Telecom	AUD	9,570	28	_
Transurban Group	AUD	56,829	411	0.05
Treasury Wine Estates	AUD	20,298	172	0.02
Vicinity Centres, REIT	AUD	90,011	141	0.02
Vocus Group	AUD	16,700	23	_
Wesfarmers	AUD	31,356	783	0.09
Westfield, REIT	AUD	53,060	241	0.03
Westpac Banking	AUD	94,245	1,835	0.22
Whitehaven Coal	AUD	18,240	40	_
Woodside Petroleum	AUD	20,180	351	0.04
Woolworths	AUD	35,859	530	0.06
WorleyParsons	AUD	5,230	44	0.01
			21,646	2.62
Austria 0.11% (0.07%)	CUE	1 400	0.7	0.01
ams ANDRITZ	CHF EUR	1,490 2,020	82 87	0.01 0.01
Erste Group Bank	EUR	7,825	257	0.01
OMV	EUR	4,010	179	0.03
Raiffeisen Bank International	EUR	3,290	83	0.01
Telekom Austria	EUR	5,000	35	0.01
Vienna Insurance Group	EUR	1,395	31	_
voestalpine	EUR	2,990	119	0.02
			873	0.11
Belgium 0.46% (0.51%)	5110		0.5	
Ackermans & van Haaren	EUR	650	86	0.01
Ageas	EUR	5,600	200	0.02
Anheuser-Busch InBev	EUR	21,000	1,972	0.24
bpost	EUR	2,570	54 75	0.01
Colruyt Groupe Bruxelles Lambert	EUR EUR	1,870 1,972	75 159	0.01
KBC Group	EUR	1,972 7,620	490	0.02 0.06
Proximus	EUR	4,040	103	0.00
Sofina	EUR	4,040	49	0.01
Solvay	EUR	1,895	213	0.01
Telenet Group Holding	EUR	1,060	56	0.02
UCB	EUR	3,410	183	0.01
Umicore	EUR	2,630	176	0.02
	20	=,-00	3,816	0.46
			5,010	0.10

Investment	Currency	Holding	Market Value £000	% of Net Assets
Bermuda 0.44% (0.41%)				
Arch Capital Group	USD	3,570	265	0.03
Axis Capital Holdings	USD	2,150	90	0.01
Brightoil Petroleum Holdings	HKD	72,000	10	_
Bunge	USD	3,830	196	0.02
Cafe de Coral Holdings	HKD	10,000	23	_
China Oceanwide Holdings, REIT	HKD	132,000	8	_
CK Infrastructure Holdings	HKD	16,910	111	0.01
Dairy Farm International Holdings	USD	8,200	49	0.01
Esprit Holdings	HKD	54,538	22	_
Everest Re Group	USD	1,110	189	0.02
First Pacific	HKD	60,150	36	0.01
Global Brands Group Holding	HKD	162,600	14	_
Great Eagle Holdings, REIT	HKD	7,000	28	_
Haitong International Securities Group	HKD	66,000	29	_
Hongkong Land Holdings, REIT	USD	32,000	184	0.02
Huabao International Holdings	HKD	30,000	14	_
IHS Markit	USD	10,540	349	0.04
Invesco	USD	11,010	301	0.04
Jardine Matheson Holdings	USD	5,700	283	0.03
Jardine Strategic Holdings	USD	5,000	163	0.02
Johnson Electric Holdings	HKD	9,000	27	_
Kerry Logistics Network	HKD	18,500	20	_
Kerry Properties, REIT	HKD	16,000	51	0.01
Kingston Financial Group	HKD	96,000	47	0.01
Li & Fung	HKD	160,600	64	0.01
Marvell Technology Group	USD	11,025	152	0.02
Norwegian Cruise Line Holdings	USD	4,840	215	0.03
NWS Holdings	HKD	38,000	56	0.01
Orient Overseas International	HKD	5,000	35	0.01
PPLA Participations	BRL	1,082	_	_
RenaissanceRe Holdings	USD	1,090	114	0.01
Shangri-La Asia	HKD	30,147	43	0.01
Signet Jewelers	USD	1,970	91	0.01
VTech Holdings	HKD	4,300	47	0.01
XL Group	USD	6,990	214	0.03
Yue Yuen Industrial Holdings	HKD	20,500	61	0.01
			3,601	0.44
Brazil 1.02% (0.99%)				
AES Tiete Energia	BRL	4,310	15	_
Ambev	BRL	60,541	311	0.04
Ambev, ADR	USD	67,500	345	0.04
B3 SA – Brasil Bolsa Balcao	BRL	55,605	317	0.04
Banco Bradesco	BRL	21,958	184	0.02
Banco Bradesco Preference	BRL	21,147	185	0.02
Banco Bradesco, ADR Preference	USD	64,231	555	0.07
Banco BTG Pactual	BRL	9,740	44	_
Banco do Brasil	BRL	30,590	271	0.03
Banco Santander Brasil	BRL	12,000	85	0.01
BB Seguridade Participacoes	BRL	19,070	131	0.02
BR Malls Participacoes, REIT	BRL	23,317	78	0.01
Bradespar Preference	BRL	6,200	34	_
Braskem Preference 'A'	BRL	5,250	57	0.01
BRF	BRL	20,330	227	0.03
CCR	BRL	31,320	135	0.02
Centrais Eletricas Brasileiras	BRL	11,810	59	0.01
Centrais Eletricas Brasileiras Preference 'B'	BRL	6,750	39	_
Cia Brasileira de Distribuicao Preference	BRL	4,420	84	0.01
Cia de Saneamento Basico do Estado de Sao Paulo	BRL	9,660	77	0.01

Investment	Currency	Holding	Market Value £000	% of Net Assets
Brazil 1.02% (0.99%) (continued)				
Cia Energetica de Minas Gerais, ADR Preference	USD	15,368	30	_
Cia Paranaense de Energia Preference	BRL	2,770	19	_
Cia Siderurgica Nacional	BRL	3,700	8	_
Cia Siderurgica Nacional, ADR	USD	14,380	32	_
Cielo	BRL	33,747	174	0.02
Cosan SA Industria e Comercio	BRL	4,330	39	_
CPFL Energia	BRL	11,329	74	0.01
EDP – Energias do Brasil	BRL	8,475	31	-
Embraer	BRL	5,400	23	_
Embraer, ADR	USD	3,800	64	0.01
Engie Brasil Energia	BRL	5,550	49	0.01
Equatorial Energia	BRL	5,600	82	0.01
Estacio Participacoes	BRL	7,000	52	0.01
Fibria Celulose	BRL	6,650	80	0.01
Gerdau Preference	BRL	6,790	18	_
Gerdau, ADR Preference	USD	19,500	50	0.01
Hypermarcas	BRL	10,530	87	0.01
Itau Unibanco Holding Preference	BRL	21,243	227	0.03
Itau Unibanco Holding, ADR Preference	USD	67,710	714	0.09
Itausa – Investimentos Itau Preference	BRL	108,949	294	0.04
JBS	BRL	25,150	51	0.01
Klabin	BRL	18,500	84	0.01
Kroton Educacional	BRL	42,900	201	0.02
Localiza Rent a Car	BRL	4,410	61	0.01
Lojas Americanas Preference	BRL	21,260	100	0.01
Lojas Renner	BRL	20,843	183	0.02
M Dias Branco	BRL	2,200	26	-
Multiplan Empreendimentos Imobiliarios, REIT	BRL	2,953	52	0.01
Natura Cosmeticos	BRL	5,200	38	0.01
Petroleo Brasileiro	BRL	80,220	317	0.04
Petroleo Brasileiro Preference	BRL	105,010	401	0.05
Porto Seguro	BRL	2,600	24	0.05
Qualicorp	BRL	6,100	55	0.01
Raia Drogasil	BRL	6,800	126	0.01
Rumo	BRL	28,050	86	0.01
Suzano Papel e Celulose Preference 'A'	BRL	12,000	58	0.01
Telefonica Brasil	BRL	6,950	85	0.01
Telefonica Brasil, ADR Preference	USD	4,730	57	0.01
			65	
TIM Participacoes, ADR	USD	4,575		0.01
Ultrapar Participacoes	BRL	12,280	224	0.03
Usinas Siderurgicas de Minas Gerais, ADR Preference	USD	16,500	36	- 0.04
Vale Performers	BRL	41,290	305	0.04
Vale Preference	BRL	11,700	79	0.01
Vale, ADR Preference	USD	32,840	226	0.03
WEG	BRL	16,916	91	0.01
			8,425	1.02
Canada 3.25% (3.17%)	CAD	6 420	224	0.00
Agrico Eagle Mines	CAD	6,430	224	0.03
Agrium	CAD	3,830	305	0.04
Alimentation Couche-Tard 'B'	CAD	11,360	420	0.05
ARC Resources	CAD	9,590	92	0.01
Bank of Montreal	CAD	17,360	1,016	0.12
Bank of Montreal	USD	668	39	_
Bank of Nova Scotia	CAD	33,440	1,618	0.20
Barrick Gold	CAD	32,575	408	0.05
BCE	CAD	8,524	302	0.04
BlackBerry	CAD	14,610	126	0.01
Brookfield Asset Management 'A'	CAD	19,266	614	0.07
Canadian Imperial Bank of Commerce	CAD	11,980	808	0.10
Canadian National Railway	CAD	20,828	1,266	0.15
Canadian Natural Resources	CAD			

Investment	Currency	Holding	Market Value £000	% of Net Assets
Canada 3.25% (3.17%) (continued)				
Canadian Pacific Railway	CAD	4,065	516	0.06
Canadian Tire 'A'	CAD	1,900	180	0.02
Canadian Utilities 'A'	CAD	3,180	75	0.01
Cenovus Energy	CAD	34,572	248	0.03
CGI Group 'A'	CAD	7,350	292	0.03
CI Financial	CAD	6,920	116	0.01
Constellation Software	CAD	550	239	0.03
Crescent Point Energy	CAD	15,040	85	0.01
Dollarama	CAD	2,900	241	0.03
Enbridge	CAD	28,610	892	0.11
Enbridge	USD	16,567	517	0.06
Encana	CAD	27,512	237	0.03
Fairfax Financial Holdings	CAD	770	299	0.04
Fortis	CAD	11,450	315	0.04
Franco-Nevada	CAD	4,930	298	0.04
George Weston	CAD	1,420	94	0.04
Goldcorp	CAD	23,900	239	0.01
Great-West Lifeco	CAD		175	
		8,020		0.02
Husky Energy	CAD	8,506	79	0.01
Hydro One	CAD	8,270	113	0.01
IGM Financial	CAD	2,730	71	0.01
Imperial Oil	CAD	7,140	167	0.02
Intact Financial	CAD	3,620	225	0.03
Inter Pipeline	CAD	10,350	161	0.02
Loblaw	CAD	5,701	236	0.03
Magna International	CAD	9,960	407	0.05
Manulife Financial	CAD	46,070	715	0.09
Manulife Financial	USD	8,560	133	0.01
Metro	CAD	6,440	163	0.02
National Bank of Canada	CAD	9,590	353	0.04
Pembina Pipeline	CAD	11,270	290	0.03
Potash Corp. of Saskatchewan	CAD	23,155	331	0.04
Power Corp. of Canada	CAD	10,665	208	0.02
Power Financial	CAD	6,820	145	0.02
Restaurant Brands International	USD	6,082	302	0.04
Restaurant Brands International	CAD	300	15	_
RioCan REIT	CAD	9,410	142	0.02
Rogers Communications 'B'	CAD	9,990	398	0.05
Royal Bank of Canada	CAD	40,530	2,410	0.29
Saputo	CAD	5,960	155	0.02
Shaw Communications 'B'	CAD	12,360	205	0.02
SNC-Lavalin Group	CAD	4,920	168	0.02
Sun Life Financial	CAD	17,060	506	0.02
Suncor Energy	CAD	46,206	1,172	0.14
Teck Resources 'B'	CAD	13,200	227	0.03
TELUS	CAD	3,630	98	0.01
Thomson Reuters	CAD	7,860	274	0.03
Toronto-Dominion Bank	CAD	51,410	2,201	0.27
Tourmaline Oil	CAD	6,930	98	0.01
TransCanada	CAD	23,982	903	0.11
Trisura Group	CAD	113	2	-
Turquoise Hill Resources	CAD	30,930	76	0.01
Valeant Pharmaceuticals International	CAD	9,410	98	0.01
Waste Connections	CAD	7,245	382	0.05
Wheaton Precious Metals	CAD	12,470	190	0.02
Course Islands 0.359/ /0.349/			26,926	3.25
Cayman Islands 0.35% (0.34%) AAC Technologies Holdings	HKD	19,500	263	0.03
ASM Pacific Technology	HKD	7,800	88	0.01
China Mengniu Dairy	HKD	76,000	159	0.02
Chow Tai Fook Jewellery Group	HKD	29,000	25	
Chote fair took sevenery droup	TIND	23,000	23	_

nvestment	Currency	Holding	Market Value £000	% of Net Assets
Cayman Islands 0.35% (0.34%) (continued)				
CK Asset Holdings, REIT	HKD	74,372	464	0.06
CK Hutchison Holdings	HKD	77,372	744	0.09
TH Mobile	HKD	78,000	18	_
lerbalife en la companya de la comp	USD	1,860	108	0.01
lopewell Highway Infrastructure	HKD	22,650	11	_
utchison Telecommunications Hong Kong Holdings	HKD	26,000	7	_
festyle International Holdings	HKD	13,500	14	_
IGM China Holdings	HKD	20,800	35	0.01
linth Group	HKD	20,000	82	0.01
exteer Automotive Group	HKD	22,000	35	0.01
ands China	HKD	66,800	244	0.03
miconductor Manufacturing International	HKD	77,400	75	0.01
hui On Land, REIT	HKD	97,000	19	_
ngyi Cayman Islands Holding	HKD	53,160	63	0.01
PK Holding	TWD	6,887	18	0.01
ni-President China Holdings	HKD	31,000	22	_
ant Want China Holdings	HKD	156,000	88	0.01
/H Group	HKD	232,000	177	0.02
/ynn Macau	HKD	40,800	79	0.01
inyi Glass Holdings	HKD	56,000	41	0.01
inyi Solar Holdings	HKD	88,000	24	
uracao 0.24% (0.34%)			2,903	0.35
chlumberger	USD	38,424	1,945	0.24
			1,945	0.24
rech Republic 0.02% (0.02%)				
77	CZK	4,100	63	0.01
omercni banka	CZK	1,950	66	0.01
oneta Money Bank	CZK	10,340	27	-
2 Czech Republic	CZK	1,000	9	_
			165	0.02
enmark 0.67% (0.64%) P Moller – Maersk 'A'	DKK	123	170	0.02
			170	0.02
P Moller – Maersk 'B'	DKK	184	263	0.03
arlsberg 'B'	DKK	2,890	245	0.03
hr Hansen Holding	DKK	2,420	157	0.02
oloplast 'B'	DKK	3,640	237	0.03
anske Bank	DKK	19,520	582	0.07
ONG Energy	DKK	4,140	185	0.02
SV	DKK	5,100	287	0.03
enmab	DKK	1,510	257	0.03
Lundbeck	DKK	1,680	79	0.01
S	DKK	5,060	155	0.02
rske Bank	DKK	1,800	77	0.01
ovo Nordisk 'B'	DKK	49,040	1,758	0.21
ovozymes 'B'	DKK	5,970	235	0.03
andora	DKK	2,980	215	0.03
OC .	DKK	22,700	105	0.01
yg	DKK	3,110	55	0.01
istas Wind Systems	DKK	5,710	393	0.05
illiam Demant Holding	DKK	3,020	64	0.01
			5,519	0.67
nland 0.40% (0.39%)	ELID	2.020	177	0.00
isa	EUR	3,920	127	0.02
ortum	EUR	11,850	187	0.02
uhtamaki	EUR	2,860	92	0.01
esko 'B'	EUR	1,860	76	0.01
one 'B'	EUR	10,460	423	0.05

Investment	Currency	Holding	Market Value £000	% of Net Assets
Finland 0.40% (0.39%) (continued)				
Metso	EUR	2,860	79	0.01
Neste	EUR	3,465	120	0.02
Nokia	EUR	157,242	699	0.08
Nokian Renkaat	EUR	3,660	124	0.02
Orion 'B'	EUR	2,820	95	0.01
Sampo 'A'	EUR	12,860	521	0.06
Stora Enso 'R'	EUR	16,502	182	0.02
UPM-Kymmene	EUR	14,876	318	0.04
Wartsila OYJ Abp	EUR	4,240	226	0.03
France 3.65% (3.36%)			3,269	0.40
Accor	EUR	4,820	185	0.02
Aeroports de Paris	EUR	780	96	0.01
Air Liquide	EUR	11,612	1,077	0.13
Alstom	EUR	4,182	132	0.02
Amundi	EUR	1,318	81	0.01
Arkema	EUR	1,978	182	0.02
Atos	EUR	2,515	297	0.02
AXA	EUR	52,305	1,188	0.14
BioMerieux	EUR	1,140	71	0.01
BNP Paribas	EUR	29,852	1,762	0.21
Bollore	EUR	27,430	100	0.01
Bouygues	EUR	5,461	195	0.02
Bureau Veritas	EUR	7,110	143	0.02
Capgemini Capgemini	EUR	4,270	382	0.05
Carrefour	EUR	15,190	233	0.03
Casino Guichard Perrachon	EUR	1,590	69	0.03
Christian Dior	EUR	290	73	0.01
Cindidat biol	EUR	13,698	609	0.07
Cie Generale des Etablissements Michelin 'B'	EUR	4,888	529	0.06
Cie Plastic Omnium	EUR	1,530	50	0.00
CNP Assurances	EUR	4,363	77	0.01
Credit Agricole	EUR	31,258	416	0.05
Danone	EUR	16,178	997	0.03
Dassault Aviation	EUR	64	76	0.12
Dassault Systemes	EUR	3,580	282	0.03
Edenred	EUR	6,380	139	0.02
Eiffage	EUR	1,980	153	0.02
Electricite de France	EUR	13,114	127	0.02
Elior Group	EUR	3,610	77	0.02
Engie	EUR	45,504	586	0.07
Essilor International	EUR	5,620	510	0.06
Euler Hermes Group	EUR	410	37	0.00
Eurazeo	EUR	1,240	87	0.01
Eutelsat Communications	EUR	4,730	95	0.01
Faurecia	EUR	2,030	111	0.01
Fonciere Des Regions, REIT	EUR	1,074	82	0.01
Gecina, REIT	EUR	1,250	151	0.02
Groupe Eurotunnel	EUR	12,400	116	0.02
Hermes International	EUR	851	326	0.01
ICADE, REIT	EUR	1,000	66	0.04
lliad	EUR	660	132	0.01
Imerys	EUR	1,035	70	0.02
Ingenico Group	EUR	1,550	111	0.01
lpsen	EUR	960	97	0.01
JCDecaux	EUR	2,050	60	0.01
Kering	EUR	2,054	654 167	0.08
Klepierre, REIT	EUR	5,644	167	0.02
Lagardere	EUR	3,170	80	0.01
Legrand	EUR	7,360	403	0.05

Investment	Currency	Holding	Market Value £000	% of Net Assets
France 3.65% (3.36%) (continued)				
L'Oreal	EUR	6,650	1,115	0.13
LVMH Moet Hennessy Louis Vuitton	EUR	6,875	1,480	0.18
Natixis	EUR	22,910	136	0.02
Orange	EUR	52,941	654	0.08
Orpea Orpea	EUR	1,170	106	0.01
Pernod Ricard	EUR	5,853	634	0.08
Peugeot	EUR	12,180	221	0.03
Publicis Groupe	EUR	5,670	306	0.04
Remy Cointreau	EUR	670	65	0.01
Renault	EUR	4,750	357	0.04
Rexel	EUR	8,300	108	0.01
Rubis	EUR	2,100	102	0.01
Safran	EUR	8,120	621	0.07
Sanofi	EUR	30,190	2,260	0.27
Sartorius Stedim Biotech	EUR	660	35	_
Schneider Electric	EUR	14,628	956	0.12
SCOR	EUR	4,350	137	0.02
SEB	EUR	740	108	0.01
Societe BIC	EUR	730	60	0.01
Societe Generale	EUR	20,265	860	0.10
Sodexo	EUR	2,420	223	0.03
Suez	EUR	9,983	138	0.02
Teleperformance	EUR	1,570	176	0.02
Thales	EUR	2,755	233	0.02
TOTAL	EUR	61,046	2,487	0.03
Ubisoft Entertainment	EUR	2,080	121	
				0.01
Unibail-Rodamco, REIT	EUR	2,721	505	0.06
Valeo	EUR	6,580	373	0.05
Veolia Environnement	EUR	13,418	238	0.03
Vinci	EUR	12,843	919	0.11
Vivendi	EUR	29,526	562	0.07
Wendel	EUR	780	97	0.01
Zodiac Aerospace	EUR	5,320	115	0.01
Germany 3.61% (3.32%)			30,247	3.65
adidas	EUR	5,430	938	0.11
Allianz	EUR	12,463	2,174	0.26
Axel Springer	EUR	1,230	62	0.20
BASF	EUR	25,320	2,010	0.24
Bayer	EUR	22,894	2,407	0.29
Bayerische Motoren Werke	EUR	8,818	686	0.23
Bayerische Motoren Werke Preference	EUR	1,540	104	0.00
Beiersdorf	EUR	2,744	227	0.01
	EUR			
Brenntag		4,250	181	0.02
CECONOMY	EUR	4,387	42	- 0.04
Commerzbank	EUR	28,573	298	0.04
Continental	EUR	2,970	569	0.07
Covestro	EUR	3,620	233	0.03
Daimler 'Registered Shares'	EUR	26,657	1,610	0.19
Deutsche Bank	EUR	56,575	712	0.09
Deutsche Boerse	EUR	5,140	436	0.05
Deutsche Lufthansa	EUR	6,548	146	0.02
Deutsche Post	EUR	26,210	891	0.11
Deutsche Telekom	EUR	89,299	1,231	0.15
Deutsche Wohnen, REIT	EUR	9,754	313	0.04
E.ON	EUR	56,583	501	0.06
Evonik Industries	EUR	4,190	114	0.01
Fielmann	EUR	680	45	0.01
Fielmann Fraport AG Frankfurt Airport Services Worldwide	EUR EUR	680 970	45 70	0.01

Investment	Currency	Holding	Market Value £000	% of Net Assets
Germany 3.61% (3.32%) (continued)				
Fresenius Medical Care	EUR	5,830	420	0.05
FUCHS PETROLUB	EUR	900	35	_
FUCHS PETROLUB Preference	EUR	1,940	87	0.01
GEA Group	EUR	4,850	174	0.02
Hannover Rueck	EUR	1,670	160	0.02
HeidelbergCement	EUR	4,087	313	0.04
Hella KGaA Hueck	EUR	1,190	55	0.01
Henkel	EUR	3,210	307	0.04
Henkel Preference	EUR	4,800	510	0.06
HOCHTIEF	EUR	530	66	0.01
HUGO BOSS	EUR	1,770	122	0.01
nfineon Technologies	EUR EUR	31,039 3,510	600	0.07
nnogy K+S	EUR	5,366	122 99	0.01
KION Group	EUR	1,950	131	0.01 0.02
ANXESS	EUR			
ANXESS LEG Immobilien, REIT	EUR	2,539 1,760	151 136	0.02 0.02
inde	EUR	5,103	796	0.02
MAN	EUR	980	796 82	0.10
vian Merck	EUR	3,550	304	0.01
METRO	EUR	4,597	71	0.04
MTU Aero Engines	EUR	1,430	174	0.01
Muenchener Rueckversicherungs-Gesellschaft	EUR	3,784	623	0.02
OSRAM Licht	EUR	2,230	128	0.08
Porsche Automobil Holding Preference	EUR	4,207	217	0.02
ProSiebenSat.1 Media	EUR	6,290	170	0.03
Puma	EUR	70	21	0.02
Rational	EUR	90	45	0.01
RWE, (Non-Voting) Preference	EUR	890	12	0.01
RWE	EUR	13,295	246	0.03
5AP	EUR	24,966	2,110	0.25
Sartorius Preference	EUR	960	72	0.01
Siemens	EUR	21,028	2,237	0.27
Suedzucker	EUR	2,180	33	-
Symrise	EUR	3,320	190	0.02
Talanx	EUR	990	30	_
Telefonica Deutschland Holding	EUR	18,340	75	0.01
hyssenkrupp	EUR	11,620	245	0.03
Jniper	EUR	5,450	116	0.01
Jnited Internet	EUR	3,200	154	0.02
/olkswagen	EUR	800	106	0.01
/olkswagen Preference	EUR	5,032	645	0.08
/onovia, REIT	EUR	13,430	440	0.05
Nacker Chemie	EUR	400	43	0.01
Virecard	EUR	3,140	225	0.03
Zalando	EUR	2,880	114	0.01
			29,897	3.61
Greece 0.04% (0.04%)				
Alpha Bank	EUR	35,874	55	0.01
Eurobank Ergasias	EUR	51,180	33	-
F Group	EUR	850	14	_
Iellenic Petroleum	EUR	1,670	11	_
Hellenic Telecommunications Organization	EUR	6,408	58	0.01
UMBO	EUR	2,820	36	-
Notor Oil Hellas Corinth Refineries	EUR	1,580	27	-
ational Bank of Greece	EUR	147,661	39	0.01
DPAP	EUR	6,950	56	0.01
Diracus Dank	EUR	8,273	19	_
Piraeus Bank				
itan Cement	EUR	1,090	21	

Investment	Currency	Holding	Market Value £000	% of Net Assets
Guernsey 0.02% (0.03%)				
Amdocs	USD	4,010	198	0.02
Hong Kong 0 01% (0 04%)			198	0.02
Hong Kong 0.91% (0.94%) AIA Group	HKD	334,160	1,969	0.24
Bank of East Asia	HKD	33,000	1,909	0.24
BOC Hong Kong Holdings	HKD	99,000	367	0.01
Cathay Pacific Airways	HKD	22,000	27	0.04
Champion REIT	HKD	54,000	28	
China Travel International Investment Hong Kong	HKD	68,000	20	
CLP Holdings	HKD	45,240	348	0.04
Dah Sing Banking Group	HKD	7,200	12	0.04
Dah Sing Financial Holdings	HKD	3,600	19	_
Galaxy Entertainment Group	HKD	59,000	302	0.04
Guotai Junan International Holdings	HKD	64,000	16	0.04
Hang Lung Group, REIT	HKD	25,000	69	0.01
Hang Lung Properties, REIT	HKD	56,000	103	0.01
Hang Seng Bank	HKD	19,915	367	0.04
Henderson Land Development, REIT	HKD	30,040	152	0.02
Hong Kong & China Gas	HKD	224,115	321	0.04
Hong Kong Exchanges and Clearing	HKD	33,900	717	0.04
Hopewell Holdings	HKD	16,000	48	0.03
Hysan Development, REIT	HKD	17,000	61	0.01
I-CABLE Communications	HKD	15,043	-	0.01
Link REIT	HKD	61,000	374	0.05
Melco International Development	HKD	23,000	48	0.03
MTR	HKD	39,000	169	0.01
New World Development, REIT	HKD	153,400	179	0.02
PCCW	HKD	109,494	45	0.02
Power Assets Holdings	HKD	35,622	235	0.01
Shougang Fushan Resources Group	HKD	110,000	19	0.03
Shun Tak Holdings	HKD	44,000	15	_
Sino Land, REIT	HKD	84,500	115	0.01
SJM Holdings	HKD	51,000	34	0.01
Sun Art Retail Group	HKD	59,000	43	0.01
Sun Hung Kai Properties, REIT	HKD	39,081	500	0.06
Swire Pacific, REIT 'A'	HKD	13,660	100	0.00
Swire Pacific, REIT 'B'	HKD	25,000	33	0.01
Swire Properties, REIT	HKD	30,412	80	0.01
Techtronic Industries	HKD	35,000	145	0.02
Television Broadcasts	HKD	8,800	23	0.02
Wharf Holdings, REIT	HKD	33,175	231	0.03
Wheelock, REIT	HKD	23,000	125	0.02
wheelock, hell	TIND	25,000		
			7,570	0.91
Hungary 0.05% (0.03%)		40.000	4.5	
Magyar Telekom Telecommunications	HUF	10,960	15	-
MOL Hungarian Oil & Gas	HUF	12,000	108	0.01
OTP Bank	HUF	6,900	210	0.03
Richter Gedeon	HUF	4,120	78	0.01
			411	0.05
Indonesia 0.00% (0.00%)	15.5	436		
Bank Dagang Nasional Indonesia	IDR	126	_	_
Bank Indonesia Raya	IDR	100		
Ireland 1.25% (1.45%)			_	_
Accenture 'A'	USD	17,130	1,794	0.22
Adient	USD	2,572	163	0.02
Alkermes	USD	4,210	159	0.02
Allegion	USD	2,633	177	0.02

Investment	Currency	Holding	Market Value £000	% of Net Assets
Ireland 1.25% (1.45%) (continued)				
Allergan	USD	9,280	1,425	0.17
Allied Irish Banks	EUR	18,930	86	0.01
Anglo Irish Bank^	EUR	16,820	_	-
Bank of Ireland Group	EUR	24,399	151	0.02
aton	USD	12,257	726	0.09
ilanbia	EUR	4,550	66	0.01
ngersoll-Rand	USD	7,011	482	0.06
ames Hardie Industries, CDI	AUD	12,340	129	0.01
azz Pharmaceuticals	USD	1,650	176	0.02
ohnson Controls International	USD	25,856	805	0.10
erry Group 'A'	EUR	3,880	282	0.03
ingspan Group	EUR	5,000	161	0.02
Лallinckrodt	USD	2,710	71	0.01
Medtronic	USD	37,873	2,220	0.27
Pentair	USD	4,531	238	0.03
Perrigo	USD	3,842	253	0.03
lyanair Holdings	EUR	3,916	59	0.01
eagate Technology	USD	8,010	203	0.02
Veatherford International	USD	24,672	74	0.01
Villis Towers Watson	USD	3,463	408	0.05
		,	10,308	1.25
sle of Man 0.02% (0.02%)		464.000	407	0.04
Senting Singapore	SGD	161,000	107	0.01
NEPI Rockcastle, REIT New Europe Property Investments^	ZAR EUR	8,585 6,520	91	0.01
tew Europe Property Investments	LON	0,320	198	0.02
srael 0.21% (0.26%)				
Airport City, REIT	ILS	1,770	18	_
Alony Hetz Properties & Investments, REIT	ILS	2,840	23	-
szrieli Group, REIT	ILS	1,190	51	0.01
ank Hapoalim BM	ILS	34,960	187	0.02
ank Leumi Le-Israel BM	ILS	39,800	163	0.02
ezeq The Israeli Telecommunication	ILS	71,080	76	0.01
heck Point Software Technologies	USD	3,350	297	0.04
Pelek Group	ILS	140	19	_
Elbit Systems	ILS	650	73	0.01
rutarom Industries	ILS	1,060	62	0.01
Gazit-Globe, REIT	ILS	2,830	20	_
srael	ILS	120	17	_
srael Chemicals	ILS	14,070	47	0.01
srael Discount Bank 'A'	ILS	31,080	60	0.01
Melisron, REIT	ILS	370	14	_
Aizrahi Tefahot Bank	ILS	3,560	48	0.01
lice	ILS	1,670	103	0.01
Dil Refineries	ILS	41,410	16	_
az Oil	ILS	220	27	_
trauss Group	ILS	1,210	17	_
eva Pharmaceutical Industries	ILS	8,290	99	0.01
eva Pharmaceutical Industries, ADR	USD	17,385	198	0.03
ower Semiconductor	ILS	2,707	64	0.01
		•	1,699	0.21
taly 0.85% (0.65%)	F115	42.470		0.01
A2A	EUR	42,470	55	0.01
ssicurazioni Generali	EUR	36,193	501	0.06
tlantia	EUR	14,706	360	0.04
anca Mediolanum	EUR	6,870	44	0.01
anco BPM	EUR	41,710	115	0.01
Buzzi Unicem	EUR	1,920	40	-
Buzzi Unicem Saving Shares	EUR	1,070	13	

Investment	Currency	Holding	Market Value £000	% of Net Assets
Italy 0.85% (0.65%) (continued)				
Davide Campari-Milano	EUR	15,870	92	0.01
Enel	EUR	215,033	991	0.12
Eni	EUR	69,194	861	0.10
FinecoBank Banca Fineco	EUR	10,830	71	0.01
Intesa Sanpaolo	EUR	356,333	908	0.11
Intesa Sanpaolo Savings Share	EUR	25,810	62	0.01
Italgas	EUR	13,714	58	0.01
Leonardo	EUR	10,728	146	0.02
Luxottica Group	EUR	4,260	176	0.02
Mediaset	EUR	9,220	26	-
Mediobanca	EUR	16,063	131	0.02
Moncler	EUR	4,550	99	0.01
Pirelli & C	EUR	9,680	56	0.01
Poste Italiane	EUR	12,930	71	0.01
PRADA	HKD	14,000	40	_
Prysmian	EUR	5,980	153	0.02
Recordati	EUR	2,760	98	0.01
Saipem	EUR	15,776	50	0.01
Salvatore Ferragamo	EUR	1,170	24	-
Snam	EUR	66,251	249	0.03
Telecom Italia	EUR	313,481	211	0.03
Telecom Italia Savings Share	EUR	167,270	91	0.01
Terna Rete Elettrica Nazionale	EUR	38,690	172	0.02
UniCredit	EUR	61,608	937	0.11
Unione di Banche Italiane	EUR	26,630	97	0.01
UnipolSai Assicurazioni	EUR	27,910	49	0.01
omportar / document	LON	27,310	7,047	0.85
Japan 9.34% (9.43%)				
77 Bank	JPY	2,000	37	_
ABC-Mart	JPY	700	27	_
Acom	JPY	10,600	34	_
Adastria	JPY	600	10	_
Advantest	JPY	4,920	77	0.01
Aeon	JPY	19,100	221	0.03
AEON Financial Service	JPY	3,200	53	0.03
Aeon Mall, REIT	JPY	3,390	46	0.01
According, NET	JPY	1,400	35	-
Aiful	JPY	8,100	22	_
Ain Holdings	JPY	600	30	_
Air Holdings Air Water	JPY	4,300	60	0.01
Aisin Seiki	JPY			0.01
	JPY	4,900	197	
Ajinomoto		13,900	211	0.03
Alfresa Holdings	JPY	5,000	71	0.01
Alps Electric	JPY	5,200	107	0.01
Amada Holdings	JPY	8,900	75	0.01
ANA Holdings	JPY	3,200	94	0.01
Aoyama Trading	JPY	1,200	33	-
Aozora Bank	JPY	3,200	93	0.01
Ariake Japan	JPY	500	28	
Asahi Glass	JPY	5,300	150	0.02
Asahi Group Holdings	JPY	10,500	352	0.04
Asahi Intecc	JPY	1,400	58	0.01
Asahi Kasei	JPY	34,000	309	0.04
Asics	JPY	4,900	56	0.01
ASKUL	JPY	500	10	_
Astellas Pharma	JPY	57,200	561	0.07
Autobacs Seven	JPY	1,700	22	_
Autobacs seven				
Awa Bank	JPY	5,000	24	_
Awa Bank		5,000 1,800		0.01
	JPY JPY JPY	5,000 1,800 5,300	24 58 136	0.01 0.02

Investment	Currency	Holding	Market Value £000	% of Net Assets
Japan 9.34% (9.43%) (continued)		3		
Benesse Holdings	JPY	1,900	50	0.01
Bic Camera	JPY	4,000	35	_
Bridgestone	JPY	17,400	620	0.08
Brother Industries	JPY	6,600	120	0.01
Calbee	JPY	2,000	55	0.01
Canon Madatina Israel	JPY	28,550	764	0.09
Canon Marketing Japan	JPY	1,155	20	_
Capcom Casio Computer	JPY JPY	1,300 6,100	25 67	0.01
Central Japan Railway	JPY	5,000	681	0.01
Chiba Bank	JPY	18,000	98	0.00
Chiyoda	JPY	4,000	17	-
Chubu Electric Power	JPY	19,210	181	0.02
Chugai Pharmaceutical	JPY	5,930	207	0.03
Chugoku Bank	JPY	4,900	51	0.01
Chugoku Electric Power	JPY	7,780	64	0.01
Citizen Watch	JPY	7,400	40	0.01
Coca-Cola Bottlers Japan	JPY	3,300	86	0.01
COLOPL	JPY	1,300	10	_
COMSYS Holdings	JPY	3,000	56	0.01
Concordia Financial Group	JPY	33,100	129	0.02
Cosmo Energy Holdings	JPY	1,700	29	_
Cosmos Pharmaceutical	JPY	200	33	- 0.01
Credit Saison	JPY	4,500	71	0.01
CyberAgent Dai Nippon Printing	JPY JPY	2,600 8,000	58 142	0.01 0.02
Daicel	JPY	8,300	74	0.02
Daido Steel	JPY	1,000	45	0.01
Daifuku	JPY	2,600	99	0.01
Dai-ichi Life Holdings	JPY	31,400	431	0.05
Daiichi Sankyo	JPY	17,836	295	0.04
Daiichikosho	JPY	1,100	39	_
Daikin Industries	JPY	7,300	580	0.07
Daikyo, REIT	JPY	800	12	_
Daishi Bank	JPY	900	32	_
Daito Trust Construction, REIT	JPY	2,000	273	0.03
Daiwa House Industry, REIT	JPY	17,900	487	0.06
Daiwa Securities Group	JPY	44,000	194	0.02
DeNA	JPY	3,100	52	0.01
Denka	JPY JPY	2,400	61 513	0.01 0.06
Denso Dentsu	JPY JPY	13,500 6,100	211	0.06
DIC	JPY	2,200	59	0.03
Disco	JPY	800	128	0.02
DMG Mori	JPY	2,900	42	0.01
Don Quijote Holdings	JPY	3,300	101	0.01
Dowa Holdings	JPY	1,280	38	_
East Japan Railway	JPY	10,300	734	0.09
Ebara	JPY	2,800	73	0.01
Eisai	JPY	7,300	285	0.03
Electric Power Development	JPY	4,540	88	0.01
Exedy	JPY	800	18	_
Ezaki Glico	JPY	1,400	59	0.01
FamilyMart UNY Holdings	JPY	2,204	94	0.01
FANUC	JPY	5,400	898	0.11
Fast Retailing FP	JPY JPY	1,400 600	345 23	0.04
Fuji Electric	JPY JPY	16,000	23 72	0.01
Fuji Media Holdings	JPY JPY	1,300	72 14	0.01
Fuji Oil Holdings	JPY	1,200	25	_
FUJIFILM Holdings	JPY	10,700	320	0.04
. oseordings	31.1	10,700	320	0.04

Investment	Currency	Holding	Market Value £000	% of Net Assets
Japan 9.34% (9.43%) (continued)				
Fujikura	JPY	7,500	46	0.01
Fujitsu	JPY	54,000	322	0.04
Fujitsu General	JPY	1,500	23	_
Fukuoka Financial Group	JPY	20,525	73	0.01
Fukuyama Transporting	JPY	800	19	_
Furukawa Electric	JPY	1,700	77	0.01
Glory	JPY	1,500	42	0.01
GMO Payment Gateway	JPY	400	20	_
Gree	JPY	3,000	16	-
GS Yuasa	JPY	11,000	43	0.01
GungHo Online Entertainment	JPY	10,200	21	0.01
Gunma Bank	JPY	12,200	57	0.01
H2O Retailing	JPY	2,200	31	0.01
Hachijuni Bank	JPY JPY	11,300	53 71	0.01
Hakuhodo DY Holdings Hamamatsu Photonics KK	JPY JPY	6,700 3,500	85	0.01
Hankyu Hanshin Holdings	JPY	6,300	181	0.01 0.02
Haseko	JPY	7,900	82	0.02
Heiwa	JPY	1,400	21	0.01
Hikari Tsushin	JPY	600	55	0.01
Hino Motors	JPY	7,500	72	0.01
Hirose Electric	JPY	930	101	0.01
Hiroshima Bank	JPY	8,000	47	0.01
HIS	JPY	900	21	0.01
Hisamitsu Pharmaceutical	JPY	2,000	77	0.01
Hitachi	JPY	127,400	711	0.01
Hitachi Capital	JPY	1,200	23	0.05
Hitachi Chemical	JPY	2,700	54	0.01
Hitachi Construction Machinery	JPY	2,900	69	0.01
Hitachi High-Technologies	JPY	1,850	54	0.01
Hitachi Kokusai Electric	JPY	1,300	27	-
Hitachi Metals	JPY	5,600	59	0.01
Hitachi Transport System	JPY	1,200	23	_
Hokkaido Electric Power	JPY	4,860	27	_
Hokuhoku Financial Group	JPY	3,500	42	0.01
Hokuriku Electric Power	JPY	4,360	28	_
Honda Motor	JPY	49,300	1,120	0.14
Horiba	JPY	1,100	48	0.01
Hoshizaki	JPY	1,400	96	0.01
House Foods Group	JPY	2,100	49	0.01
Hoya	JPY	10,400	432	0.05
Hulic, REIT	JPY	10,000	77	0.01
Ibiden	JPY	3,000	37	_
Ichigo, REIT	JPY	4,600	13	_
Idemitsu Kosan	JPY	4,000	84	0.01
IHI	JPY	3,600	94	0.01
Iida Group Holdings	JPY	3,900	54	0.01
Inpex	JPY	25,100	195	0.02
Isetan Mitsukoshi Holdings	JPY	10,120	86	0.01
Isuzu Motors	JPY	15,100	154	0.02
Ito En	JPY	1,600	42	0.01
ITOCHU	JPY	39,100	490	0.06
Itochu Techno-Solutions	JPY	1,300	36	_
Itoham Yonekyu Holdings	JPY	3,700	26	_
lyo Bank	JPY	7,300	45	0.01
Izumi	JPY	1,100	43	0.01
J Front Retailing	JPY	6,800	76	0.01
Jafco	JPY	900	33	_
Japan Airlines	JPY	3,300	86	0.01
Japan Airport Terminal	JPY	1,300	36	_
Japan Aviation Electronics Industry	JPY	1,000	12	

Investment	Currency	Holding	Market Value £000	% of Net Assets
Japan 9.34% (9.43%) (continued)				
Japan Display	JPY	10,000	16	_
Japan Exchange Group	JPY	14,800	205	0.02
Japan Petroleum Exploration	JPY	900	14	_
apan Post Bank	JPY	11,200	104	0.01
lapan Post Holdings	JPY	37,300	324	0.04
apan Post Insurance	JPY	1,800	29	_
lapan Steel Works	JPY	1,800	33	_
Japan Tobacco	JPY	33,100	825	0.10
IFE Holdings	JPY	14,075	210	0.03
GC	JPY	5,900	74	0.01
ISR	JPY	5,300	73	0.01
ITEKT	JPY	6,400	69	0.01
Juroku Bank	JPY	900	23	_
IXTG Holdings	JPY	87,431	328	0.04
Kagome	JPY	2,200	55	0.04
Kajima	JPY	25,000	196	0.01
Kalarina Kakaku.com	JPY		37	0.02
		3,500		_
Kaken Pharmaceutical	JPY	1,000	38	- 0.01
Kamigumi	JPY	3,000	52	0.01
Kandenko	JPY	3,000	23	_
Kaneka	JPY	8,000	46	0.01
Kansai Electric Power	JPY	20,000	209	0.03
Kansai Paint	JPY	5,400	98	0.01
Kao	JPY	13,300	616	0.07
Kawasaki Heavy Industries	JPY	4,000	103	0.01
Kawasaki Kisen Kaisha	JPY	2,300	47	0.01
KDDI	JPY	50,450	1,011	0.12
Keihan Holdings	JPY	2,600	59	0.01
Keikyu	JPY	7,105	113	0.01
Keio	JPY	3,200	102	0.01
Keisei Electric Railway	JPY	3,900	84	0.01
Keiyo Bank	JPY	7,000	25	_
Kewpie	JPY	3,200	60	0.01
Keyence	JPY	2,500	1,007	0.12
Kikkoman	JPY	4,800	117	0.01
Kinden	JPY	3,620	44	0.01
Kintetsu Group Holdings	JPY	4,915	141	
				0.02
Kirin Holdings	JPY	23,000	425	0.05
Kissei Pharmaceutical	JPY	800	16	-
Kobayashi Pharmaceutical	JPY	1,700	72	0.01
Kobe Steel	JPY	8,300	45	0.01
Koei Tecmo Holdings	JPY	1,400	22	_
Koito Manufacturing	JPY	3,200	154	0.02
Komatsu	JPY	25,300	589	0.07
Komeri	JPY	800	18	_
Konami Holdings	JPY	2,600	94	0.01
Konica Minolta	JPY	12,684	81	0.01
Kose	JPY	800	73	0.01
C's Holdings	JPY	2,200	38	_
Kubota	JPY	30,700	411	0.05
Curaray	JPY	9,800	140	0.02
Kurita Water Industries	JPY	3,000	66	0.01
Cusuri no Aoki Holdings	JPY	400	17	-
Kyocera	JPY	8,580	421	0.05
CYORIN Holdings	JPY	1,100	17	0.03
Kyowa Hakko Kirin	JPY	7,000	93	0.01
				0.01
Kyudenko	JPY	1,000	29	- 0.01
Kyushu Electric Power	JPY	12,870	109	0.01
Kyushu Financial Group	JPY	10,930	50	0.01
Kyushu Railway	JPY	4,500	104	0.01
Lawson	JPY	1,300	66	0.01

Investment	Currency	Holding	Market Value £000	% of Net Assets
Japan 9.34% (9.43%) (continued)				
Leopalace21, REIT	JPY	6,800	38	_
LINE	JPY	1,000	28	_
Lintec	JPY	1,300	26	_
Lion	JPY	7,000	100	0.01
LIXIL Group	JPY	7,172	145	0.02
M3	JPY	5,600	123	0.02
Mabuchi Motor	JPY	1,400	53	0.01
Maeda	JPY	4,000	37	_
Maeda Road Construction	JPY	2,000	32	_
Makita	JPY	6,700	200	0.02
Marubeni	JPY	42,900	211	0.03
Marui Group	JPY	5,900	68	0.01
Maruichi Steel Tube	JPY	1,700	38	_
Matsui Securities	JPY	2,400	14	_
Matsumotokiyoshi Holdings	JPY	1,100	58	0.01
Mazda Motor	JPY	15,800	172	0.02
Mebuki Financial Group	JPY	27,900	83	0.01
Medipal Holdings	JPY	4,400	61	0.01
Megmilk Snow Brand	JPY	1,100	24	0.01
MEIJI Holdings	JPY	3,736	227	0.03
MinebeaMitsumi	JPY	11,800	149	0.02
Miraca Holdings	JPY	1,400	49	0.01
MISUMI Group	JPY	7,600	147	0.02
Mitsubishi	JPY	35,600	614	0.07
Mitsubishi Chemical Holdings	JPY	35,400	267	0.03
Mitsubishi Electric	JPY	54,600	669	0.08
Mitsubishi Estate, REIT	JPY	32,700	439	0.05
Mitsubishi Gas Chemical	JPY	5,200	90	0.01
Mitsubishi Heavy Industries	JPY	7,900	235	0.03
Mitsubishi Logistics	JPY	2,000	39	_
Mitsubishi Materials	JPY	3,500	93	0.01
Mitsubishi Motors	JPY	17,400	107	0.01
Mitsubishi Shokuhin	JPY	300	7	_
Mitsubishi Tanabe Pharma	JPY	6,100	105	0.01
Mitsubishi UFJ Financial Group	JPY	356,896	1,728	0.21
Mitsubishi UFJ Lease & Finance	JPY	12,100	50	0.01
Mitsui	JPY	46,400	509	0.06
Mitsui Chemicals	JPY	5,000	111	0.01
Mitsui Engineering & Shipbuilding	JPY	2,000	20	_
Mitsui Fudosan, REIT	JPY	26,000	443	0.05
Mitsui Mining & Smelting	JPY	1,500	59	0.01
Mitsui OSK Lines	JPY	3,071	70	0.01
Miura	JPY	2,800	48	0.01
Mizuho Financial Group	JPY	702,180	931	0.01
·				0.11
Mochida Pharmaceutical	JPY	300	17	_
MonotaRO	JPY	1,600	35	-
Morinaga	JPY	1,100	48	0.01
MS&AD Insurance Group Holdings	JPY	13,744	331	0.04
Murata Manufacturing	JPY	5,200	586	0.07
Nabtesco	JPY	3,200	93	0.01
Nagase	JPY	3,100	39	_
Nagoya Railroad	JPY	5,000	84	0.01
Nankai Electric Railway	JPY	3,000	58	0.01
NEC	JPY	6,900	142	0.02
Nexon	JPY	5,600	112	0.01
NGK Insulators	JPY	7,300	107	0.01
NGK Spark Plug	JPY	5,400	89	0.01
NH Foods	JPY	6,000	132	0.02
NHK Spring	JPY	4,300	36	0.02
Nichirei	JPY	3,100	61	0.01
Nichirei	JPY JPY	6,436	608	0.01

Investment	Currency	Holding	Market Value £000	% of Net Assets
Japan 9.34% (9.43%) (continued)	·			
Nifco	JPY	1,200	55	0.01
Nihon Kohden	JPY	2,000	35	_
Nihon M&A Center	JPY	1,800	69	0.01
Nikon	JPY	9,500	126	0.02
Nintendo	JPY	3,000	888	0.11
Nippo	JPY	1,000	15	_
Nippon Electric Glass	JPY	2,320	69	0.01
Nippon Express	JPY	2,000	99	0.01
Nippon Kayaku	JPY	5,000	57	0.01
Nippon Paint Holdings	JPY	4,200	104	0.01
Nippon Paper Industries	JPY	2,800	40	0.01
Nippon Shinyaku	JPY	1,400	75	0.01
Nippon Shokubai	JPY	900	49	0.01
Nippon Steel & Sumitomo Metal	JPY	21,400	368	0.04
Nippon Telegraph & Telephone	JPY	18,600	655	0.08
Nippon Television Holdings	JPY	1,400	19	_
Nippon Yusen KK	JPY	4,500	72	0.01
Nipro	JPY	3,100	34	_
Nishi-Nippon Financial Holdings	JPY	4,200	35	
Nishi-Nippon Railroad	JPY	2,200	41	0.01
Nissan Chemical Industries	JPY	3,900	104	0.01
Nissan Motor	JPY	53,300	388	0.05
Nissan Shatai	JPY	2,000	17	
Nisshin Seifun Group	JPY	7,290	97	0.01
Nisshin Steel	JPY	1,200	12	_
Nisshinbo Holdings	JPY	3,600	32	_
Nissin Foods Holdings	JPY	1,900	91	0.01
Nitori Holdings	JPY	2,000	216	0.03
Nitto Denko	JPY	4,300	274	0.03
NOF	JPY	2,000	44	0.01
NOK	JPY	3,100	57	0.01
Nomura Holdings	JPY	92,680	403	0.05
Nomura Real Estate Holdings, REIT	JPY	3,400	55	0.01
Nomura Research Institute	JPY	2,970	86	0.01
North Pacific Bank	JPY	7,900	19	_
NS Solutions	JPY	900	15	-
NSK	JPY	12,600	128	0.02
NTN	JPY	12,000	40	0.01
NTT Data	JPY	17,500	144	0.02
NTT DOCOMO	JPY	35,900	631	0.08
NTT Urban Development, REIT	JPY	3,000	24	- 0.03
Obayashi	JPY	18,500	174	0.02
Obic	JPY	1,800	83	0.01
OBIC Business Consultants	JPY	200	8	- 0.01
Odakyu Electric Railway	JPY	8,350	121	0.01
Oji Holdings	JPY	24,166	97	0.01
OKUMA	JPY	800	35	- 0.03
Olympus	JPY	7,700	205	0.02
Omron	JPY	5,400	218	0.03
Ono Pharmaceutical	JPY	12,500	219	0.03
Oracle Corp. Japan	JPY	900	55	0.01
Orient	JPY	15,900	20	- 0.04
Oriental Land	JPY	5,200	319	0.04
ORIX	JPY	35,500	456 150	0.06
Osaka Gas	JPY	10,800	159	0.02
OSG	JPY	1,900	30	- 0.01
Otsuka	JPY	1,400	69	0.01
Otsuka Holdings	JPY	11,500	353	0.04
PALTAC CORPORATION	JPY	900	28	_
PanaHome	JPY	1,000	8	-
Panasonic	JPY	58,913	635	0.08

Investment	Currency	Holding	Market Value £000	% of Net Assets
Japan 9.34% (9.43%) (continued)				
Park24	JPY	3,000	54	0.01
PeptiDream	JPY	2,200	53	0.01
Persol Holdings	JPY	4,700	85	0.01
Pigeon	JPY	3,000	79	0.01
Pilot	JPY	800	30	-
Pola Orbis Holdings	JPY	2,000	48	0.01
Rakuten	JPY	22,400	188	0.02
Recruit Holdings	JPY	33,100	603	0.07
Relo Group, REIT	JPY	3,000	54	0.01
Renesas Electronics	JPY	13,200	112	0.01
Rengo	JPY	5,500	25	_
Resona Holdings	JPY	60,000	229	0.03
Resorttrust	JPY	1,800	26	_
Ricoh	JPY	19,000	147	0.02
Rinnai	JPY	1,000	65	0.01
Rohm	JPY	2,500	166	0.02
Rohto Pharmaceutical	JPY	2,600	46	0.01
Ryohin Keikaku	JPY	700	156	0.02
San-In Godo Bank	JPY	4,100	27	0.02
Sankyo	JPY	1,400	35	_
Sankyu	JPY	1,400	43	0.01
Sanrio	JPY	1,400	20	0.01
Santen Pharmaceutical	JPY	9,900	117	
Sanwa Holdings	JPY		49	0.01 0.01
		5,600		
Sapporo Holdings	JPY	1,700	39	- 0.01
Sawai Pharmaceutical	JPY	900	40	0.01
SBI Holdings	JPY	5,500	64	0.01
SCREEN Holdings	JPY	1,100	59	0.01
SCSK	JPY	1,100	35	_
Secom	JPY	5,400	310	0.04
Sega Sammy Holdings	JPY	5,640	62	0.01
Seibu Holdings	JPY	5,900	78	0.01
Seiko Epson	JPY	7,700	140	0.02
Seino Holdings	JPY	3,900	43	0.01
Sekisui Chemical	JPY	10,100	149	0.02
Sekisui House	JPY	15,900	212	0.03
Senshu Ikeda Holdings	JPY	7,480	22	_
Seven & i Holdings	JPY	21,360	652	0.08
Seven Bank	JPY	18,600	51	0.01
Sharp	JPY	4,000	97	0.01
Shiga Bank	JPY	7,000	29	_
Shikoku Electric Power	JPY	4,180	39	_
Shimachu	JPY	1,300	26	_
Shimadzu	JPY	7,500	114	0.01
Shimamura	JPY	600	51	0.01
Shimano	JPY	2,200	220	0.03
Shimizu	JPY	15,500	134	0.02
Shin-Etsu Chemical	JPY	11,250	768	0.09
Shinsei Bank	JPY	4,400	54	0.01
Shionogi	JPY	7,900	327	0.04
Shiseido	JPY	10,700	335	0.04
Shizuoka Bank	JPY	14,000	97	0.01
Shochiku	JPY	300	32	0.01
Showa Denko KK	JPY JPY	3,400	83	0.01
	JPY JPY		83 46	
Showa Shell Sekiyu KK		5,400		0.01
SKY Perfect JSAT Holdings	JPY	3,000	10	_
Skylark	JPY	3,400	38	-
SMC	JPY	1,600	438	0.05
SoftBank Group	JPY	23,600	1,561	0.19
Sohgo Security Services	JPY	1,800	63	0.01
Sojitz	JPY	34,900	74	0.01

Investment	Currency	Holding	Market Value £000	% of Net Assets
Japan 9.34% (9.43%) (continued)				
Sompo Holdings	JPY	10,000	283	0.03
Sony	JPY	34,900	963	0.12
Sony Financial Holdings	JPY	4,900	59	0.01
Sotetsu Holdings	JPY	2,200	41	0.01
Square Enix Holdings	JPY	2,200	64	0.01
Stanley Electric	JPY	4,100	111	0.01
Start Today Subaru	JPY JPY	4,900	113	0.01
Sugi Holdings	JPY JPY	16,900 1,000	449 39	0.05
SUMCO	JPY	6,000	75	0.01
Sumitomo	JPY	31,000	330	0.04
Sumitomo Chemical	JPY	42,000	198	0.02
Sumitomo Dainippon Pharma	JPY	4,500	47	0.01
Sumitomo Electric Industries	JPY	20,700	258	0.03
Sumitomo Forestry	JPY	3,500	43	0.01
Sumitomo Heavy Industries	JPY	3,200	98	0.01
Sumitomo Metal Mining	JPY	6,500	171	0.02
Sumitomo Mitsui Financial Group	JPY	36,900	1,071	0.13
Sumitomo Mitsui Trust Holdings	JPY	10,208	283	0.03
Sumitomo Osaka Cement	JPY	10,000	34	-
Sumitomo Realty & Development, REIT	JPY	12,000	291	0.04
Sumitomo Rubber Industries Sundrug	JPY JPY	4,800 1,800	68 59	0.01 0.01
Suntory Beverage & Food	JPY	3,500	121	0.01
Suruga Bank	JPY	4,900	82	0.01
Suzuken	JPY	2,200	58	0.01
Suzuki Motor	JPY	11,300	457	0.06
Sysmex	JPY	4,000	195	0.02
T&D Holdings	JPY	16,700	183	0.02
Tadano	JPY	3,100	28	_
Taiheiyo Cement	JPY	3,300	97	0.01
Taisei	JPY	5,800	245	0.03
Taisho Pharmaceutical Holdings	JPY	1,300	77	0.01
Taiyo Nippon Sanso	JPY	4,000	36	_
Taiyo Yuden	JPY	3,000	36	_
Takara Holdings	JPY	4,700	33 56	0.01
Takashimaya Takeda Pharmaceutical	JPY JPY	8,000 21,100	869	0.01 0.11
TDK	JPY	3,300	170	0.11
Teijin	JPY	4,900	73	0.02
Terumo	JPY	8,400	262	0.03
THK	JPY	3,100	82	0.01
TIS	JPY	2,300	50	0.01
Tobu Railway	JPY	5,600	119	0.01
Toda	JPY	6,000	35	_
Toho	JPY	3,220	86	0.01
Toho Gas	JPY	2,400	54	0.01
Tohoku Electric Power	JPY	12,962	131	0.02
Tokai Rika	JPY	1,200	19	_
Tokai Tokyo Financial Holdings	JPY	6,300	29	- 0.07
Tokio Marine Holdings	JPY JPY	19,300 800	581 12	0.07
Tokyo Broadcasting System Holdings Tokyo Century	JPY	1,300	45	0.01
Tokyo Electric Power Co. Holdings	JPY	42,700	133	0.01
Tokyo Electron	JPY	4,300	519	0.02
Tokyo Gas	JPY	11,600	225	0.03
Tokyo Tatemono, REIT	JPY	5,800	58	0.01
Tokyu	JPY	13,500	153	0.02
Tokyu Fudosan Holdings, REIT	JPY	14,300	66	0.01
	150.7			
Topcon	JPY JPY	2,900 800	45	0.01

Investment	Currency	Holding	Market Value £000	% of Net Assets
Japan 9.34% (9.43%) (continued)				
Toppan Printing	JPY	14,000	105	0.01
Toray Industries	JPY	41,600	301	0.04
Toshiba	JPY	105,000	235	0.03
Tosoh	JPY	8,000	129	0.02
TOTO	JPY	3,950	129	0.02
Toyo Seikan Group Holdings	JPY	4,500	59	0.01
Toyo Suisan Kaisha	JPY	2,500	72	0.01
Toyo Tire & Rubber	JPY	2,700	47	0.01
Toyobo	JPY	2,400	34	-
Toyoda Gosei	JPY	2,000	38	_
Toyota Boshoku	JPY	1,700	28	_
Toyota Industries	JPY	4,400	192	0.02
	JPY			
Toyota Motor		72,318	3,346	0.40
Toyota Tsusho	JPY	6,100	158	0.02
Trend Micro	JPY	3,200	125	0.02
TS Tech	JPY	1,400	36	_
Tsumura	JPY	1,800	51	0.01
Tsuruha Holdings	JPY	1,000	94	0.01
TV Asahi Holdings	JPY	600	9	-
Ube Industries	JPY	2,900	63	0.01
Ulvac	JPY	1,300	64	0.01
Unicharm	JPY	10,500	189	0.02
Ushio	JPY	3,200	34	_
USS	JPY	6,000	92	0.01
Wacoal Holdings	JPY	1,500	33	_
Welcia Holdings	JPY	1,400	40	0.01
West Japan Railway	JPY	5,100	272	0.03
Yahoo Japan	JPY	35,900	126	0.02
Yakult Honsha	JPY	2,800	167	0.02
Yamada Denki	JPY	19,900	81	0.02
Yamaguchi Financial Group	JPY	6,000	53	0.01
Yamaha	JPY	4,600	134	0.02
Yamaha Motor	JPY	7,600	168	0.02
Yamato Holdings	JPY	9,900	148	0.02
Yamato Kogyo	JPY	900	18	_
Yamazaki Baking	JPY	3,400	48	0.01
Yaskawa Electric	JPY	6,100	159	0.02
Yokogawa Electric	JPY	6,600	91	0.01
Yokohama Rubber	JPY	2,800	45	0.01
Zenkoku Hosho	JPY	1,400	43	0.01
Zensho Holdings	JPY	2,600	36	_
Zeon	JPY	4,000	38	_
2001	3	1,000	77,322	9.34
Jersey 0.09% (0.05%)			,	
Delphi Automotive	USD	7,340	542	0.07
Janus Henderson Group	USD			0.07
		5,200	137	0.02
United Co. RUSAL	HKD	44,000	702	0.09
Liberia 0.059/ (0.029/)			102	0.09
Liberia 0.05% (0.03%) Royal Caribbean Cruises	USD	4,750	447	0.05
,	200	.,		
			447	0.05

Investment	Currency	Holding	Market Value £000	% of Net Assets
Luxembourg 0.12% (0.11%)				
ArcelorMittal	EUR	16,505	352	0.04
Eurofins Scientific	EUR	260	125	0.02
L'Occitane International	HKD	12,500	20	-
RTL Group	EUR	1,090	63	0.01
Samsonite International	HKD	36,000	119	0.01
SES, FDR	EUR	9,650	142	0.02
Tenaris	EUR	13,090	136	0.02
Malaria 0 240/ (0 200/)			957	0.12
Malaysia 0.34% (0.39%) AirAsia	MYR	44,300	27	_
Alliance Bank Malaysia	MYR	28,900	20	_
AMMB Holdings	MYR	54,100	43	0.01
Astro Malaysia Holdings	MYR	56,100	28	0.01
Asiata Group	MYR	120,900	113	0.01
Berjaya Sports Toto	MYR	23,174	10	0.01
British American Tobacco Malaysia	MYR	3,800	29	_
Bumi Armada	MYR	104,600	13	
CIMB Group Holdings	MYR	175,000	197	0.02
DiGi.Com	MYR	101,500	88	0.02
Felda Global Ventures Holdings	MYR	46,100	15	0.01
Gamuda	MYR	62,300	58	0.01
Genting	MYR	62,400	105	0.01
Genting Malaysia	MYR	76,900	72	0.01
HAP Seng Consolidated	MYR	18,000	29	0.01
Hong Leong Bank	MYR	17,497	50	0.01
IHH Healthcare	MYR	77,300	80	0.01
IJM	MYR	91,400	53	0.01
101	MYR	92,200	74	0.01
IOI Properties Group, REIT	MYR	53,875	19	0.01
KLCCP Stapled Group, REIT	MYR	11,900	17	_
Kuala Lumpur Kepong	MYR	12,700	56	0.01
Malayan Banking	MYR	159,100	269	0.03
Malaysia Airports Holdings	MYR	24,600	37	0.01
Maxis	MYR	75,700	79	0.01
MISC	MYR	39,300	50	0.01
MMC	MYR	26,500	9	-
Petronas Chemicals Group	MYR	77,600	101	0.01
Petronas Dagangan	MYR	8,200	35	0.01
Petronas Gas	MYR	21,300	70	0.01
PPB Group	MYR	15,300	46	0.01
Public Bank	MYR	85,130	311	0.04
RHB Bank	MYR	43,911	27	-
Sapura Energy	MYR	117,400	30	_
Sime Darby	MYR	96,700	156	0.02
Telekom Malaysia	MYR	31,600	35	0.02
Tenaga Nasional	MYR	112,500	284	0.04
UEM Sunrise, REIT	MYR	45,700	9	-
UMW Holdings	MYR	18,900	19	_
Westports Holdings	MYR	32,800	22	_
YTL	MYR	138,700	33	_
YTL Power International	MYR	83,220	21	_
Tre tower international	IVITA	03,220	2,839	0.34
			2,033	0.54

Investment	Currency	Holding	Market Value £000	% of Net Assets
Malta 0.00% (0.01%)	currency	noiding	2000	70 01 NCC7 (35C(3
BGP Holdings^	EUR	196,800	_	_
Brait	ZAR	9,590	30	_
			30	_
Mauritius 0.00% (0.01%)				
Golden Agri-Resources	SGD	170,978	36	_
Rockcastle Global Real Estate^	ZAR	20,000		
Mexico 0.44% (0.49%)			30	
Alfa 'A'	MXN	82,670	66	0.01
Alsea	MXN	14,200	34	-
America Movil	MXN	825,888	551	0.07
Arca Continental	MXN	9,760	49	0.01
Banregio Grupo Financiero	MXN	5,600	24	-
Cemex ADB	MXN USD	116,495	70 181	0.01 0.02
Cemex, ADR Coca-Cola Femsa	MXN	30,023 13,510	74	0.02
El Puerto de Liverpool 'C1'	MXN	6,100	35	0.01
Fibra Uno Administracion, REIT	MXN	76,910	95	0.01
Fomento Economico Mexicano	MXN	57,670	409	0.05
Gentera	MXN	30,990	32	_
Gruma 'B'	MXN	5,640	60	0.01
Grupo Aeromexico	MXN	11,800	15	-
Grupo Aeroportuario del Centro Norte	MXN	8,400	33	_
Grupo Aeroportuario del Pacifico 'B'	MXN	11,400	83	0.01
Grupo Aeroportuario del Sureste 'B'	MXN	6,200	85	0.01
Grupo Bimbo	MXN	68,330	123	0.02
Grupo Carso	MXN	13,250	35	_
Grupo Comercial Chedraui Grupo Elektra	MXN MXN	10,000 1,870	15 58	0.01
Grupo Financiero Banorte 'O'	MXN	63,010	307	0.01
Grupo Financiero Inbursa 'O'	MXN	63,050	83	0.04
Grupo Financiero Santander Mexico 'B'	MXN	47,130	67	0.01
Grupo Lala	MXN	17,500	21	_
Grupo Mexico	MXN	91,269	213	0.03
Grupo Televisa	MXN	70,550	245	0.03
Industrias Penoles	MXN	3,760	71	0.01
Infraestructura Energetica Nova	MXN	17,300	67	0.01
Kimberly-Clark de Mexico 'A'	MXN	23,750	32	_
Megacable Holdings	MXN	9,600	28	_
Mexichem	MXN	29,327	56	0.01
Organizacion Soriana 'B'	MXN	7,100	11	- 0.01
Promotora y Operadora de Infraestructura Telesites	MXN MXN	6,340 38,535	48 21	0.01
Wal-Mart de Mexico	MXN	141,430	247	0.03
			3,644	0.44
Netherlands 1.83% (1.58%)	ELID	0.500	210	0.02
ABN AMRO Group, CVA	EUR EUR	9,560 47,901	219 207	0.03 0.02
Aegon AerCap Holdings	USD	3,850	151	0.02
Airbus	EUR	15,110	1,045	0.02
Akzo Nobel	EUR	6,932	485	0.15
Altice 'A'	EUR	17,650	266	0.03
Altice 'B'	EUR	2,360	35	-
ASML Holding	EUR	8,794	1,165	0.14
ASR Nederland	EUR	3,230	94	0.01
				0.04
Boskalis Westminster	EUR	2,290	62	0.01
CNH Industrial	EUR EUR	26,391	236	0.03
	EUR			

Investment	Currency	Holding	Market Value £000	% of Net Assets
Netherlands 1.83% (1.58%) (continued)				
Ferrari	EUR	3,481	303	0.04
Fiat Chrysler Automobiles	EUR	30,110	402	0.05
Gemalto	EUR	2,280	66	0.01
GrandVision	EUR	1,350	26	-
Heineken	EUR	6,518	497	0.06
Heineken Holding	EUR	2,690	194	0.02
ING Groep	EUR	106,782	1,486	0.18
Koninklijke Ahold Delhaize	EUR	34,978	493	0.06
Koninklijke DSM	EUR	4,810	308	0.04
Koninklijke KPN	EUR	84,673	224	0.03
Koninklijke Philips	EUR	25,792	795	0.09
Koninklijke Vopak	EUR	1,830	60	0.01
LyondellBasell Industries 'A'	USD	9,050	664	0.08
Mylan	USD	15,056	428	0.05
NN Group	EUR	9,270	296	0.03
NXP Semiconductors	USD	9,403	815	0.10
OCI	EUR	2,710	49	- 0.01
Philips Lighting	EUR	2,250	66	0.01
QIAGEN	EUR	5,981	154	0.02
Randstad Holding	EUR	3,050	145	0.02
RELX	EUR	24,550	402	0.05
Sensata Technologies Holding	USD	4,670	171	0.02
Steinhoff International Holdings	ZAR	71,291	243	0.03
STMicroelectronics	EUR	17,169	259	0.03
Unilever, CVA	EUR	42,927	1,979	0.24
Wolters Kluwer	EUR	7,910	283	0.03
Yandex 'A'	USD	7,030	171	0.02
			15,177	1.83
New Zealand 0.09% (0.10%)		05.404	0.5	
Auckland International Airport	NZD	25,424	85	0.01
Contact Energy	NZD	19,852	58	0.01
Fisher & Paykel Healthcare	NZD	16,080	111	0.01
Fletcher Building	NZD	19,320	80	0.01
Kiwi Property Group, REIT	NZD	38,780	28	_
Mercury NZ	NZD	18,170	34	- 0.01
Meridian Energy	NZD	33,720	52	0.01
Ryman Healthcare	NZD	11,230	58 21	0.01
SKY Network Television	NZD	13,760		0.01
SKYCITY Entertainment Group	NZD NZD	20,916	41	0.01 0.01
Spark New Zealand Xero	NZD	51,287 2,840	100 53	0.01
VELO	NZD	2,040	721	0.01
Name (0.259/ /0.220/)			721	0.03
Norway 0.25% (0.22%) Aker BP	NOK	2,760	41	
DNB	NOK	30,016	449	0.05
Gjensidige Forsikring	NOK	4,600	63	0.03
Marine Harvest	NOK	11,170	175	0.01
Norsk Hydro	NOK	39,595	231	0.02
Orkla	NOK	22,385	180	0.03
Schibsted 'A'	NOK	2,280	45	0.02
Schibsted A Schibsted 'B'	NOK	2,280	45	0.01
Statoil	NOK	26,633	406	0.01
Telenor	NOK	18,659	293	0.03
Yara International	NOK	4,786	168	0.03
rara memanonai	NOK	4,700	2,096	0.02
Danama 0.079/ (0.059/)			2,090	0.23
Panama 0.07% (0.05%) Carnival	USD	11,270	567	0.07
		: :/=/ *	567	0.07
			307	0.07

Investment	Currency	Holding	Market Value £000	% of Net Assets
Papua New Guinea 0.02% (0.02%)				
Oil Search	AUD	32,160	136	0.02
			136	0.02
Poland 0.18% (0.13%)				
Alior Bank	PLN	3,555	53	0.01
Asseco Poland	PLN	1,970	19	_
Bank Handlowy w Warszawie	PLN	840	12	_
Bank Millennium	PLN	13,190	21	- 0.03
Bank Pekao Bank Zachodni WBK	PLN	4,370	120	0.02
CCC	PLN PLN	810 1,000	61 58	0.01 0.01
CD Projekt	PLN	1,720	44	0.01
Cyfrowy Polsat	PLN	5,140	27	0.01
Enea	PLN	8,880	27	_
Eurocash	PLN	2,210	18	
Grupa Lotos	PLN	2,480	34	0.01
Jastrzebska Spolka Weglowa	PLN	1,420	30	-
KGHM Polska Miedz	PLN	3,860	99	0.01
KRUK	PLN	450	27	-
LPP	PLN	42	74	0.01
mBank	PLN	330	31	-
Orange Polska	PLN	22,800	24	_
PGE Polska Grupa Energetyczna	PLN	20,640	57	0.01
Polski Koncern Naftowy ORLEN	PLN	8,500	233	0.03
Polskie Gornictwo Naftowe i Gazownictwo	PLN	48,030	69	0.01
Powszechna Kasa Oszczedności Bank Polski	PLN	23,770	183	0.02
Powszechny Zaklad Ubezpieczen	PLN	15,840	155	0.02
Synthos	PLN	20,130	21	_
Tauron Polska Energia	PLN	28,560	22	_
			1,519	0.18
Portugal 0.06% (0.06%)				
Banco Espirito Santo^	EUR	55,927	6	-
EDP – Energias de Portugal	EUR	69,470	193	0.03
Galp Energia	EUR	12,880	175	0.02
Jeronimo Martins	EUR	6,360	89	0.01
St. 0.740/ (0.500/)			463	0.06
Singapore 0.74% (0.68%)	CCD	CC 200	100	0.01
Ascendas REIT	SGD	66,200	100	0.01
BOC Aviation Broadcom	HKD USD	5,500 11,172	22 2,091	0.25
CapitaLand, REIT	SGD	69,025	143	0.23
CapitaLand, NETT CapitaLand Commercial Trust, REIT	SGD	53,578	50	0.02
CapitaLand Commercial Trust, REIT Rights 19/10/2017	SGD	8,893	1	0.01
CapitaLand Mall Trust, REIT	SGD	62,900	72	0.01
City Developments, REIT	SGD	12,849	90	0.01
ComfortDelGro	SGD	57,100	65	0.01
DBS Group Holdings	SGD	49,432	588	0.07
Flex	USD	14,364	188	0.02
Global Logistic Properties, REIT	SGD	80,300	147	0.02
Hutchison Port Holdings Trust 'U'	USD	142,900	47	0.01
Jardine Cycle & Carriage	SGD	2,722	62	0.01
Keppel	SGD	39,290	154	0.02
M1	SGD	8,000	8	_
Oversea-Chinese Banking	SGD	90,451	576	0.07
SATS	SGD	18,000	46	0.01
Sembcorp Industries	SGD	24,914	45	_
Sembcorp Marine	SGD	22,200	23	_
SIA Engineering	SGD	6,500	12	-
Singapore Airlines Singapore Exchange	SGD SGD	14,173 22,900	80 97	0.01 0.01

Investment	Currency	Holding	Market Value £000	% of Net Assets
Singapore 0.74% (0.68%) (continued)	,			
Singapore Post	SGD	42,700	30	_
Singapore Press Holdings	SGD	44,531	68	0.01
Singapore Technologies Engineering	SGD	41,800	78	0.01
Singapore Telecommunications	SGD	205,672	423	0.05
StarHub	SGD	15,790	23	_
Suntec REIT	SGD	70,000	74	0.01
United Overseas Bank	SGD	35,380	477	0.06
UOL Group, REIT	SGD	13,308	66	0.01
Venture	SGD	6,900	71	0.01
Wilmar International	SGD	54,200	101	0.01
Wing Tai Holdings, REIT	SGD	11,000	14	- 0.74
5 4 46 0 000 (0 000)			6,132	0.74
South Africa 0.86% (0.82%) AECI	ZAR	2,960	18	_
African Rainbow Minerals	ZAR	2,780	17	_
Anglo American Platinum	ZAR	1,709	34	_
AngloGold Ashanti	ZAR	11,322	80	0.01
Aspen Pharmacare Holdings	ZAR	9,720	176	0.02
Assore	ZAR	1,030	17	-
AVI	ZAR	9,120	51	0.01
Barclays Africa Group	ZAR	17,780	147	0.02
Barloworld	ZAR	5,980	45	0.01
Bid	ZAR	9,077	159	0.02
Bidvest Group	ZAR	9,467	94	0.01
Capitec Bank Holdings	ZAR	1,485	78	0.01
Clicks Group	ZAR	6,730	62	0.01
Coronation Fund Managers	ZAR	7,430	30	_
Discovery	ZAR	9,579	77	0.01
EOH Holdings	ZAR	3,640	21	_
Exxaro Resources	ZAR	4,600	37	0.01
FirstRand	ZAR	87,740	268	0.03
Fortress Income Fund, REIT	ZAR	21,348	49	0.01
Fortress Income Fund, REIT 'A'	ZAR	30,748	31	_
Foschini Group	ZAR	6,050	48	0.01
Gold Fields	ZAR	23,099	70	0.01
Grindrod	ZAR	14,210	12	-
Growthpoint Properties, REIT	ZAR	78,240	112	0.01
Harmony Gold Mining	ZAR	10,060	14	0.01
Hyprop Investments, REIT Impala Platinum Holdings	ZAR ZAR	6,860 18,432	42 33	0.01
Imperial Holdings	ZAR	4,810	55	0.01
Investec	ZAR	7,600	42	0.01
JSE	ZAR	2,590	19	0.01
KAP Industrial Holdings	ZAR	41,140	20	_
Kumba Iron Ore	ZAR	1,420	20	_
Liberty Holdings	ZAR	3,470	22	_
Life Healthcare Group Holdings	ZAR	38,990	60	0.01
Massmart Holdings	ZAR	3,210	21	_
MMI Holdings	ZAR	28,360	31	_
Mondi	ZAR	3,290	63	0.01
Mr Price Group	ZAR	7,000	73	0.01
MTN Group	ZAR	49,738	352	0.04
Nampak	ZAR	19,150	19	_
Naspers 'N'	ZAR	11,768	2,118	0.26
Nedbank Group	ZAR	5,920	72	0.01
Netcare	ZAR	40,810	58	0.01
Northam Platinum	ZAR	9,970	26	_
Omnia Holdings	ZAR	2,000	16	_
Pick n Pay Stores	ZAR	9,711	33	_
Pioneer Foods Group	ZAR	4,140	28	_
PSG Group	ZAR	2,680	39	0.01

Investment	Currency	Holding	£000	% of Net Assets
South Africa 0.86% (0.82%) (continued)				
Rand Merchant Investment Holdings	ZAR	20,000	46	0.01
Redefine Properties, REIT	ZAR	140,871	87	0.01
Remgro	ZAR	14,082	179	0.02
Resilient REIT	ZAR	8,400	67	0.01
Reunert	ZAR	4,730	19	-
RMB Holdings	ZAR	19,090	70	0.01
Sanlam	ZAR	46,190	185	0.02
Santam	ZAR ZAR	1,140 15,660	16 81	0.01
Sappi Sasol	ZAR	15,000	332	0.01
Shoprite Holdings	ZAR	12,610	154	0.04
Sibanye Gold	ZAR	48,167	44	0.02
SPAR Group	ZAR	5,551	55	0.01
Standard Bank Group	ZAR	34,778	329	0.01
Super Group	ZAR	9,590	22	0.04
Telkom	ZAR	8,560	27	_
Tiger Brands	ZAR	4,583	101	0.01
Tongaat Hulett	ZAR	3,160	20	-
Truworths International	ZAR	12,260	54	0.01
Tsogo Sun Holdings	ZAR	13,680	16	-
Vodacom Group	ZAR	16,450	145	0.02
Woolworths Holdings	ZAR	27,365	95	0.01
······································		=: /	7,153	0.86
South Korea 1.96% (1.77%)				
Amorepacific	KRW	890	160	0.02
Amorepacific Preference	KRW	300	30	_
AMOREPACIFIC Group	KRW	800	70	0.01
BGF retail	KRW	580	33	_
BNK Financial Group	KRW	8,207	56	0.01
Celltrion	KRW	2,223	251	0.03
Cheil Worldwide	KRW	2,000	24	_
CJ	KRW	340	39	0.01
CJ CheilJedang	KRW	200	49	0.01
CJ CheilJedang Preference	KRW	40	4	_
CJ Logistics	KRW	200	22	_
Coway	KRW	1,500	97	0.01
Daelim Industrial	KRW	770	41	0.01
Daewoo Engineering & Construction	KRW	4,990	24	_
Daewoo Shipbuilding & Marine Engineering^	KRW	1,520	_	_
DGB Financial Group	KRW	4,091	29	_
Dongbu Insurance	KRW	1,310	66	0.01
Dongsuh	KRW	820	15	_
Doosan Harvilla district 8. Construction	KRW	290	28	_
Doosan Heavy Industries & Construction	KRW	1,760	22	_
Doosan Infracore	KRW	3,730	23	0.01
E-MART	KRW	579	85 26	0.01
GS Engineering & Construction	KRW	1,455	26 64	- 0.01
GS Holdings Hana Financial Group	KRW KRW	1,440 8,257	267	0.01 0.03
Hankook Tire	KRW	2,084	83	0.03
Hanmi Pharm	KRW	191	62	0.01
Hanmi Science	KRW	361	23	0.01
Hanon Systems	KRW	5,000	41	0.01
Hanssem	KRW	270	28	0.01
Hanwha	KRW	1,310	40	0.01
Hanwha Chemical	KRW	2,260	50	0.01
Hanwha Life Insurance	KRW	7,550	37	0.01
Hanwha Techwin	KRW	1,020	23	-
Hotel Shilla	KRW	870	36	_
				0.01
Hyosung	KRW	650	60	() () [

Investment	Currency	Holding	Market Value £000	% of Net Assets
South Korea 1.96% (1.77%) (continued)	-	·5		
Hyundai Development Co-Engineering & Construction	KRW	1,660	40	0.01
Hyundai Engineering & Construction	KRW	2,050	53	0.01
Hyundai Glovis	KRW	520	50	0.01
Hyundai Heavy Industries	KRW	951	96	0.01
Hyundai Marine & Fire Insurance	KRW	1,700	54	0.01
Hyundai Mipo Dockyard	KRW	300	19	_
Hyundai Mobis	KRW	1,840	298	0.04
Hyundai Motor	KRW	4,030	415	0.05
Hyundai Motor 2nd Preference	KRW	1,030	72	0.01
Hyundai Motor Preference	KRW	640	40	0.01
Hyundai Robotics	KRW	284	83	0.01
Hyundai Steel	KRW	2,090	76	0.01
Hyundai Wia	KRW	440	19	_
Industrial Bank of Korea	KRW	7,350	71	0.01
Kakao	KRW	910	92	0.01
Kangwon Land	KRW	2,990	68	0.01
KB Financial Group	KRW	3,020	117	0.01
KB Financial Group, ADR	USD	7,978	309	0.04
KCC	KRW	160	41	0.01
KEPCO Plant Service & Engineering	KRW	600	18	_
Kia Motors	KRW	7,250	155	0.02
Korea Aerospace Industries	KRW	1,800	57	0.01
Korea Electric Power	KRW	1,730	45	0.01
Korea Electric Power, ADR	USD	10,800	135	0.02
Korea Gas	KRW	680	20	_
Korea Investment Holdings	KRW	1,190	52	0.01
Korea Zinc	KRW	280	99	0.01
Korean Air Lines	KRW	1,340	27	_
KT&G	KRW	3,030	212	0.03
Kumho Petrochemical	KRW	450	20	
LG	KRW	2,540	139	0.02
LG Chem	KRW	1,289	322	0.04
LG Chem Preference	KRW	210	34	-
LG Display	KRW	6,220	120	0.02
LG Electronics, GDR Preference	EUR	15,490	217	0.03
LG Hausys	KRW	190	11	- 0.03
LG Household & Health Care	KRW	250	170	0.02
LG Household & Health Care Preference	KRW	60	25	- 0.01
LG Uplus	KRW	5,940	52	0.01
Lotte Chemical	KRW	410	108	0.01
Lotte Chilsung Beverage	KRW	20	18	_
Lotte Confectionery	KRW KRW	200 320	22 53	0.01
Lotte Shopping LS	KRW	490	26	0.01
Mando	KRW	180	32	_
	KRW	11,574	83	0.01
Mirae Asset Daewoo NAVER	KRW	726	368	0.01 0.05
NCSoft	KRW	480	137	0.03
NH Investment & Securities	KRW	3,610	35	0.02
NHN Entertainment	KRW	420	18	_
NongShim	KRW	90	21	_
OCI	KRW	480	32	_
Orion	KRW	723	45	0.01
Orion Holdings	KRW	376	6	0.01
Ottogi	KRW	40	20	_
POSCO	KRW	430	93	0.01
POSCO, ADR	USD	5,760	302	0.01
Posco Daewoo	KRW	1,370	17	0.04
S-1	KRW	570	34	_
Samsung Biologics	KRW	370	96	0.01
Samsung C&T	KRW	1,991	194	0.01
Jambang Car	IXIAVV	1,001	134	0.02

Investment	Currency	Holding	Market Value £000	% of Net Assets
South Korea 1.96% (1.77%) (continued)				
Samsung Card	KRW	1,050	26	_
Samsung Electro-Mechanics	KRW	1,550	103	0.01
amsung Electronics	KRW	830	1,493	0.18
amsung Electronics Preference	KRW	478	694	0.08
amsung Electronics, GDR	USD	3,636	3,280	0.40
amsung Engineering	KRW	4,440	34	-
amsung Fire & Marine Insurance	KRW	940	180	0.02
amsung Heavy Industries	KRW	7,882	62	0.01
amsung Life Insurance	KRW	1,730	141	0.02
amsung SDI	KRW	1,437	206	0.03
msung SDS	KRW	880	105	0.01
amsung Securities	KRW	1,743	43	0.01
inhan Financial Group	KRW	4,865	164	0.02
inhan Financial Group, ADR	USD	7,710	259	0.03
iinsegae	KRW	261	34	0.03
(Holdings	KRW	944	193	0.02
Hynix	KRW USD	6,890 7,840	395	0.05
Hynix, GDR		7,840	450	0.05
(Innovation	KRW	1,669	232	0.03
Networks CTelecom	KRW	5,190	24	0.01
	KRW	560	100	0.01
CTelecom, ADR Oil	USD	669	13	0.01
oori Bank	KRW	1,150	101	0.01 0.02
han	KRW KRW	14,290 218	166 29	
illdii	KKVV	210	16,263	1.96
ain 1.25% (1.12%)			. 0,200	
pertis Infraestructuras	EUR	17,176	266	0.03
cciona	EUR	800	49	0.01
erinox	EUR	3,561	39	_
S Actividades de Construccion y Servicios	EUR	4,587	128	0.02
ena SME	EUR	1,790	240	0.03
madeus IT Group	EUR	11,640	592	0.07
anco Bilbao Vizcaya Argentaria	EUR	184,495	1,209	0.15
anco de Sabadell	EUR	155,376	233	0.03
inco Santander	EUR	437,326	2,190	0.26
nkia	EUR	30,645	110	0.01
inkinter	EUR	18,988	134	0.02
ixaBank	EUR	98,593	356	0.04
rp. Financiera Alba	EUR	670	30	-
stribuidora Internacional de Alimentacion	EUR	17,740	69	0.01
DP Renovaveis	EUR	4,730	30	-
nagas	EUR	6,470	140	0.02
desa	EUR	8,930	155	0.02
rrovial	EUR	13,560	227	0.03
s Natural SDG	EUR	8,696	144	0.02
ifols	EUR	8,500	183	0.02
ifols Preference 'B'	EUR	7,070	112	0.01
upo Catalana Occidente	EUR	1,210	37	-
erdrola	EUR	155,827	937	0.11
dustria de Diseno Textil	EUR	29,090	809	0.10
apfre	EUR	28,967	68	0.01
ediaset Espana Comunicacion	EUR	5,435	46	0.01
erlin Properties Socimi, REIT	EUR	9,680	96	0.01
ed Electrica	EUR	12,130	197	0.02
epsol	EUR	31,758	437	0.05
emens Gamesa Renewable Energy	EUR	6,860	77	0.01
lefonica	EUR	122,164	997	0.12
ardoya Otis	EUR	5,093	41	0.01
			10,378	1.25
			•	

Asa Albas (Opto B)	Investment	Currency	Holding	Market Value £000	% of Net Assets
Assa Abloy 6° SFK					
Aldas Copco X Aldas Copco X Bolleden Bo					0.02
Allas Coptor 9' Bolliden SEK 10,270 302 0 Bolliden SEK 6,090 160 SEK 7,520 205 0 SEK 6,090 160 SEK 6,090 160 SEK 6,090 160 SEK 6,040 89 0 SEK 6,140 89 0 SEK 6,140 89 0 SEK 6,140 89 0 SEK 6,140 89 0 SEK 6,660 259 0 SEK 6,660 259 0 SEK 6,660 259 0 SEK 6,660 259 0 SEK 26,110 536 Industriancen 8' SEK 10,380 80 0 CAG Gruppen SEK 2,130 61 0 Industriancen 8' SEK 5,760 118 0 Industriancen 8' SEK 4,230 95 0 Industriancen 8' SEK 12,300 35 0 Investment AB Latour 9' Investment AB Latour 9' Investment 8' SEK 1,230 35 0 Investment 8' SEK 2,200 15 0 Investment 8' SEK 1,230 35 0 Investment 8' SEK 1,230 30 3 Investment					0.05
Bolleder SEK 7,520 205 0 0 0 0 0 0 0 0 0					0.07
Electrolux					0.04
SEMBY SEK					0.02
Set 3,000 62 0 0 0 0 0 0 0 0 0					0.02
SEK		SEK	16,347	350	0.04
Hennes & Mauritz 16	Fastighets AB Balder, REIT 'B'		3,060	62	0.01
Hexagon B'	Getinge 'B'		6,140	89	0.01
Husquama 16"	Hennes & Mauritz 'B'	SEK	26,110	536	0.06
CA Gruppen	Hexagon 'B'	SEK	6,860	259	0.03
Industrivarden 'M Industrivarden 'Y Industrivarden 'Y Industrivarden 'Y Industrivarden 'Y Industrivarden 'Y Investor 'B' INVESTOR 'SEK 1,230 480 0.0 Investment AB Latour 'B' INVESTOR 'SEK 1,230 480 0.0 Investment AB Latour 'B' INVESTOR 'SEK 1,230 480 0.0 Investment AB Latour 'B' INVESTOR 'SEK 1,040 63 0.0 IL EL Lumbergioretagen 'B' INVESTOR 'SEK 4,860 80 0.0 INVESTOR 'SEK 4,860 80 0.0 INVESTOR 'SEK 2,800 15 0.0 INVESTOR 'SEK 2,800 39 0.0 INVESTOR 'SEK 2,907 39 0.0 INVESTOR 'SEK 3,900 11 2.0 INVESTOR 'SEK 4,0388 488 0.0 INVESTOR 'SEK 4,040 0.0 INVESTOR 'SEK	Husqvarna 'B'	SEK	10,380	80	0.01
Industriander (** SEK 4,630 99	ICA Gruppen	SEK	2,130	61	0.01
Industriander (** SEK 4,630 99		SEK	5,760	118	0.01
Investment AB Latour 18' SEK 3,280 35	Industrivarden 'C'	SEK	4,630	90	0.01
Investor B	Investment AB Latour 'B'			35	_
Kinnewik Br					0.06
LE Lundhergforetagen					0.02
Lundin Petroleum SEK 4,860 80 0 Mordea Bank SEK 87,876 877 0 Saab B' SEK 87,876 877 0 Saab B' SEK 1,150 43 0 Saandrik SEK 29,990 391 0 Securitas; B' SEK 8,900 112 0 Skandinaviska Enkilda Banken W' SEK 3,9404 384 0 Skanska' B' SEK 9,770 169 0 Skardinaviska Enkilda Banken W' SEK 9,770 169 0 Skanska' B' SEK 10,420 172 0 Skenska Handelsbanken'B' SEK 10,420 172 0 Svenska Handelsbanken'B' SEK 40,388 458 0 Svenska Handelsbanken'B' SEK 28,997 574 0 Sweelsh Markth SEK 28,997 574 0 Sweelsh Markth SEK 8,960 11 </td <td></td> <td></td> <td></td> <td></td> <td>0.01</td>					0.01
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Sandwik SEK 29,690 391 0.0					0.01
Securita's SEK S.900 112 0.0					0.01
Skandinaviska Enskilda Banken 'A' SEK 39,494 384 0 0 0 0 0 0 0 0 0					0.03
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Svenska Handelsbanken 'A' SEK 40,388 458 0. Svenska Handelsbanken 'B' SEK 960 11 Swedbank 'A' SEK 28,907 574 0. Swedish Match SEK 5,010 137 0. Telle? 'B' SEK 9,687 86 0. Tellefonaktiebolaget LM Ericsson 'B' SEK 81,684 369 0. Tellefong 'B' SEK 70,848 260 0. Telleborg 'B' SEK 6,770 127 0. Volvo 'B' SEK 43,175 619 0. Agarca CH 4,570 268 0. Age coor Group CHF 4,570 268 0. Age corrections and Septend Shares' CHF 1,320 159 0.					0.02
Svenska Handelsbanken 'B' SEK 960 11 Swedoshk 'A' SEK 28,997 574 0. Swedish Match SEK 28,997 574 0. Tele2 'B' SEK 9,687 86 0. Telefonaktiebolaget LM Ericsson 'B' SEK 81,684 369 0. Teleia SEK 70,848 260 0. Trelieborg 'B' SEK 6,770 127 0. Volvo 'B' SEK 6,770 127 0. Telleborg 'B' SEK 6,770 127 0. Volvo 'B' SEK 6,770 127 0. Volvo 'B' SEK 43,175 619 0. Rear Carlos 'B' SEK 43,175 619 0. ABB CHF 53,019 996 0. APZta CHF 4,570 268 0. Albacco Group CHF 4,570 268 0. Albacco Group					0.01
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Volvo 'B' SEK 43,175 619 0.0 Switzerland 3.37% (3.56%) CHF 53,019 996 0.0 Adecco Group CHF 4,570 268 0.0 Aryzta CHF 2,130 50 0.0 Baloise Holding 'Registered Shares' CHF 1,320 159 0.0 Banque Cantonale Vaudoise CHF 70 38 0.0 38 0.0 0.0 12,320 159 0.0					0.03
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Switzerland 3.37% (3.56%) CHF 53,019 996 0. Adecco Group CHF 4,570 268 0. Aryzta CHF 2,130 50 0. Baloise Holding 'Registered Shares' CHF 1,320 159 0. Bary Callebaut CHF 70 38 0. Chocoladefabriken Lindt & Spruengli CHF 30 131 0. Chocoladefabriken Lindt & Spruengli 'Registered Shares' CHF 3 157 0. Chubb USD 12,844 1,416 0. Clariant CHF 3,990 965 0. Clariant CHF 7,680 143 0. Credit Suisse Group CHF 70,248 837 0. DKSH Holding CHF 70,248 837 0. DWfry CHF 70,248 837 0. EMS-Chemie Holding CHF 190 94 0. EMS-Chemie Holding CHF 520	Volvo 'B'	SEK	43,175		0.07
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Chubb USD 12,844 1,416 0. Cie Financiere Richemont CHF 13,990 965 0. Clariant CHF 7,680 143 0. Credit Suisse Group CHF 70,248 837 0. DKSH Holding CHF 700 46 Dufry CHF 870 104 0. EMS-Chemie Holding CHF 190 94 0. Flughafen Zurich CHF 520 89 0. Garmin USD 3,390 140 0. Geberit CHF 1,000 360 0. Givaudan CHF 251 419 0.					0.02
Cie Financiere Richemont CHF 13,990 965 0. Clariant CHF 7,680 143 0. Credit Suisse Group CHF 70,248 837 0. DKSH Holding CHF 700 46 Dufry CHF 870 104 0. EMS-Chemie Holding CHF 190 94 0. Flughafen Zurich CHF 520 89 0. Garmin USD 3,390 140 0. Geberit CHF 1,000 360 0. Givaudan CHF 251 419 0.	Chocoladefabriken Lindt & Spruengli 'Registered Shares'	CHF	3	157	0.02
Clariant CHF 7,680 143 0. Credit Suisse Group CHF 70,248 837 0. DKSH Holding CHF 700 46 Dufry CHF 870 104 0. EMS-Chemie Holding CHF 190 94 0. Flughafen Zurich CHF 520 89 0. Garmin USD 3,390 140 0. Geberit CHF 1,000 360 0. Givaudan CHF 251 419 0.			12,844	1,416	0.17
Credit Suisse Group CHF 70,248 837 0. DKSH Holding CHF 700 46 Dufry CHF 870 104 0. EMS-Chemie Holding CHF 190 94 0. Flughafen Zurich CHF 520 89 0. Garmin USD 3,390 140 0. Geberit CHF 1,000 360 0. Givaudan CHF 251 419 0.	Cie Financiere Richemont	CHF	13,990	965	0.12
Credit Suisse Group CHF 70,248 837 0. DKSH Holding CHF 700 46 Dufry CHF 870 104 0. EMS-Chemie Holding CHF 190 94 0. Flughafen Zurich CHF 520 89 0. Garmin USD 3,390 140 0. Geberit CHF 1,000 360 0. Givaudan CHF 251 419 0.	Clariant	CHF	7,680	143	0.02
DKSH Holding CHF 700 46 Dufry CHF 870 104 0. EMS-Chemie Holding CHF 190 94 0. Flughafen Zurich CHF 520 89 0. Garmin USD 3,390 140 0. Geberit CHF 1,000 360 0. Givaudan CHF 251 419 0.	Credit Suisse Group				0.10
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Givaudan CHF 251 419 0.					0.02
					0.04
Helvetia Holding CHF 160 66 0.					0.03

Investment	Currency	Holding	Market Value £000	% of Net Assets
Switzerland 3.37% (3.56%) (continued)				
Idorsia	CHF	2,620	36	-
Julius Baer Group	CHF	5,928	265	0.03
Kuehne + Nagel International	CHF	1,380	188	0.02
_afargeHolcim	CHF	10,637	470	0.06
_afargeHolcim	EUR	2,845	126	0.01
ogitech International	CHF	3,920	107	0.01
Lonza Group	CHF	2,034	418	0.05
Nestle	CHF	85,750	5,606	0.68
Novartis	CHF	65,046	4,197	0.51
Pargesa Holding	CHF	750	47	0.01
Partners Group Holding	CHF	450	232	0.03
PSP Swiss Property, REIT	CHF	1,110	76	0.01
Roche Holding	CHF	19,320	3,642	0.44
Roche Holding 'Bearer Shares'	CHF	730	139	0.02
Schindler Holding	CHF	1,130	192	0.02
Schindler Holding 'Registered Shares'	CHF	540	89	0.01
SGS	CHF	140	251	0.03
Sika	CHF	61	338	0.03
Sonova Holding	CHF	1,420	190	0.04
	CHF	270		
Straumann Holding			135	0.02
Sulzer	CHF	340	33	- 0.03
Swatch Group	CHF	815	247	0.03
Swatch Group 'Registered Shares'	CHF	1,230	72	0.01
Swiss Life Holding	CHF	883	235	0.03
Swiss Prime Site, REIT	CHF	1,995	133	0.02
Swiss Re	CHF	8,677	611	0.07
Swisscom	CHF	610	236	0.03
TE Connectivity	USD	9,723	640	0.08
Temenos Group	CHF	1,620	129	0.01
UBS Group	CHF	96,087	1,250	0.15
Vifor Pharma	CHF	1,440	130	0.02
Zurich Insurance Group	CHF	4,127	938	0.11
Taiwan 1 539/ /1 409/ \			27,934	3.37
Taiwan 1.52% (1.49%) Acer, GDR	USD	15,885	31	
	TWD		171	0.02
Advanced Semiconductor Engineering		180,323		
Advantech	TWD	10,674	55	0.01
Asia Cement	TWD	63,491	43	0.01
Asustek Computer	TWD	6,000	37	0.01
Asustek Computer, GDR	USD	2,706	84	0.01
AU Optronics, ADR	USD	24,921	74	0.01
Capital Securities	TWD	57,000	15	_
Catcher Technology	TWD	20,111	157	0.02
Cathay Financial Holding	TWD	82,000	101	0.01
Cathay Financial Holding, GDR	USD	13,659	167	0.02
Cathay Real Estate Development, REIT	TWD	16,800	7	-
Chang Hwa Commercial Bank	TWD	165,283	68	0.01
Cheng Shin Rubber Industry	TWD	50,733	77	0.01
Cheng Uei Precision Industry	TWD	11,000	13	_
Chicony Electronics	TWD	16,377	30	_
China Airlines	TWD	71,000	20	_
China Development Financial Holding	TWD	385,107	89	0.01
China Life Insurance	TWD	100,280	72	0.01
China Motor	TWD	19,000	13	_
China Steel	TWD	109,000	67	0.01
China Steel, GDR	USD	11,295	139	0.02
Chunghwa Telecom	TWD	28,000	72	0.02
Chunghwa Telecom Chunghwa Telecom, ADR	USD	7,724	198	0.01
Compal Electronics	TWD	32,000	17	- 0.01
Compal Electronics, GDR CTBC Financial Holding	USD TWD	17,016 503,566	46 243	0.01 0.03
	11/1/11	カロメ ちんん	1/12	

Investment	Currency	Holding	Market Value £000	% of Net Assets
Taiwan 1.52% (1.49%) (continued)				
Delta Electronics	TWD	60,045	224	0.03
E.Sun Financial Holding	TWD	270,836	124	0.02
Eclat Textile	TWD	5,100	45	0.01
Epistar	TWD	26,000	28	_
Eternal Materials	TWD	25,170	19	_
Eva Airways	TWD	57,268	21	_
Evergreen Marine Corp. Taiwan	TWD	49,772	22	_
Far Eastern International Bank	TWD	56,651	13	_
Far Eastern New Century	TWD	110,683	68	0.01
Far EasTone Telecommunications	TWD	44,000	79	0.01
Feng Hsin Steel	TWD	13,000	17	_
Feng TAY Enterprise	TWD	9,720	34	_
First Financial Holding	TWD	264,208	132	0.02
Formosa Chemicals & Fibre	TWD	95,005	223	0.03
Formosa Petrochemical	TWD	38,000	100	0.01
Formosa Plastics	TWD	134,746	315	0.04
Formosa Taffeta	TWD	27,000	21	_
Foxconn Technology	TWD	30,441	72	0.01
Fubon Financial Holding	TWD	66,000	78	0.01
Fubon Financial Holding, GDR	USD	13,774	164	0.02
Giant Manufacturing	TWD	8,000	30	_
Hon Hai Precision Industry	TWD	152,191	408	0.05
Hon Hai Precision Industry, GDR	USD	130,555	698	0.08
Hotai Motor	TWD	11,000	97	0.01
HTC	TWD	19,348	35	_
Hua Nan Financial Holdings	TWD	226,648	95	0.01
Innolux	TWD	236,428	82	0.01
Inventec	TWD	85,000	50	0.01
Largan Precision	TWD	3,000	416	0.05
Lite-On Technology	TWD	59,464	65	0.01
MediaTek	TWD	40,326	324	0.04
Mega Financial Holding	TWD	301,803	180	0.02
Nan Ya Plastics	TWD	155,591	288	0.04
Nanya Technology	TWD	20,000	44	0.01
Novatek Microelectronics	TWD	16,000	46	0.01
OBI Pharma	TWD	3,000	12	_
Oriental Union Chemical	TWD	20,000	12	_
Pegatron	TWD	14,000	29	
Pegatron, GDR	USD	8,225	84	0.01
Pou Chen	TWD	75,000	71	0.01
President Chain Store	TWD	16,000	104	0.01
Quanta Computer	TWD	74,000	127	0.02
Realtek Semiconductor, GDR	USD	3,271	36	_
Shin Kong Financial Holding	TWD	213,276	49	0.01
Siliconware Precision Industries	TWD	62,247	76	0.01
SinoPac Financial Holdings	TWD	271,206	62	0.01
Synnex Technology International	TWD	37,650	36	0.01
Taishin Financial Holding	TWD	266,762	89	0.01
Taiwan Business Bank	TWD	109,545	23	_
Taiwan Cement	TWD	88,901	75	0.01
Taiwan Cooperative Financial Holding	TWD	241,685	97	0.01
Taiwan Fertilizer	TWD	21,000	21	_
Taiwan Glass Industry	TWD	43,665	17	
Taiwan Mobile	TWD	44,000	119	0.02
Taiwan Secom	TWD	7,105	16	_
Taiwan Semiconductor Manufacturing	TWD	204,000	1,207	0.15
Taiwan Semiconductor Manufacturing, ADR	USD	92,243	2,807	0.34
Teco Electric and Machinery	TWD	49,000	34	-
Ton Yi Industrial	TWD	21,000	7	-
Transcend Information	TWD	8,000	17	
U-Ming Marine Transport	TWD	10,000	9	_

Taiwan 1.52% (1.49%) (continued) Unimicron Technology	Currency	Holding	£000	
Unimicron Technology				% of Net Assets
	TWD	33,000	14	_
Uni-President Enterprises	TWD	132,791	216	0.03
United Microelectronics	TWD	78,000	31	-
United Microelectronics, ADR	USD	50,007	97	0.01
Vanguard International Semiconductor	TWD	24,000	33	-
Walsin Lihwa	TWD	85,000	32	_
Wan Hai Lines Wistron	TWD TWD	22,000 74,791	10 47	0.01
Yuanta Financial Holding	TWD	315,427	106	0.01
Yulon Motor	TWD	24,000	15	-
			12,600	1.52
Thailand 0.39% (0.37%)				
Advanced Info Service 'Registered Shares'	THB	37,000	164	0.02
Airports of Thailand	THB	122,000	162	0.02
Bangkok Bank Pankok Durit Madical Carriage (5)	THB	15,400	67	0.01
Bangkok Dusit Medical Services 'F' Banpu	THB THB	258,000 117,100	123 47	0.01 0.01
Bumrungrad Hospital	THB	14,300	71	0.01
Central Pattana, REIT	THB	76,200	137	0.02
Charoen Pokphand Foods	THB	141,100	84	0.01
CP ALL	THB	166,800	262	0.03
Electricity Generating 'Registered Shares'	THB	7,400	39	_
Finance One Public^	USD	6,000	_	_
Glow Energy	THB	11,600	24	_
Indorama Ventures	THB	55,700	57	0.01
Intouch Holdings, NVDR IRPC	THB THB	53,200 283,100	71 41	0.01 0.01
Kasikornbank	THB	60,000	299	0.01
Krung Thai Bank	THB	169,400	74	0.04
Land & Houses, REIT	THB	118,600	27	-
Land & Houses, REIT 'Registered Shares'	THB	54,200	13	_
Minor International 'Registered Shares'	THB	103,300	87	0.01
PTT	THB	47,800	461	0.06
PTT Exploration & Production 'Registered Shares'	THB	42,989	90	0.01
PTT Global Chemical	THB	56,200	104	0.01
Siam Cement Siam Companyid Paul	THB	23,900	271	0.03
Siam Commercial Bank Thai Oil	THB THB	77,000 32,800	264 75	0.03 0.01
TMB Bank	THB	612,500	36	0.01
Total Access Communication	THB	9,200	12	_
Total Access Communication, NVDR	THB	18,300	24	_
True Corp.	THB	291,400	41	0.01
			3,227	0.39
Turkey 0.14% (0.14%) Akbank Turk	TRY	E7 000	117	0.01
Akbank Turk Anadolu Efes Biracilik ve Malt Sanayii	TRY	57,080 6,450	112 28	0.01
Arcelik	TRY	5,520	26	_
BIM Birlesik Magazalar	TRY	6,410	98	0.01
Coca-Cola Icecek	TRY	1,800	14	_
Emlak Konut Gayrimenkul Yatirim Ortakligi, REIT	TRY	52,690	28	_
Enka Insaat ve Sanayi	TRY	17,592	19	_
Eregli Demir ve Celik Fabrikalari	TRY	39,747	70	0.01
Ford Otomotiv Sanayi	TRY	1,960	20	-
Haci Omer Sabanci Holding	TRY	26,550	55	0.01
KOC Holding	TRY	16,957	57	0.01
Koza Altin Isletmeleri Petkim Petrokimya Holding	TRY TRY	1,590 20,460	10 27	_
Tofas Turk Otomobil Fabrikasi	TRY	3,740	27	_
Tupras Turkiye Petrol Rafinerileri	TRY	3,370	88	0.01
Turk Hava Yollari AO	TRY	18,041	34	0.01

Investment	Currency	Holding	Market Value £000	% of Net Assets
Turkey 0.14% (0.14%) (continued)				
Turk Telekomunikasyon	TRY	21,410	30	0.01
Turkcell Iletisim Hizmetleri	TRY	26,420	73	0.01
Turkiye Garanti Bankasi	TRY	57,460	118	0.02
Turkiye Halk Bankasi	TRY	17,410	42	0.01
Turkiye Is Bankasi 'C'	TRY	37,230	52	0.01
Turkiye Sise ve Cam Fabrikalari	TRY	20,435	17	_
Turkiye Vakiflar Bankasi 'D'	TRY	29,450	38	0.01
Ulker Biskuvi Sanayi	TRY	4,360	18	_
Yapi ve Kredi Bankasi	TRY	22,910	21	_
			1,118	0.14
United Kingdom 0.25% (0.26%) Aon	USD	7,185	807	0.10
Coca-Cola European Partners	USD	5,020	158	0.02
Liberty Global 'A'	USD	6,062	146	0.02
Liberty Global 'C'	USD	15,815	367	0.02
Nielsen Holdings	USD	9,970	299	0.04
TechnipFMC	EUR	12,570	253	0.04
·			2,030	0.25
United States of America 53.86% (54.33%)				
3M	USD	16,030	2,624	0.32
Abbott Laboratories	USD	46,736	1,924	0.23
AbbVie	USD	44,020	3,028	0.37
Activision Blizzard	USD	20,430	954	0.12
Acuity Brands	USD	1,240	154	0.02
Adobe Systems	USD	13,650	1,578	0.19
Advance Auto Parts	USD	1,950	127	0.02
Advanced Micro Devices	USD	22,540	241	0.03
AES	USD	18,225	154	0.02
Aetna	USD	8,949	1,040	0.13
Affiliated Managers Group	USD	1,550	226	0.03
Aflac	USD	10,650	673	0.08
Agilent Technologies	USD	8,849	450	0.05
AGNC Investment, REIT	USD	10,470	170	0.02
Air Products & Chemicals	USD	5,900	681	0.08
Akamai Technologies	USD	4,610	175	0.02
Alaska Air Group	USD	800	48	0.01
Albemarle	USD	3,020	312	0.04
Alcoa	USD	5,096	182	0.02
Alexandria Real Estate Equities, REIT	USD	2,540	236	0.02
Alexion Pharmaceuticals	USD	5,970	635	0.03
Align Technology	USD	2,180	316	0.04
Alleghany	USD	410	169	0.02
Alliance Data Systems	USD	1,330	220	0.03
Alliant Energy	USD	6,430	208	0.03
Allstate	USD	9,990	696	0.08
Ally Financial	USD	12,810	231	0.03
Alphabet 'A'	USD	8,230	6,228	0.75
Alphabet 'C'	USD	8,355	6,211	0.75
Altria Group	USD	53,410	2,626	0.32
Amazon.com	USD	10,980	8,271	1.00
Ameren	USD	6,780	308	0.04
American Airlines Group	USD	3,490	138	0.02
American Electric Power	USD	13,610	751	0.09
American Express	USD	20,280	1,398	0.17
American International Group	USD	24,878	1,171	0.14
American Tower, REIT	USD	11,660	1,228	0.15
American Water Works	USD	4,890	313	0.04
Ameriprise Financial	USD	4,182	480	0.06
AmerisourceBergen	USD	4,350	264	0.03
AMETEK	USD	6,400	323	0.04

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 53.86% (54.33%) (continued)				
Amgen	USD	20,324	2,794	0.34
Amphenol 'A'	USD	8,190	541	0.07
Anadarko Petroleum	USD	15,382	552	0.07
Analog Devices	USD	10,099	675	0.08
Andeavor	USD	4,010	319	0.04
Annaly Capital Management, REIT	USD	29,540	270	0.03
ANSYS	USD	2,360	229	0.03
Antero Resources	USD	6,470	99	0.01
Anthem	USD	7,329	1,046	0.13
Apache	USD	10,495	327	0.04
Apple	USD	144,210	16,928	2.04
Applied Materials	USD	29,820	1,196	0.14
Aramark Archer-Daniels-Midland	USD	6,660	211	0.03
	USD	15,268	499	0.06
Arconic Arista Networks	USD USD	10,700	222 209	0.03
		1,450		0.03
Arrow Electronics Arthur J Gallagher	USD USD	2,490 4,930	156 230	0.02 0.03
Ashland Global Holdings	USD	1,650	82 110	0.01
Assurant AT&T	USD USD	1,520 170,047	4,586	0.01 0.55
Autodesk	USD	5,680	4,560 509	0.06
Autoliv	USD	2,490	237	0.08
Automatic Data Processing	USD	12,360	1,056	0.03
AutoMation	USD	1,880	63	0.13
AutoZone	USD	770	342	0.01
AvalonBay Communities, REIT	USD	3,773	514	0.04
Avangrid	USD	1,560	57	0.00
Avery Dennison	USD	2,490	189	0.01
Avnet	USD	3,430	105	0.02
Baker Hughes a GE	USD	11,664	298	0.04
Ball	USD	9,460	301	0.04
Bank of America	USD	272,459	5,215	0.63
Bank of New York Mellon	USD	27,853	1,147	0.14
Baxter International	USD	13,760	647	0.08
BB&T	USD	22,232	784	0.09
Becton Dickinson and	USD	6,205	928	0.11
Bed Bath & Beyond	USD	4,060	65	0.01
Bemis	USD	2,610	91	0.01
Ben Franklin Retail Stores^	USD	50	_	_
Berkshire Hathaway 'A'	USD	12	2,522	0.30
Berkshire Hathaway 'B'	USD	34,400	4,820	0.58
Best Buy	USD	7,400	307	0.04
Biogen	USD	5,860	1,470	0.18
BioMarin Pharmaceutical	USD	4,860	348	0.04
Bioverativ	USD	3,055	136	0.02
BlackRock	USD	3,440	1,243	0.15
Boeing	USD	17,380	3,425	0.41
BorgWarner	USD	5,970	229	0.03
Boston Properties, REIT	USD	4,220	406	0.05
Boston Scientific	USD	37,791	837	0.10
Brighthouse Financial	USD	2,305	105	0.01
Bristol-Myers Squibb	USD	45,520	2,238	0.27
Broadridge Financial Solutions	USD	3,150	195	0.02
Brown & Brown	USD	3,190	118	0.01
Brown-Forman 'B'	USD	4,814	200	0.02
CA	USD	8,617	220	0.03
Cabot Oil & Gas	USD	12,620	247	0.03
Calpine	USD	9,790	109	0.01
		4.020	474	0.00
Campbell Soup Capital One Financial	USD	4,930	171	0.02

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 53.86% (54.33%) (continued)		9		
Cardinal Health	USD	8,775	438	0.05
CarMax	USD	5,250	299	0.04
Cars.com	USD	1,963	40	_
Caterpillar	USD	15,690	1,535	0.19
CBOE Holdings	USD	3,040	252	0.03
CBRE Group 'A'	USD	8,290	245	0.03
CBS, (Non-Voting) 'B'	USD	9,756	415	0.05
CDK Global	USD	3,803	186	0.02
CDW	USD	4,210	218	0.03
Celanese	USD	3,820	308	0.04
Celgene	USD	21,410	2,231	0.27
Centene	USD	4,660	328	0.04
CenterPoint Energy	USD	11,829	264	0.03
CenturyLink	USD	14,901	228	0.03
Cerner	USD	7,940	429	0.05
CF Industries Holdings	USD	6,430	173	0.02
CH Robinson Worldwide	USD	3,950	229	0.03
Charles Schwab	USD	32,725	1,108	0.13
Charter Communications 'A'	USD	5,274	1,412	0.17
Cheniere Energy	USD	5,580	196	0.02
Chevron	USD	52,240	4,683	0.57
Chipotle Mexican Grill	USD	690	163	0.02
Church & Dwight	USD	6,820	245	0.03
Cigna	USD	6,850	964	0.12
Cimarex Energy	USD	2,590	223	0.03
Cincinnati Financial	USD	4,219	241	0.03
Cintas	USD	2,350	268	0.03
Cisco Systems	USD	138,535	3,467	0.42
CIT Group	USD	3,950	147	0.02
Citigroup	USD	75,345	4,103	0.50
Citizens Financial Group	USD	13,820	386	0.05
Claray	USD	4,220	258	0.03
Clorox	USD	3,540	348	0.04
CMC Frozen	USD	9,360	970	0.12
CMS Energy	USD	7,720 790	277 30	0.03
CNA Financial Coach	USD	7,720		0.03
Coca-Cola	USD USD	106,200	229 3,684	0.03 0.44
Cognizant Technology Solutions 'A'	USD	16,150	900	0.44
Colgate-Palmolive	USD	23,780	1,344	0.11
Comcast 'A'	USD	130,174	3,521	0.10
Comerica	USD	4,690	268	0.43
Commerce Bancshares	USD	2,467	105	0.03
Conagra Brands	USD	11,100	289	0.01
Concho Resources	USD	4,040	410	0.05
ConocoPhillips	USD	33,663	1,261	0.03
Consolidated Edison	USD	8,450	531	0.15
Constellation Brands 'A'	USD	4,480	699	0.08
Continental Resources	USD	2,480	69	0.01
Cooper	USD	1,330	238	0.03
Corning	USD	24,850	560	0.07
Costco Wholesale	USD	12,062	1,427	0.17
Coty 'A'	USD	12,700	160	0.02
CR Bard	USD	1,990	482	0.06
Crown Castle International, REIT	USD	11,100	861	0.10
CSRA	USD	4,460	105	0.01
CSX	USD	24,130	973	0.12
Cummins	USD	4,350	563	0.12
CVS Health	USD	28,130	1,561	0.19
Danaher	USD	16,930	1,108	0.13
Darden Restaurants	USD	3,480	207	0.02
	030	5,100	207	0.02

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 53.86% (54.33%) (continued)				
DaVita	USD	4,250	174	0.02
Deere	USD	8,790	850	0.10
Dell Technologies 'V'	USD	5,733	346	0.04
Delta Air Lines	USD	4,900	196	0.02
DENTSPLY SIRONA	USD	6,180	272	0.03
Devon Energy	USD	14,410	386	0.05
Digital Realty Trust, REIT	USD	5,600	517	0.06
Discover Financial Services	USD	10,190	489	0.06
Discovery Communications 'A'	USD	4,173	61	0.01
Discovery Communications 'C'	USD	5,769	79	0.01
DISH Network 'A'	USD	6,090	225	0.03
Dollar General	USD	7,770	480	0.06
Dollar Tree	USD	6,444	443	0.05
Dominion Energy	USD	17,716	1,048	0.13
Domino's Pizza	USD	1,320	200	0.02
Dover	USD	4,270	302	0.04
DowDuPont	USD	64,487	3,465	0.42
DR Horton	USD	9,390	292	0.04
Dr Pepper Snapple Group	USD	5,020	336	0.04
DST Systems	USD	1,690	72	0.01
DTE Energy	USD	4,905	408	0.05
Duke Energy	USD	19,357	1,267	0.15
Duke Realty, REIT	USD	9,740	213	0.03
Dun & Bradstreet	USD	1,020	91	0.01
DXC Technology	USD	7,833	537	0.06
E*TRADE Financial	USD	7,770	257	0.03
Eastman Chemical	USD	3,990	265	0.03
еВау	USD	27,780	796	0.10
Ecolab	USD	7,040	709	0.09
Edgewell Personal Care	USD	1,630	88	0.01
Edison International	USD	8,710	522	0.06
Edwards Lifesciences	USD	5,730	475	0.06
Electronic Arts	USD	8,230	725	0.09
Eli Lilly	USD	26,990	1,755	0.21
Emerson Electric	USD	17,750	853	0.10
Entergy	USD	5,000	308	0.04
EOG Resources	USD	15,930	1,158	0.14
EQT	USD	4,765	228	0.03
Equifax	USD	3,250	266	0.03
Equinix, REIT	USD	2,140	748	0.09
Equity Residential, REIT	USD	9,770	494	0.06
Essex Property Trust, REIT	USD	1,790	352	0.04
Estee Lauder 'A'	USD	5,980	493	0.06
Eversource Energy	USD	8,697	404	0.05
Exelon	USD	26,511	777	0.09
Expedia	USD	3,350	373	0.03
Expeditors International of Washington	USD	5,020	228	0.04
Express Scripts Holding	USD	15,947	692	0.03
Extra Space Storage, REIT	USD	3,350	206	0.08
Exxon Mobil	USD	117,187	7,266	0.88
F5 Networks	USD	1,760	153	0.02
Facebook 'A' Fastenal	USD USD	64,510 8,050	8,375 278	1.01 0.03
Federal Realty Investment Trust, REIT	USD	1,970	190	0.02
FedEx	USD	6,840	1,158	0.14
Fidelity National Information Services	USD	9,034	643	0.08
Fifth Third Bancorp	USD	20,579	436	0.05
First Horizon National A	USD	91,087	-	- 0.04
First Republic Bank	USD	4,180	321	0.04
FirstEnergy	USD USD	12,175	297	0.04 0.07
Fiserv	HCD	5,850	560	0.07

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 53.86% (54.33%) (continued)				
FleetCor Technologies	USD	2,540	306	0.04
Flowserve	USD	3,480	115	0.01
Fluor	USD	3,855	124	0.01
FMC	USD	3,770	263	0.03
FNF Group	USD	7,300	188	0.02
Foot Locker	USD	3,550	84	0.01
Ford Motor	USD	107,594	981	0.12
Fortive	USD	8,555	469	0.06
Fortune Brands Home & Security	USD	4,285	214	0.03
Franklin Resources	USD	9,150	308	0.04
Freeport-McMoRan 'B'	USD	37,907	414	0.05
Gap	USD	6,770	139	0.02
Gartner	USD	2,400	223	0.03
General Dynamics	USD	5,280	849	0.10
General Electric	USD	240,246	4,165	0.50
General Mills	USD	15,810	610	0.30
General Motors				
	USD	36,550	1,234	0.15
Gentex	USD	7,790	116	0.01
Genuine Parts	USD	3,950	285	0.03
GGP, REIT	USD	17,040	275	0.03
Gilead Sciences	USD	35,940	2,198	0.27
Global Payments	USD	4,190	312	0.04
Goldman Sachs Group	USD	10,140	1,830	0.22
Goodyear Tire & Rubber	USD	6,780	167	0.02
H&R Block	USD	5,960	115	0.01
Halliburton	USD	23,760	800	0.10
Hanesbrands	USD	10,240	182	0.02
Harley-Davidson	USD	4,700	164	0.02
Harris	USD	3,340	343	0.04
Hartford Financial Services Group	USD	10,010	421	0.05
Hasbro	USD	3,200	233	0.03
HCA Healthcare	USD	8,120	453	0.05
HCP, REIT	USD	12,990	258	0.03
Helmerich & Payne	USD	2,920	112	0.01
Henry Schein	USD	4,360	264	0.03
Hershey	USD	3,810	315	0.04
Hess	USD	7,810	260	0.03
Hewlett Packard Enterprise	USD	45,713	509	0.06
Hilton Worldwide Holdings	USD	5,760	305	0.04
HollyFrontier	USD	4,890	134	0.04
	USD	7,690	212	
Hologic	USD		4,113	0.03 0.50
Home Depot		33,210		
Honeywell International	USD	21,035	2,266	0.27
Hormel Foods	USD	7,300	175	0.02
Hospitality Properties Trust, REIT	USD	4,450	98	0.01
Host Hotels & Resorts, REIT	USD	20,002	292	0.04
HP	USD	46,493	713	0.09
Humana	USD	3,980	723	0.09
Huntington Bancshares	USD	29,407	305	0.04
IAC/InterActiveCorp	USD	1,930	181	0.02
DEXX Laboratories	USD	2,400	292	0.04
Illinois Tool Works	USD	8,416	970	0.12
Illumina	USD	4,020	630	0.08
Incyte	USD	4,750	403	0.05
Ingredion	USD	1,940	180	0.02
Intel	USD	130,280	3,841	0.46
Intercontinental Exchange	USD	16,150	850	0.10
International Business Machines	USD	23,745	2,626	0.32
International Flavors & Fragrances	USD	2,230	248	0.32
International Paper	USD	11,305	487	0.05
International Paper Interpublic Group	USD	10,560	162	0.06
IIITETDUDIIC GIUUD	USD	10,560	102	0.02

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 53.86% (54.33%) (continued)				
Intuit	USD	6,715	737	0.09
Intuitive Surgical	USD	3,030	827	0.10
Iron Mountain, REIT	USD	7,099	213	0.03
Iron Mountain, REIT, CDI	AUD	153	5	_
Jabil	USD	5,020	107	0.01
Jacobs Engineering Group	USD	3,220	142	0.02
JB Hunt Transport Services	USD	2,470	201	0.02
JBG SMITH Properties, REIT	USD	2,375	59	0.01
JM Smucker	USD	3,010	240	0.03
Johnson & Johnson	USD	74,542	7,675	0.93
JPMorgan Chase	USD	97,744	7,057	0.85
Juniper Networks	USD	10,545	202	0.02
Kansas City Southern	USD	2,980	236	0.03
Kellogg	USD	6,990	328	0.04
KeyCorp	USD	29,920	410	0.05
Keysight Technologies	USD	5,149	165	0.02
Kimberly-Clark	USD	9,782	865	0.10
Kimco Realty, REIT	USD	11,310	164	0.02
Kinder Morgan	USD	53,147	755	0.09
KLA-Tencor	USD	4,300	339	0.03
Kohl's	USD	4,550	145	0.04
Kraft Heinz	USD	16,598	976	0.02
	USD	24,950	394	0.12
Kroger L Brands	USD			
		6,728	210	0.03
La Technologies	USD	2,190	311	0.04
Laboratory Corp. of America Holdings	USD	2,800	316	0.04
Lam Research	USD	4,425	623	0.08
Lamb Weston Holdings	USD	4,039	151	0.02
Las Vegas Sands	USD	9,880	458	0.06
Lear	USD	1,880	244	0.03
Leggett & Platt	USD	3,540	128	0.02
Lennar'A'	USD	5,410	228	0.03
Leucadia National	USD	9,120	174	0.02
Level 3 Communications	USD	8,100	338	0.04
Liberty Broadband 'A'	USD	701	49	0.01
Liberty Broadband 'C'	USD	2,846	202	0.02
Liberty Interactive Corp. QVC Group 'A'	USD	11,546	193	0.02
Liberty Media Corp-Liberty SiriusXM 'A'	USD	2,365	78	0.01
Liberty Media Corp-Liberty SiriusXM 'C'	USD	4,880	161	0.02
Liberty Property Trust, REIT	USD	4,030	128	0.02
Lincoln National	USD	6,152	346	0.04
LKQ	USD	8,580	240	0.03
Lockheed Martin	USD	5,501	1,329	0.16
Loews	USD	7,738	284	0.03
Lowe's	USD	23,340	1,432	0.17
Lululemon Athletica	USD	2,610	119	0.01
M&T Bank	USD	3,950	484	0.06
Macerich, REIT	USD	3,744	162	0.02
Macy's	USD	8,206	125	0.02
ManpowerGroup	USD	1,850	169	0.02
Marathon Oil	USD	23,439	240	0.02
Marathon Petroleum	USD	14,114	600	0.03
Markel	USD	380	306	0.07
Marriott International 'A'	USD	8,729	752	0.04
Marriott International 'A' ^				0.09
	USD	92,449	002	0.11
Marsh & McLennan	USD	14,200	893	0.11
Martin Marietta Materials	USD	1,770	274	0.03
Masco	USD	9,030	265	0.03
Mastercard 'A'	USD	26,030	2,873	0.35
Mattel	USD	9,672	114	0.01
Maxim Integrated Products	USD	7,860	291	0.04

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 53.86% (54.33%) (continued)				
McCormick, (Non-Voting) 'G'	USD	3,290	245	0.03
McDonald's	USD	22,550	2,781	0.34
McKesson	USD	5,816	659	0.08
MDU Resources Group	USD	5,480	112	0.01
MercadoLibre	USD	1,110	206	0.02
Merck	USD	75,673	3,634	0.44
MetLife	USD	25,120	996	0.12
Mettler-Toledo International	USD	700	348	0.04
MGM Resorts International	USD	14,020	317	0.04
Microchip Technology	USD	6,250	432	0.05
Micron Technology	USD	30,490	931	0.11
Microsoft	USD	207,320	12,032	1.45
Mid-America Apartment Communities, REIT	USD	3,100	253	0.03
Mohawk Industries	USD	1,700	330	0.04
Molson Coors Brewing 'B'	USD	4,854	308	0.04
Mondelez International 'A'	USD	40,526	1,275	0.15
Monsanto	USD	12,110	1,092	0.13
Monster Beverage	USD	11,410	480	0.06
Moody's	USD	4,550	492	0.06
Morgan Stanley	USD	36,470	1,333	0.16
Mosaic	USD	9,910	158	0.02
Motorola Solutions	USD	4,485	303	0.04
Murphy Oil	USD	4,370	85 176	0.01
Nasdaq National Oilwell Varco	USD USD	3,120	176 270	0.02
National Oliwell valco	USD	10,430 8,040	71	0.03 0.01
NCR	USD	3,406	95	0.01
NetApp	USD	7,445	243	0.01
Netflix	USD	11,330	1,669	0.20
New York Community Bancorp	USD	12,273	1,009	0.20
Newell Brands	USD	13,156	423	0.01
Newfield Exploration	USD	5,445	122	0.03
Newmont Mining	USD	14,639	423	0.05
News 'A'	USD	10,310	105	0.01
News 'B'	USD	2,868	30	-
NextEra Energy	USD	12,925	1,466	0.18
NIKE 'B'	USD	36,520	1,396	0.17
NiSource	USD	8,952	179	0.02
Noble Energy	USD	13,220	271	0.03
Nordstrom	USD	3,190	102	0.01
Norfolk Southern	USD	7,990	804	0.10
Northern Trust	USD	5,720	402	0.05
Northrop Grumman	USD	4,882	1,097	0.13
NRG Energy	USD	8,920	172	0.02
Nuance Communications	USD	7,910	94	0.01
Nucor	USD	8,930	386	0.05
NVIDIA	USD	15,710	2,258	0.27
NVR	USD	90	198	0.02
Occidental Petroleum	USD	21,105	1,020	0.12
Old Republic International	USD	6,387	94	0.01
Omnicom Group	USD	6,420	359	0.04
ONEOK	USD	9,810	416	0.05
Oracle	USD	79,459	2,883	0.35
O'Reilly Automotive	USD	2,450	382	0.05
PACCAR	USD	9,405	516	0.06
Packaging Corp. of America	USD	2,560	222	0.03
Palo Alto Networks	USD	2,410	269	0.03
Park Hotels & Resorts, REIT	USD	3,964	85	0.01
Parker-Hannifin	USD	3,622	491	0.06
Patterson	USD	2,270	64	0.01
Paychex	USD	9,005	436	0.05

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 53.86% (54.33%) (continued)				
PayPal Holdings	USD	31,280	1,621	0.20
People's United Financial	USD	9,445	130	0.02
PepsiCo	USD	39,479	3,340	0.40
Pfizer	USD	163,496	4,471	0.54
PG&E	USD	14,130	686	0.08
Philip Morris International	USD	42,890	3,696	0.45
Phillips 66	USD	12,041	854	0.10
Pinnacle West Capital	USD	3,050	200	0.02
Pioneer Natural Resources	USD	4,665	513	0.06
PNC Financial Services Group	USD	13,269	1,350	0.16
Polaris Industries	USD	1,660	130	0.02
PPG Industries	USD	7,030	600	0.07
PPL	USD	18,775	542	0.07
Praxair	USD	7,890	842	0.10
Priceline Group	USD	1,360	1,962	0.24
Principal Financial Group	USD	7,300	370	0.04
Procter & Gamble	USD	70,762	4,906	0.59
Progressive	USD	16,040	588	0.07
Prologis, REIT	USD	14,547	712	0.09
Prudential Financial	USD	11,850	975	0.12
Public Service Enterprise Group	USD	13,860	511	0.06
Public Storage, REIT	USD	4,080	665	0.08
PulteGroup	USD	7,720	157	0.02
PVH	USD	2,130	200	0.02
Qorvo	USD	3,570	194	0.02
QUALCOMM	USD	40,840	1,629	0.20
Quest Diagnostics	USD	3,770	260	0.03
Quintiles IMS Holdings	USD	3,462	256	0.03
Ralph Lauren	USD	1,590	102	0.01
Range Resources	USD	6,830	102	0.01
Raymond James Financial	USD	3,600	234	0.03
Raytheon	USD	8,057	1,145	0.14
Realty Income, REIT	USD	7,480	319	0.04
Red Hat	USD	4,890	445	0.05
Regency Centers, REIT	USD	4,080	197	0.02
Regeneron Pharmaceuticals	USD	2,150	723	0.09
Regions Financial	USD	32,824	368	0.04
Republic Services	USD	6,340	304	0.04
ResMed	USD	3,850	225	0.03
Robert Half International	USD	3,370	124	0.01
Rockwell Automation	USD	3,520	489	0.06
Rockwell Collins	USD	4,712	478	0.06
Roper Technologies	USD	2,760	523	0.06
Ross Stores	USD	10,700	509	0.06
S&P Global	USD	7,080	858	0.10
Safeway CASA, CVR	USD	4,630	4	_
Safeway PDC, CVR	USD	4,630	1 250	- 0.16
salesforce.com	USD	18,670	1,359	0.16
Santander Consumer USA Holdings	USD	4,070	46	0.01
SBA Communications, REIT	USD	3,290	377	0.05
SCANA	USD	3,540	132	0.02
Scripps Networks Interactive 'A'	USD	2,410	152	0.02
Sealed Air	USD	5,462	181	0.02
SEI Investments	USD	3,770	181	0.02
Sempra Energy	USD	6,884	600	0.07
ServiceNow	USD	4,700	431	0.05
Sherwin-Williams	USD	2,270	655	0.08
Simon Property Group, REIT	USD	8,587	1,063	0.13
Sirius XM Holdings	USD	40,350	173	0.02
Skyworks Solutions	USD	5,050	399	0.05
SL Green Realty, REIT	USD	2,720	214	0.03

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 53.86% (54.33%) (continued)				
Snap-on	USD	1,590	181	0.02
Southern	USD	27,515	1,051	0.13
Southern Copper	USD	2,241	72	0.01
Southwest Airlines	USD	4,122	182	0.02
Splunk	USD	3,800	182	0.02
Sprint	USD	17,086	92	0.01
Stanley Black & Decker	USD	4,247	506	0.06
Starbucks	USD	38,990	1,642	0.20
State Street	USD	10,339	767	0.09
Stericycle	USD	2,280	122	0.01
Stryker	USD	9,390	1,036	0.13
SunTrust Banks	USD	13,251	595	0.07
Symantec	USD	17,035	409	0.05
Synchrony Financial	USD	22,286	514	0.06
Synopsys	USD	4,130	263	0.03
Sysco	USD	13,510	552	0.07
T Rowe Price Group	USD	6,460	459	0.06
Targa Resources	USD	5,810	207	0.02
Target	USD	15,160	687	0.08
TD Ameritrade Holding	USD	7,090	257	0.03
TEGNA	USD	5,890	55	0.01
Tesla	USD	3,590	961	0.12
Texas Instruments	USD	27,360	1,907	0.12
Textron	USD	4,870	196	0.23
Thermo Fisher Scientific	USD	11,020	1,603	0.02
	USD	2,950	205	
Tiffany Tina Warner				0.02
Time Warner	USD	21,433	1,636	0.20
TJX	USD	17,810	962	0.12
T-Mobile US	USD	8,140	375	0.05
Toll Brothers	USD	4,180	134	0.02
Torchmark	USD	3,257	200	0.02
Total System Services	USD	5,022	256	0.03
Tractor Supply	USD	3,590	157	0.02
TransDigm Group	USD	1,340	268	0.03
Travelers	USD	7,662	726	0.09
Trimble	USD	7,070	216	0.03
TripAdvisor	USD	3,040	90	0.01
Twenty-First Century Fox 'A'	USD	28,610	563	0.07
Twenty-First Century Fox 'B'	USD	12,272	235	0.03
Twitter	USD	18,720	260	0.03
Tyson Foods 'A'	USD	7,650	407	0.05
UDR, REIT	USD	7,350	215	0.03
Ulta Beauty	USD	1,630	233	0.03
Under Armour 'A'	USD	4,890	61	0.01
Under Armour 'C'	USD	5,144	59	0.01
Union Pacific	USD	22,324	1,909	0.23
United Continental Holdings	USD	2,070	104	0.01
United Parcel Service 'B'	USD	19,060	1,715	0.21
United Rentals	USD	2,310	250	0.03
United Technologies	USD	23,066	2,062	0.25
UnitedHealth Group	USD	26,494	3,846	0.46
Universal Health Services 'B'	USD	2,380	190	0.02
Unum Group	USD	6,176	242	0.02
US Bancorp	USD	43,731	1,776	0.03
	USD			
Valero Energy		12,258	718	0.09
Vantiv 'A'	USD	4,430	234	0.03
Varian Medical Systems	USD	2,520	194	0.02
Ventas, REIT	USD	9,720	461	0.06
VEREIT, REIT	USD	26,760	169	0.02
Maril Land	USD	2,375	193	0.02
VeriSign Verisk Analytics	USD	4,230	267	0.03

As at 15 October 2017

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 53.86% (54.33%) (continued)				
Verizon Communications	USD	112,884	4,106	0.50
Vertex Pharmaceuticals	USD	6,950	805	0.10
VF	USD	9,090	441	0.05
Viacom 'B'	USD	9,836	182	0.02
Visa 'A'	USD	51,070	4,154	0.50
VMware 'A'	USD	2,020	172	0.02
Vornado Realty Trust, REIT	USD	4,751	284	0.03
Voya Financial	USD	5,040	151	0.02
Vulcan Materials	USD	3,610	320	0.04
Wabtec	USD	2,420	138	0.02
Walgreens Boots Alliance	USD	25,600	1,329	0.16
Wal-Mart Stores	USD	40,270	2,609	0.32
Walt Disney	USD	43,260	3,154	0.38
Waste Management	USD	12,205	706	0.09
Waters	USD	2,090	292	0.04
WEC Energy Group	USD	8,660	427	0.05
Weingarten Realty Investors, REIT	USD	3,380	82	0.01
Wells Fargo	USD	124,148	5,155	0.62
Welltower, REIT	USD	10,120	518	0.06
Western Digital	USD	8,001	516	0.06
Western Union	USD	13,010	193	0.02
Westlake Chemical	USD	910	58	0.01
WestRock	USD	6,804	301	0.04
Weyerhaeuser, REIT	USD	20,468	533	0.06
Whirlpool	USD	2,000	266	0.03
Williams	USD	22,690	515	0.06
Workday 'A'	USD	3,600	294	0.04
WR Berkley	USD	2,710	137	0.02
WW Grainger	USD	1,440	192	0.02
Wyndham Worldwide	USD	2,817	232	0.03
Wynn Resorts	USD	2,190	232	0.03
Xcel Energy	USD	13,930	511	0.06
Xerox	USD	6,272	154	0.02
Xilinx	USD	6,820	372	0.04
Xylem	USD	4,945	241	0.03
Yum Brands	USD	9,560	550	0.07
Yum China Holdings	USD	10,560	341	0.04
Zimmer Biomet Holdings	USD	5,538	503	0.06
Zions Bancorp	USD	5,490	193	0.02
Zoetis	USD	13,490	659	0.08
		,	445,863	53.86
Virgin Islands, British 0.02% (0.02%)				
Michael Kors Holdings	USD	4,280	153	0.02
E 100 x x 1			153	0.02
Equities total			815,728	98.54
Liquidity Funds 0.00% (0.14%)				
Investment assets			815,728	98.54
Net other assets			12,098	1.46
Net assets			827,826	100.00

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated. The comparative percentage figures in brackets are as at 15 October 2016.

[^] Unlisted, suspended or delisted security.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

		١	/ear ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital gains	2		76,828		132,126
Revenue	3	17,835		11,322	
Expenses	4	(2,138)		(1,545)	
Net revenue before taxation		15,697		9,777	
Taxation	5	(2,212)		(1,287)	
Net revenue after taxation			13,485		8,490
Total return before distributions			90,313		140,616
Distributions	6		(13,486)		(8,517)
Change in net assets attributable to shareholders from investment activities			76,827		132,099

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		647,367		397,385
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	177,670		181,429	
Amounts payable on cancellation of shares	(87,735)		(72,871)	
		89,935		108,558
Dilution adjustment		54		-
Change in net assets attributable to shareholders from investment activities (see above)		76,827		132,099
Retained distribution on accumulation shares		13,643		9,325
Closing net assets attributable to shareholders		827,826		647,367

BALANCE SHEET

		As at	As at
		15.10.17	15.10.16
	Notes	£000	£000
Assets:			
Investments		815,728	635,660
Current assets:			
Debtors	8	2,149	9,758
Cash and bank balances	9	11,019	8,656
Total assets		828,896	654,074
Liabilities:			
Creditors:			
Other creditors	10	(1,070)	(6,707)
Total liabilities		(1,070)	(6,707)
Net assets attributable to shareholders		827,826	647,367

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policies

Please see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Currency losses	(7)	(113)
Expenses relating to the purchase and sale of investments	(161)	(187)
Forward currency contracts losses	(7)	-
Non-derivative securities gains	77,003	132,426
Net capital gains	76,828	132,126

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	4	8
Interest on debt securities	6	3
Overseas dividends	17,737	11,256
Stock dividends	59	40
UK dividends	29	15
Total revenue	17,835	11,322

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	1,779	1,233
	1,779	1,233
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	69	50
Dividend collection charges	8	7
Interest payable	2	15
Safe custody fee	113	63
	192	135
Other expenses:		
Audit fee*	11	10
FTSE® Index Tracker Fund licence fee	118	127
Printing & postage expenses	4	4
Professional fees	21	24
Statement fees	13	12
	167	177
Total expenses	2,138	1,545

^{*} The audit fee was £9,161 (2016: £9,161) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Overseas tax suffered	2,212	1,287
Total tax for the year (see note 5b)	2,212	1,287

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	15,697	9,777
Corporation tax at 20%	3,139	1,955
Effects of:		
Expenses not deductible for tax purposes	-	3
Movement in excess expenses	286	245
Non-trade deficit set against current year income	-	1
Overseas dividends not subject to corporation tax	(3,391)	(2,184)
Overseas tax credit	(15)	(9)
Overseas tax suffered	2,212	1,287
Revenue taxable in different periods	(3)	(3)
Stock dividends not taxable	(10)	(6)
UK dividends not subject to corporation tax	(6)	(2)
	(927)	(668)
Current tax charge (see note 5a)	2,212	1,287

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 year end (2016: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £11,858,000 (2016: £10,426,000*) creating a potential deferred tax asset of £2,371,000 (2016: £2,085,000*). 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.

^{*} Restated figures to agree to final tax computation.

6 Distributions

	Year ended	Year ended
	15.10.17	15.10.16
	£000	£000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Interim distributions	5,999	3,221
Final distributions	7,643	6,103
	13,642	9,324
Add: Revenue deducted on cancellation of shares	418	247
Deduct: Revenue received on issue of shares	(574)	(1,054)
Total distributions	13,486	8,517
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	13,486	8,517
Equalisation on conversions	-	(14)
Professional fees borne by the capital account	(1)	(13)
Net revenue after taxation	13,485	8,490

Details of the distributions per share are set out in the distribution tables on page 314.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Assets at 15.10.16 £000
Level 1: Quoted prices	815,728	634,760
Level 2: Observable market data	-	900
Total value	815,728	635,660

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

- 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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	1,114	1,178
Amounts receivable on issue of shares	709	8,346
Overseas tax recoverable	326	200
Property income tax recoverable	-	1
Sales awaiting settlement	-	33
Total debtors	2,149	9,758

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Cash and bank balances	11,019	8,656
Total cash and bank balances	11,019	8,656

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	442	276
Amounts payable for cancellation of shares	570	299
Purchases awaiting settlement	58	6,132
Total creditors	1,070	6,707

11 Contingent liabilities and commitments

The contingent liabilities and commitments at the year end date are as follows:

	As at 15.10.17 £000	As at 15.10.16 £000
CapitaLand Commercial Trust, REIT Rights 19/10/2017	7	_
Banco Bilbao Vizcaya Argentaria Rights 18/10/2016	_	135
IMMOEAST Rights Perpetual	_	11
Remgro Rights 21/10/2016	_	13
Adcock Ingram Holdings (AdBEE) Warrant 26/07/2019	_	2
Total contingent liabilities and commitments	7	161

12 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.

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 ACD periodic charges was £221,000 (2016: £172,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £6,393,000 (2016: £5,855,000). The amount outstanding at the year end was £3,404,000 (2016: £3,404,000). 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.

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 £79,900,000 (2016: £32,000,000) and £80,800,000 (2016: £31,100,000) respectively. The income received during the year amounted to £5,908 (2016: £3,465).

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class SC 1 Accumulation shares)	3,036,496	60,328	2,976,168
ACD and related parties (share class SC 2 Accumulation shares)	1,410,832	(280,078)	1,690,910
ACD and related parties (share class SC 3 Accumulation shares)	105,412,646	(10,510,885)	115,923,531

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

13 Shareholder funds

The Fund currently has three share classes: Class 1 (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 0.60% Class 2: 0.20% Class 3: 0.20%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on page 263. The distributions per share are given in the distribution tables on page 314. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Share class 1 Accumulation	43,969,907	18,447,540	(22,901,016)	(482,599)	39,033,832
Share class 2 Accumulation	151,344,422	83,112,460	(1,506,418)	451,545	233,402,009
Share class 3 Accumulation	115,923,531	4,864,369	(15,375,254)	-	105,412,646

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency risk

At the year end date, 98.80% (2016: 98.23%) of the net assets of the Fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be significantly affected by currency movements. If currency rates were to change by 10.00%, the value of the Fund would change by 9.88% (2016: 9.82%).

			Net foreign currency	assets			
	Monetary of £00		Non monetar £00			otal 000	
Currency	15.10.17	15.10.16	15.10.17	15.10.16	15.10.17	15.10.16	
Australian Dollar	73	20	21,916	18,131	21,989	18,151	
Brazilian Real	14	(72)	6,251	4,610	6,265	4,538	
Canadian Dollar	66	46	25,935	20,299	26,001	20,345	
Czech Koruna	4	10	165	127	169	137	
Danish Krone	40	25	5,519	4,169	5,559	4,194	
Euro	297	177	100,904	70,817	101,201	70,994	
Hong Kong Dollar	20	12	11,317	8,942	11,337	8,954	
Hungarian Forint	6	12	411	218	417	230	
Indonesian Rupiah	1	1	-	-	1	1	
Israeli New Shekels	11	13	1,204	851	1,215	864	
Japanese Yen	554	467	77,322	61,069	77,876	61,536	
Malaysian Ringgit	14	(38)	2,839	2,510	2,853	2,472	
Mexican Peso	10	3	3,463	2,967	3,473	2,970	
New Zealand Dollar	29	17	721	662	750	679	
Norwegian Krone	16	24	2,096	1,439	2,112	1,463	
Polish Zloty	12	16	1,519	843	1,531	859	
Singapore Dollar	59	10	3,927	3,068	3,986	3,078	
South African Rand	35	16	7,517	5,679	7,552	5,695	
South Korean Won	8	(143)	11,298	7,928	11,306	7,785	
Swedish Krona	5	5	9,189	6,788	9,194	6,793	
Swiss Franc	25	91	25,694	21,306	25,719	21,397	
Taiwan Dollar	174	(120)	7,993	5,604	8,167	5,484	
Thailand Baht	-	-	3,227	2,364	3,227	2,364	
Turkish Lira	7	5	1,118	909	1,125	914	
US Dollar	684	535	484,183	383,460	484,867	383,995	

Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

At the year end date 1.33% (2016: 1.48%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

The floating rate on bank balances is linked to the Depositary's base rate.

The interest rate risk is not considered significant.

15 Derivatives and other financial instruments (continued)

Market price risk

At the year end date, 98.54% (2016: 98.05%) 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 9.85% (2016: 9.81%).

16 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.

15.10.17	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(139,264)	(39)	(28)	(139,331)	0.03%	0.02%
Funds	(79,900)	_	_	(79,900)	0.00%	0.00%
Purchases (corporate action activity only)						
Equities	(872)	_	_	(872)	0.00%	0.00%
	(220,036)	(39)	(28)	(220,103)		
Sales						
Equities	36,226	(5)	(3)	36,218	0.01%	0.01%
Funds	80,800	-	-	80,800	0.00%	0.00%
	117,026	(5)	(3)	117,018		
Total	_	(44)	(31)			
Percentage of Fund average net assets	_	0.01%	0.00%			

15.10.16	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(143,467)	(44)	(19)	(143,530)	0.03%	0.01%
Funds	(32,000)	_	_	(32,000)	0.00%	0.00%
Purchases (corporate action activity only)						
Equities	(259)	_	_	(259)	0.00%	0.00%
	(175,726)	(44)	(19)	(175,789)		
Sales						
Equities	34,255	(10)	(2)	34,243	0.02%	0.00%
Funds	31,100	_	_	31,100	0.00%	0.00%
	65,355	(10)	(2)	65,343		
Total	_	(54)	(21)			
Percentage of Fund average net assets	_	0.01%	0.01%			

Dealing spread

As at $1\overline{5}$ October 2017, the average portfolio dealing spread was 0.06% (2016: 0.06%). 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.

17 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: £nil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the six months ended 15 October 2017

Accumulation shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	1.2148	_	1.2148	1.1408
	Group 2	0.5158	0.6990	1.2148	1.1408
Share Class 2	Group 1	1.6386	_	1.6386	1.4912
	Group 2	0.7468	0.8918	1.6386	1.4912
Share Class 3	Group 1	3.1727	-	3.1727	2.8854
	Group 2	1.4623	1.7104	3.1727	2.8854

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

Interim distribution paid in pence per share for the six months ended 15 April 2017

Accumulation shares		Net revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 1	Group 1	0.9549	-	0.9549	0.6674
	Group 2	0.7065	0.2484	0.9549	0.6674
Share Class 2	Group 1	1.3376	-	1.3376	1.0648
	Group 2	1.0449	0.2927	1.3376	1.0648
Share Class 3	Group 1	2.5896	-	2.5896	2.0617
	Group 2	1.1562	1.4334	2.5896	2.0617

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS GLOBAL EQUITY INCOME FUND

INVESTMENT OBJECTIVE

To provide an annualised income yield at least one and a quarter times that of the annual income yield obtainable on the MSCI World Index (GBP)[†], with the potential for capital growth. Income on the Fund will be paid quarterly. The income aim is a 12 month rolling target and is before the deduction of charges and after the deduction of tax for a UK basic rate income taxpayer. For the purposes of measuring the income aim the annual income yield of the Index will also be calculated on a 12 month rolling basis.

INVESTMENT POLICY

The Fund aims to achieve the investment objective by investing principally in global equities judged to offer above average dividend yields with prospects of dividend growth and the potential for long term capital growth. The Fund may also invest in other transferable securities, collective investment schemes, money market instruments, deposits, cash, near cash, derivatives and forward transactions.

FUND MANAGER'S REPORT

Over the twelve months ended 15 October 2017, the Fund delivered a total return of 10.37 per cent (share class 1), net of fees. The Fund's benchmark, the MSCI World index, returned 12.50 per cent. The sector average return generated by the Fund's peer group, the Investment Association's Global Equity Income sector was 10.45 per cent.

Review

Equity markets recorded double-digit percentage gains as investors became more positive on the prospects for global economic growth. The economic background has improved over the past twelve months, led by a modest acceleration in the major developed economies. Despite a rise in commodity prices, inflationary pressures worldwide have remained subdued. In the US, economic activity has rebounded after a disappointing first quarter of 2017. Donald Trump's unexpected victory in the November presidential election focused investors on the prospect of increased infrastructure spending and tax cuts, and the Republican administration finally tabled tax reforms in September, which will now be subject to approval by Congress. The Federal Reserve (Fed) sanctioned a gradual tightening of monetary policy, raising interest rates in three times over the last twelve months. The Fed also signalled it would begin unwinding its asset purchase programme, known as quantitative easing (QE), in October. Nevertheless, US equities recorded new highs as the reporting period ended.

In recent months, the recovery in economic activity has been most pronounced in the euro area, where economic confidence recorded its highest level for more than a decade. Consequently, European markets have outperformed the World Index, as corporate results have highlighted improving earnings momentum. The French presidential elections resulted in a convincing victory for centrist candidate Macron, easing concerns about the rise of nationalist political parties in Europe and adding to the momentum for closer European integration. In September, the German election saw the re-election of Chancellor Merkel, albeit with a reduced vote. Emerging markets also outperformed as investors became less concerned about the risk of protectionist US trade policies, while returns have also been enhanced by the broad-based rally in local currencies since the beginning of 2017.

From a sector standpoint, commodity-related areas such as mining performed relatively well as economic growth in China, the major destination for industrial metal exports, has stabilised after picking up in late 2016, supported by expansionary fiscal policy and continued rapid credit growth. Financials have also rallied strongly as investors began to factor in the end of extraordinary central bank monetary support and the prospect of higher interest rates, reflecting an improvement in the global economic background. Investors have also favoured the technology sector, where several leading companies have reported positive earnings momentum. In contrast, sectors that are closely correlated with bond markets, notably utilities, telecoms and healthcare, underperformed as investors discounted an end to the period of ultra-low interest rates that has prevailed since the global financial crisis. Energy stocks weakened before retrieving some lost ground as the reporting year ended, rallying in line with the oil price during the third quarter of 2017 on evidence that a supply squeeze from OPEC is now finally impacting on inventories.

The Fund underperformed its benchmark index over the year under review, although performance was in line with the average return for the peer group. Since the turn of the calendar year, market leadership has been driven by growth stocks showing positive earnings momentum while value and higher yielding stocks, favoured by income investors, have underperformed the broader market

The Fund's exposure to consumer stocks detracted from performance relative to the benchmark index. Our holding in tobacco group Altria fell sharply on an unexpected announcement from the US Food and Drug Administration that the regulator is considering capping the amount of nicotine allowed in cigarettes to a level that is non-addictive. We believe Altria is well placed to deal with this proposed change given it has exclusive rights to sell next generation iQOS ('heat-not-burn') products in the US. Our holding in food retailer Ahold Delhaize weakened, as in a further sign that competition in the grocery industry is intensifying, online retailer Amazon announced its acquisition of US organic grocery chain Whole Foods. The market fears Amazon's move into groceries could disrupt the whole sector, but Ahold have a differentiated offering and strong online channel which should position them well. Amongst more cyclical consumer stocks, our holding in German media group ProsiebenSat fell sharply after the company released a profit warning at the end of August and downgraded its earnings outlook, while retailer L Brands underperformed on sluggish sales growth at its Victoria's Secret lingerie chain. The company issued a cautious trading update warning higher promotional expenses and continued investment in China are forecast to dilute earnings growth. As a result, we exited the position earlier this year.

An overweight position in the telecoms sectors also detracted from performance. US operator AT&T cautioned that a decline in its video subscriber base and the damage to its network from hurricanes in the US would affect third quarter results. Although French telecoms group Orange returned to growth in its home market and confirmed it was on track to increase full-year earnings, concerns over intense competition in the French telecoms market and lack of progress on industry consolidation weakened the share price.

AVIVA INVESTORS GLOBAL EQUITY INCOME FUND (CONTINUED)

FUND MANAGER'S REPORT (CONTINUED)

Stock selection in the financial and industrials sectors contributed to performance. Amongst financials, Dutch banking group ING was a new addition to the portfolio. Quarterly results revealed that loan growth in Germany and other international markets more than offset a decline in Dutch consumer lending. Looking ahead, we expect the gradual shift to more fee-based products to help support net interest margins in the prevailing low interest rate environment. The continuing improvement in economic conditions in the euro area should also be positive for ING's earnings growth prospects. Danske, Denmark's leading bank, was also a key contributor. Management announced a new share buyback programme while guidance on dividend policy was also reassuring, as the CEO stressed Danske would keep its dividend payouts stable as it focuses more on wealth management and relies less on traditional lending in view of negative interest rates. Insurer Legal & General reported an increase in bulk annuity sales during the first half of 2017, while its asset management division benefited from the popularity of liability-driven and multi-asset investment strategies amongst its pension fund clients.

Amongst industrials, the Fund's holding in US aircraft manufacturer Boeing was the key contributor. In July, the company reported encouraging second quarter results boosted by a near doubling in free cash flows and the improving profitability of its 787 Dreamliner plane. Subsequently, Boeing announced it had won several new orders from customers including both Turkish and Japan Airlines, while separately predicting growing demand for new aircraft in South East Asia over the long-term.

Elsewhere, we added a new position in US semiconductor manufacturer Broadcom, which performed well as the company reported third quarter revenues and earnings ahead of forecast. We view Broadcom as a well-diversified business across a range of applications such as smartphones, data centres and storage. With significant cash generation and a more shareholder-friendly capital return policy there is ample room for the dividend to grow, which we see as very attractive in the current market environment

Outlook

We continue to see a favourable outlook for equities in general, underpinned by an improving global economic backdrop and also by underlying corporate earnings. Whilst we expect the gradual withdrawal of central bank stimulus to present some challenges and potential for increased volatility going into 2018, provided this economic momentum continues we believe global equities can continue to perform well. From an income perspective, dividend yields on European equities remain attractive versus their US counterparts, with cheaper valuation multiples. Having said that, the potential for corporate tax reform (in the form of tax cuts and ability to repatriate cash at a lower rate) would be very supportive of US equities. Merger and acquisition (M&A) activity has remained healthy, with several deals announced across a range of sectors. Interestingly we have seen several proposed cross-border transactions, with US companies increasingly looking to acquire European counterparts. With corporate balance sheets remaining in healthy shape and interest rates still near record lows we would expect M&A activity to remain strong.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied.

Market data – Bloomberg.

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As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on pages 318 and 319 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 stocks. 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.

Material Portfolio Chang	ges
Purchases	Sales
Broadcom	Imperial Brands
JPMorgan Chase	Kone
Texas Instruments	Ford Motor
Home Depot	Boeing
Altria Group	Honeywell International
McDonald's	CVS Health
Cisco Systems	L Brands
Microsoft	Simon Property Group, REIT
Koninklijke Ahold Delhaize	Koninklijke Philips
Honeywell International	JPMorgan Chase

AVIVA INVESTORS GLOBAL EQUITY INCOME FUND (CONTINUED)

Lower risk Higher risk Typically lower rewards Typically higher rewards 1 2 3 4 5 6 7

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'.
- The value of investments will be affected by changes in exchange rates.
- 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

	2017	2016	2015		2017	2016	2015
Class 1 Income	p per share	p per share	p per share	Class 2 Income	p per share	p per share	p per share
Change in net assets per share				Change in net assets per share			
Opening net asset value per share	130.46	108.06	101.10	Opening net asset value per share	133.97	110.15	102.27
Return before operating charges [†]	15.61	28.34	11.72	Return before operating charges [†]	16.10	29.00	11.87
Operating charges	(2.21)	(1.95)	(1.86)	Operating charges	(1.24)	(1.10)	(1.04)
Return after operating charges [†]	13.40	26.39	9.86	Return after operating charges [†]	14.86	27.90	10.83
Distributions	(3.87)	(3.99)	(2.90)	Distributions	(3.99)	(4.08)	(2.95)
Closing net asset value per share	139.99	130.46	108.06	Closing net asset value per share	144.84	133.97	110.15
[†] after direct transaction costs of	(0.41)	(0.15)	(0.15)	† after direct transaction costs of	(0.42)	(0.16)	(0.15)
Performance				Performance			
Return after charges	10.27%	24.42%	9.75%	Return after charges	11.09%	25.33%	10.59%
Other information				Other information			
Closing net asset value (£000)	426	286	154	Closing net asset value (£000)	1,577	731	330
Closing number of shares	304,496	218,917	142,307	Closing number of shares	1,088,728	545,962	299,965
Operating charges (%) [‡]	1.63%	1.67%	1.66%	Operating charges (%) [‡]	0.88%	0.92%	0.91%
Direct transaction costs (%)#	0.30%	0.13%	0.13%	Direct transaction costs (%)#	0.30%	0.13%	0.13%
Prices≈				Prices≈			
Highest share price	142.52	132.40	123.57	Highest share price	147.44	135.96	125.47
Lowest share price	124.06	103.81	99.29	Lowest share price	127.45	106.07	100.45
	2017	2016	2015		2017	2016	2015
Class 1 Accumulation	p per share	p per share	p per share	Class 2 Accumulation	p per share	p per share	p per share
Change in net assets per share				Change in net assets per share			
Opening net asset value per share	131.80	105.66	96.36	Opening net asset value per share	145.46	115.73	104.75
Return before operating charges [†]	15.93	28.06	11.09	Return before operating charges [†]	17.65	30.90	12.05
Operating charges	(2.26)	(1.92)	(1.79)	Operating charges	(1.36)	(1.17)	(1.07)
Return after operating charges [†]	13.67	26.14	9.30	Return after operating charges [†]	16.29	29.73	10.98
Distributions	(3.95)	(3.94)	(2.79)	Distributions	(4.38)	(4.34)	(3.05)
Retained distributions on accumulation shares	3.95	3.94	2.79	Retained distributions on accumulation shares	4.38	4.34	3.05
Closing net asset value per share	145.47	131.80	105.66	Closing net asset value per share	161.75	145.46	115.73
† after direct transaction costs of	(0.42)	(0.15)	(0.14)	† after direct transaction costs of	(0.46)	(0.17)	(0.15)
Performance				Performance			
Return after charges	10.37%	24.74%	9.65%	Return after charges	11.20%	25.69%	10.48%
Other information				Other information			
Closing net asset value (£000)	27,188	26,025	22,494	Closing net asset value (£000)	5,557	3,509	1,856
Closing number of shares	18,689,500	19,744,883	21,290,636	Closing number of shares	3,435,519	2,412,454	1,603,500
Operating charges (%) [‡]	1.63%	1.67%	1.66%	Operating charges (%) [‡]	0.88%	0.92%	0.91%
Direct transaction costs (%)#	0.30%	0.13%	0.13%	Direct transaction costs (%)#	0.30%	0.13%	0.13%
Prices≈				Prices≈			
Highest share price	147.27	133.06	118.34	Highest share price	163.73	146.84	129.13
Lowest share price	125.34	102.03	94.65	Lowest share price	138.39	112.04	102.90

COMPARATIVE TABLES (CONTINUED)

Class 3 Income	2017 p per share	2016 p per share	2015 p per share
Change in net assets per share			
Opening net asset value per share	126.06	103.28	95.56
Return before operating charges [†]	15.20	27.25	11.08
Operating charges	(0.58)	(0.53)	(0.49)
Return after operating charges [†]	14.62	26.72	10.59
Distributions	(3.90)	(3.94)	(2.87)
Closing net asset value per share	136.78	126.06	103.28
† after direct transaction costs of	(0.40)	(0.15)	(0.14)
Performance			
Return after charges	11.60%	25.87%	11.08%
Other information			
Closing net asset value (£000)	198,938	301	165
Closing number of shares	145,446,690	238,643	159,451
Operating charges (%) [‡]	0.44%	0.47%	0.46%
Direct transaction costs (%)#	0.30%	0.13%	0.13%
Prices≈			
Highest share price	139.25	127.96	117.46
Lowest share price	119.96	99.58	93.86

	2017	2016	2015
Class 3 Accumulation	p per share	p per share	p per share
Change in net assets per share			
Opening net asset value per share	141.36	111.88	100.76
Return before operating charges [†]	17.23	30.02	11.63
Operating charges	(0.70)	(0.54)	(0.51)
Return after operating charges [†]	16.53	29.48	11.12
Distributions	(4.45)	(4.37)	(3.10)
Retained distributions on accumulation shares	4.45	4.37	3.10
Closing net asset value per share	157.89	141.36	111.88
[†] after direct transaction costs of	(0.45)	(0.16)	(0.14)
Performance			
Return after charges	11.69%	26.35%	11.04%
Other information			
Closing net asset value (£000)	3	2	2
Closing number of shares	1,682	1,682	1,682
Operating charges (%) [‡]	0.44%	0.46%	0.46%
Direct transaction costs (%)#	0.30%	0.13%	0.13%
Prices≈			
Highest share price	159.80	142.69	124.49
Lowest share price	134.52	108.50	98.98

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

Ongoing Charges Figure*

Share class	15.10.17	15.10.16
Class 1	1.63%	1.67%
Class 2	0.88%	0.92%
Class 3	0.44%	0.46%

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees).

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.

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

⁽b) The Ongoing Charge 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).

pprox The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. 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.

PORTFOLIO STATEMENT

Investment	Currency	Holding	Market Value £000	% of Net Assets
Equities 98.39% (96.40%)				
Canada 1.83% (1.75%)				
Nortel Networks^	CAD	170	_	_
Toronto-Dominion Bank	CAD	100,020	4,283	1.83
			4,283	1.83
Curacao 2.49% (2.70%)				
Schlumberger	USD	114,908	5,816	2.49
			5,816	2.49
Denmark 2.96% (2.79%)	DIVI	224.664	6.043	2.06
Danske Bank	DKK	231,661	6,912	2.96
			6,912	2.96
Finland 0.00% (2.22%)				
France 9.00% (8.99%)	5115	257.070	4 422	4.00
Orange	EUR	357,979	4,423	1.89
Sanofi	EUR	60,636	4,540	1.94
TOTAL	EUR	121,016	4,931	2.11
Vinci	EUR	99,914	7,148	3.06
			21,042	9.00
Germany 6.24% (7.34%) Deutsche Telekom	EUR	302,988	4,176	1.79
ProSiebenSat.1 Media	EUR	126,585	3,431	1.79
SAP	EUR	36,121	3,451	1.47
Siemens	EUR	36,939	3,930	1.68
Jiellielis	LOI	30,333	14,590	6.24
Netherlands 10.72% (8.72%)			14,550	0.24
ING Groep	EUR	404,126	5,623	2.41
Koninklijke Ahold Delhaize	EUR	426,747	6,011	2.57
Koninklijke Philips	EUR	202,159	6,228	2.66
LyondellBasell Industries 'A'	USD	98,101	7,198	3.08
			25,060	10.72
Singapore 3.69% (0.00%)				
Broadcom	USD	46,039	8,616	3.69
			8,616	3.69
Switzerland 2.15% (2.73%)				
Roche Holding	CHF	26,610	5,017	2.15
			5,017	2.15
United Kingdom 16.24% (11.69%)		74.225	2.605	4.54
British American Tobacco	GBP	74,325	3,605	1.54
GlaxoSmithKline	GBP	270,961	4,115	1.76
Legal & General Group	GBP	2,116,849	5,624	2.41
Prudential RELX	GBP GBP	320,187	5,847	2.50
RELA Rio Tinto	GBP	272,974 128,727	4,586 4,682	1.96 2.01
Royal Dutch Shell 'B'	GBP	138,205	3,207	1.37
Unilever	GBP	139,640	6,289	2.69
OfficeCi	שטר	153,040		
			37,955	16.24

As at 15 October 2017

			Market Value	
Investment	Currency	Holding	£000	% of Net Assets
United States of America 43.07% (47.47%)				
3M	USD	6,953	1,138	0.49
Altria Group	USD	132,310	6,506	2.78
Amgen	USD	45,563	6,264	2.68
Apple	USD	48,170	5,654	2.42
AT&T	USD	205,728	5,548	2.37
Boeing	USD	36,128	7,120	3.05
Cisco Systems	USD	279,522	6,995	2.99
Home Depot	USD	68,112	8,436	3.61
Honeywell International	USD	61,878	6,667	2.85
JPMorgan Chase	USD	115,932	8,370	3.58
McDonald's	USD	68,759	8,479	3.63
Microsoft	USD	135,220	7,848	3.36
Omnicom Group	USD	36,534	2,044	0.88
Pfizer	USD	252,213	6,897	2.95
Simon Property Group, REIT	USD	30,102	3,726	1.60
Texas Instruments	USD	128,382	8,946	3.83
			100,638	43.07
Equities total			229,929	98.39
Investment assets			229,929	98.39
Net other assets			3,760	1.61
Net assets			233,689	100.00

 $All \ holdings \ are \ or \ stock \ units \ and \ admitted \ to \ an \ official \ stock \ exchange \ unless \ otherwise \ stated.$

The comparative percentage figures in brackets are as at 15 October 2016.

[^] Unlisted, suspended or delisted security.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

			Year ended 15.10.17		
	Notes	£000	£000	£000	£000
Income					
Net capital gains	2		4,874		5,595
Revenue	3	3,772		1,053	
Expenses	4	(856)		(424)	
Net revenue before taxation		2,916		629	
Taxation	5	(323)		(86)	
Net revenue after taxation			2,593		543
Total return before distributions			7,467		6,138
Distributions	6		(3,374)		(922)
Change in net assets attributable to shareholders from investment activities			4,093		5,216

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		30,854		25,001
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	200,298		2,152	
Amounts payable on cancellation of shares	(2,989)		(2,405)	
		197,309		(253)
Dilution adjustment		545		-
Change in net assets attributable to shareholders from investment activities (see above)		4,093		5,216
Retained distribution on accumulation shares		888		890
Closing net assets attributable to shareholders		233,689		30,854

BALANCE SHEET

		As at 15.10.17	As at 15.10.16
	Notes	£000	£000
Assets:			
Investments		229,929	29,743
Current assets:			
Debtors	8	306	65
Cash and bank balances	9	4,827	1,141
Total assets		235,062	30,949
Liabilities:			
Creditors:			
Distribution payable		(1,184)	(7)
Other creditors	10	(189)	(88)
Total liabilities		(1,373)	(95)
Net assets attributable to shareholders		233,689	30,854

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policiesPlease see pages 7 to 9 for accounting basis and policies.

2 Net capital gains

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital gains on investments during the year comprise:		
Currency gains	26	54
Expenses relating to the purchase and sale of investments	(6)	(2)
Forward currency contracts gains	167	-
Non-derivative securities gains	4,687	5,543
Net capital gains	4,874	5,595

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Overseas dividends	2,955	887
Stock dividends	8	-
UK dividends	809	166
Total revenue	3,772	1,053

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	781	379
Registration fees	33	27
	814	406
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	16	3
Interest payable	6	3
Safe custody fee	9	3
	31	9
Other expenses:		
Audit fee*	10	9
Statement fees	1	_
	11	9
Total expenses	856	424

^{*} The audit fee was £8,326 (2016: £8,326) net of VAT.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Overseas tax suffered	323	86
Total current tax for the year (see note 5b)	323	86

b Factors affecting current tax charge

The tax assessed for the year is lower than (2016: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	2,916	629
Corporation tax at 20%	583	126
Effects of:		
Movement in excess expenses	156	83
Overseas dividends not subject to corporation tax	(574)	(177)
Overseas tax suffered	323	86
Stock dividends not taxable	(2)	-
Non-trade deficit set against current year income	_	1
UK dividends not subject to corporation tax	(163)	(33)
	(260)	(40)
Current tax charge (see note 5a)	323	86

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 year end (2016: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £5,755,000 (2016: £4,977,000) creating a potential deferred tax asset of £1,151,000 (2016: £995,000). 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 15.10.17 £000	Year ended 15.10.16 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
Distributions for the three months ended 15 January	152	133
Distributions for the three months ended 15 April	1,007	271
Distributions for the three months ended 15 July	2,358	354
Distributions for the three months ended 15 October	1,368	164
	4,885	922
Add: Revenue deducted on cancellation of shares	12	11
Deduct: Revenue received on issue of shares	(1,523)	(11)
Total distributions	3,374	922
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	3,374	922
ACD's periodic charge borne by the capital account	(781)	(379)
Net revenue after taxation	2,593	543

Details of the distributions per share are set out in the distribution tables on pages 330 and 331.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Assets at 15.10.16 £000
Level 1: Quoted prices	229,929	29,743
Total value	229,929	29,743

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

- 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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	189	26
Amounts receivable on issue of shares	63	-
Overseas tax recoverable	54	34
Sales awaiting settlement	_	5
Total debtors	306	65

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Cash and bank balances	4,827	1,141
Total cash and bank balances	4,827	1,141

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	169	65
Amounts payable for cancellation of shares	20	23
Total creditors	189	88

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: fnil).

12 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.

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 ACD periodic charges was £146,000 (2016: £50,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £3,976,000 (2016: £38,000). The amount outstanding at the year end was £1,178,000 (2016: £8,000). 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.

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

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class 1 Accumulation shares)	-	(4,800)	4,800
ACD and related parties (share class 2 Income shares)	105,255	(37,182)	142,437
ACD and related parties (share class 2 Accumulation shares)	539,428	(170,490)	709,918
ACD and related parties (share class 3 Income shares)	145,446,690	145,208,047	238,643
ACD and related parties (share class 3 Accumulation shares)	1,682	_	1,682

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

13 Shareholder funds

The Fund currently has three share classes: Class 1 (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 1: 1.50% Class 2: 0.75% Class 3: 0.40%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 318 and 319. The distributions per share are given in the distribution tables on pages 330 and 331. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Share Class 1 Income	218,917	250,972	(164,606)	(787)	304,496
Share Class 1 Accumulation	19,744,883	315,004	(1,218,785)	(151,602)	18,689,500
Share Class 2 Income	545,962	891,265	(349,264)	765	1,088,728
Share Class 2 Accumulation	2,412,454	1,247,012	(360,615)	136,668	3,435,519
Share Class 3 Income	238,643	145,229,410	(21,363)	-	145,446,690
Share Class 3 Accumulation	1,682	_	-	-	1,682

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Currency risk

At the year end date, 82.38% (2016: 85.47%) of the net assets of the Fund were denominated in currencies other than sterling with the effect that the balancesheet and total return can be significantly affected by currency movements. If currency rates were to change by 10.00%, the value of the Fund would change by 8.24% (2016: 8.55%).

		Net foreign currency assets						
		ary exposure £000	Non mo	netary exposure £000		Total £000		
Currency	15.10.17	15.10.16	15.10.17	15.10.16	15.10.17	15.10.16		
Canadian Dollar	64	4	4,283	541	4,347	545		
Danish Krone	71	4	6,912	859	6,983	863		
Euro	104	190	53,494	7,587	53,598	7,777		
Norwegian Krone	5	5	_	_	5	5		
Swiss Franc	41	6	5,017	842	5,058	848		
US Dollar	263	27	122,268	16,307	122,531	16,334		

Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

At the year end date 2.07% (2016: 3.70%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

Market price risk

At the year end date, 98.39% (2016: 96.40%) 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 9.84% (2016: 9.64%).

16 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.

15.10.17	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases						
Equities	(210,173)	(29)	(315)	(210,517)	0.01%	0.15%
	(210,173)	(29)	(315)	(210,517)		
Sales						
Equities	15,033	(16)	_	15,017	0.11%	0.00%
	15,033	(16)		15,017		
Total	_	(45)	(315)			
Percentage of Fund average net assets	_	0.04%	0.26%			
15.10.16	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases						
Equities	(9,538)	(11)	(12)	(9,561)	0.12%	0.13%
	(9,538)	(11)	(12)	(9,561)		
Sales						
Equities	9,314	(12)	_	9,302	0.13%	0.00%

Dealing spread

Total

As at 15 October 2017, the average portfolio dealing spread was 0.03% (2016: 0.03%). 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.

(12)

(23)

0.08%

(12)

0.05%

9,302

9,314

17 Post balance sheet events

Percentage of Fund average net assets

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: £nil).

DISTRIBUTION TABLES

Final distribution payable in pence per share for the three months ended 15 October 2017

Income shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 1	Group 1	0.7914	_	0.7914	0.6964
	Group 2	0.2856	0.5058	0.7914	0.6964
Share Class 2	Group 1	0.8183	_	0.8183	0.7142
	Group 2	0.6232	0.1951	0.8183	0.7142
Share Class 3	Group 1	0.8060	-	0.8060	0.7020
	Group 2	0.1817	0.6243	0.8060	0.7020

		Net		Final distribution	Final distribution
Accumulation shares		revenue	Equalisation	payable 15 December 2017	paid 15 December 2016
Share Class 1	Group 1	0.8179	-	0.8179	0.6997
	Group 2	0.4776	0.3403	0.8179	0.6997
Share Class 2	Group 1	0.9086	-	0.9086	0.7714
	Group 2	0.2927	0.6159	0.9086	0.7714
Share Class 3	Group 1	0.9307	-	0.9307	0.7909
	Group 2	0.9307	0.0000	0.9307	0.7909

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 July 2017. Group 2 shares are those shares purchased after 12:00 noon on 15 July 2017.

Interim distribution paid in pence per share for the three months ended 15 July 2017

		Net		Interim distribution paid	Interim distribution paid
Income shares		revenue	Equalisation	15 September 2017	15 September 2016
Share Class 1	Group 1	1.4047	-	1.4047	1.5291
	Group 2	0.3322	1.0725	1.4047	1.5291
Share Class 2	Group 1	1.4491	_	1.4491	1.5658
	Group 2	0.4275	1.0216	1.4491	1.5658
Share Class 3	Group 1	1.4003	_	1.4003	1.4988
	Group 2	0.1127	1.2876	1.4003	1.4988

		Net		Interim distribution paid	Interim distribution
Accumulation shares		revenue	Equalisation	15 September 2017	15 September 2016
Share Class 1	Group 1	1.4362	_	1.4362	1.5181
	Group 2	0.4729	0.9633	1.4362	1.5181
Share Class 2	Group 1	1.5921	_	1.5921	1.6704
	Group 2	0.7366	0.8555	1.5921	1.6704
Share Class 3	Group 1	1.5932	_	1.5932	1.6627
	Group 2	1.5932	0.0000	1.5932	1.6627

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 April 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 April 2017.

DISTRIBUTION TABLES (CONTINUED)

Interim distribution paid in pence per share for the three months ended 15 April 2017

Income shares		Net revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 1	Group 1	1.0412	_	1.0412	1.1790
	Group 2	0.1680	0.8732	1.0412	1.1790
Share Class 2	Group 1	1.0732	_	1.0732	1.2052
	Group 2	0.5546	0.5186	1.0732	1.2052
Share Class 3	Group 1	1.0439	-	1.0439	1.1583
	Group 2	0.2453	0.7986	1.0439	1.1583

Accumulation shares		Net revenue	Equalisation	Interim distribution paid 15 June 2017	Interim distribution paid 15 June 2016
Share Class 1	Group 1	1.0576	-	1.0576	1.1588
	Group 2	0.2927	0.7649	1.0576	1.1588
Share Class 2	Group 1	1.1706	_	1.1706	1.2731
	Group 2	0.6057	0.5649	1.1706	1.2731
Share Class 3	Group 1	1.1858	-	1.1858	1.2791
	Group 2	1.1858	0.0000	1.1858	1.2791

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 January 2017.

Group 2 shares are those shares purchased after 12:00 noon on 15 January 2017.

Interim distribution paid in pence per share for the three months ended 15 January 2017

Income shares		Net revenue	Equalisation	Interim distribution paid 15 March 2017	Interim distribution paid 15 March 2016
Share Class 1	Group 1	0.6350	-	0.6350	0.5807
	Group 2	0.0473	0.5877	0.6350	0.5807
Share Class 2	Group 1	0.6527	_	0.6527	0.5929
	Group 2	0.1929	0.4598	0.6527	0.5929
Share Class 3	Group 1	0.6454	-	0.6454	0.5823
	Group 2	0.1819	0.4635	0.6454	0.5823

		Net		Interim distribution paid	Interim distribution paid
Accumulation shares		revenue	Equalisation	15 March 2017	15 March 2016
Share Class 1	Group 1	0.6414	_	0.6414	0.5675
	Group 2	0.2527	0.3887	0.6414	0.5675
Share Class 2	Group 1	0.7087	_	0.7087	0.6221
	Group 2	0.3644	0.3443	0.7087	0.6221
Share Class 3	Group 1	0.7356	_	0.7356	0.6416
	Group 2	0.7356	0.0000	0.7356	0.6416

Interim distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

AVIVA INVESTORS MULTI-STRATEGY TARGET RETURN FUND

INVESTMENT OBJECTIVE

To deliver a positive return over rolling three year periods regardless of the prevailing stock market environment. The Fund aims to generate a positive return, on average 5% per annum above the Bank of England Base Rate before the deduction of charges, over rolling three year periods. In seeking to target this level of return the Fund also aims to manage volatility to a target of less than half the volatility of global equities, measured over the same rolling three year periods. These aims, however, are not guaranteed and it may not always be possible to achieve positive returns or to achieve the target level of volatility over rolling three year periods, or over any period of investment. Consequently, investors' capital is at risk.

INVESTMENT POLICY

In aiming to achieve the investment objective the Fund may invest globally in any of the following financial instruments: transferable securities, money market instruments, fixed interest securities, units in collective investment schemes, derivatives, forwards and deposits.

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

FUND MANAGER'S REPORT

Performance

Over the twelve months ended 15 October 2017, the Fund posted a total return of -0.01 per cent (share class 6), net of fees. Over the same period, the Fund's peer group, the Investment Association's Targeted Absolute Return sector, delivered a net return of 3.41 per cent.

Review

Market return strategies fared well over the period. In equities, positions favouring Europe, Japan and emerging markets made good contributions, as did the Fund's exposure to high-yield US corporate bonds. Other strategies that added value included the negative stance towards 10-year German Bunds and the position anticipating rising US inflation.

On the downside, several risk-reducing strategies that would typically benefit from an increase in volatility detracted from performance as volatility across asset classes was low. The rise in developed market government bond yields following some hawkish signals on monetary policy from a number of major central banks in June negatively impacted our strategy that is positioned to benefit from stable or lower yields in selected markets such as Canada. The position anticipating weakness in the US biotechnology sector also weighed on returns.

When constructing the Fund we maintain an investment horizon of three years. That means we continually monitor both existing and potential new positions to assess the expected performance over that horizon.

As part of this process, we made a number of changes to the Fund. In the final months of 2016, we raised the Fund's exposure to the global reflationary theme, adding to existing positions anticipating rises in US equities and inflation. At the start of 2017, we switched existing exposure into more attractively valued assets within the theme, notably closing the negative stance towards German Bunds position and entering a European banks position. In the summer we altered our fixed income strategies to move them towards a more negative stance in terms of sensitivity to changes in interest rates. We continued to identify attractive investment opportunities within emerging market assets. As such, we added a long position in Mexican government bonds. We also introduced a strategy that benefits from emerging market equities outperforming developed markets, adding to our existing long strategies in emerging markets.

November 2017

Sources: Fund and peer group performance figures – Lipper, a Thomson Reuters Company, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on pages 334 and 335 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 securities. 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.

Material Portfolio Changes	
Purchases	Sales
US Treasury Inflation Indexed, FRN 0.38% 15/07/2027	US Treasury 0.13% 15/07/2026
US Treasury 0.13% 15/07/2026	US Treasury 0.63% 15/01/2026
US Treasury Inflation Indexed, FRN 0.38% 15/01/2027	South Africa Government Bond 10.50% 21/12/2026
South Africa Government Bond 10.50% 21/12/2026	Poland Government Bond 2.50% 25/07/2026
Mexican Bonos 7.50% 03/06/2027	Turkey Government Bond 6.25% 26/09/2022
Mexican Bonos 5.75% 05/03/2026	South Africa Government Bond 8.75% 28/02/2048
Turkey Government Bond 6.25% 26/09/2022	Indonesia Treasury 8.25% 15/07/2021
Indonesia Treasury 7.00% 15/05/2022	Indonesia Treasury 8.38% 15/09/2026
Turkey Government Bond 5.63% 30/03/2021	Poland Government Bond 3.25% 25/07/2025
Indonesia Treasury 8.38% 15/09/2026	Eni

AVIVA INVESTORS MULTI-STRATEGY TARGET RETURN FUND (CONTINUED)

Synthetic Risk and Reward Indicator Lower risk Higher risk Typically lower rewards Typically higher rewards 1 2 3 4 5 6 7

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

	2017	2016	2015		2017	2016	2015
Class 2 Accumulation	p per share	p per share	p per share	Class 5 Accumulation	p per share	p per share	p per share
Change in net assets per share				Change in net assets per share			
Opening net asset value per share	108.09	108.44	100.63	Opening net asset value per share	108.11	108.42	100.57
Return before operating charges [†]	1.18	0.56	8.71	Return before operating charges [†]	1.16	0.55	8.70
Operating charges	(0.93)	(0.91)	(0.90)	Operating charges	(0.87)	(0.86)	(0.85)
Return after operating charges [†]	0.25	(0.35)	7.81	Return after operating charges [†]	0.29	(0.31)	7.85
Distributions	(0.77)	(0.56)	_	Distributions	(0.81)	(0.58)	_
Retained distributions on accumulation shares	0.77	0.56	-	Retained distributions on accumulation shares	0.81	0.58	-
Closing net asset value per share	108.34	108.09	108.44	Closing net asset value per share	108.40	108.11	108.42
† after direct transaction costs of	(0.04)	(0.06)	(0.04)	† after direct transaction costs of	(0.04)	(0.07)	(0.04)
Performance				Performance			
Return after charges	0.23%	(0.32)%	7.76%	Return after charges	0.27%	(0.29)%	7.81%
Other information				Other information			
Closing net asset value (£000)	918,752	889,063	168,885	Closing net asset value (£000)	67,368	55,511	32,593
Closing number of shares	848,053,542	822,545,446	155,745,487	Closing number of shares	62,148,343	51,348,744	30,063,180
Operating charges (%) [‡]	0.85%	0.85%	0.85%	Operating charges (%) [‡]	0.80%	0.80%	0.80%
Direct transaction costs (%)#	0.04%	0.06%	0.04%	Direct transaction costs (%)#	0.04%	0.06%	0.04%
Prices≈				Prices≈			
Highest share price	110.99	110.49	110.57	Highest share price	111.04	110.49	110.53
Lowest share price	106.15	106.69	100.28	Lowest share price	106.21	106.69	100.23
	2017	2016	2015		2017	2016	2015
Class 3 Accumulation	p per share	p per share	p per share	Class 6 Accumulation	p per share	p per share	p per share
Change in net assets per share	400.46	100.10	400.76	Change in net assets per share	407.50	400.45	400 57
Opening net asset value per share	109.46	109.19	100.76	Opening net asset value per share	107.59	108.15	100.57
Return before operating charges [†]	1.15	0.42	8.57	Return before operating charges [†]	1.24	0.63	8.75
Operating charges	(0.74)	(0.15)	(0.14)	Operating charges	(1.20)	(1.19)	(1.17)
Return after operating charges [†]	0.41	0.27	8.43	Return after operating charges [†]	0.04	(0.56)	7.58
Distributions	(0.94)	(1.15)	(0.54)	Distributions	(0.55)	(0.34)	-
Retained distributions on accumulation shares	0.94	1.15	0.54	Retained distributions on accumulation shares	0.55	0.34	-
Closing net asset value per share	109.87	109.46	109.19	Closing net asset value per share	107.63	107.59	108.15
[†] after direct transaction costs of	(0.04)	(0.07)	(0.04)	† after direct transaction costs of	(0.04)	(0.06)	(0.04)
Performance				Performance			
Return after charges	0.37%	0.25%	8.37%	Return after charges	0.04%	(0.52)%	7.54%
Other information				Other information			
Closing net asset value (£000)	653,024	927,892	619,921	Closing net asset value (£000)	2,295	2,514	1,880
Closing number of shares	594,358,521	847,676,075	567,723,812	Closing number of shares	2,132,098	2,337,096	1,738,593
Operating charges (%) [‡]	0.70%	0.13%	0.13%	Operating charges (%) [‡]	1.10%	1.10%	1.10%
Direct transaction costs (%)#	0.04%	0.06%	0.04%	Direct transaction costs (%)#	0.04%	0.06%	0.04%
Prices≈				Prices≈			
Highest share price	112.51	111.46	111.02	Highest share price	110.34	110.14	110.39
				Lowest share price			100.22

COMPARATIVE TABLES (CONTINUED)

Class 8 Accumulation	2017 p per share	2016 p per share	2015§ p per share
Change in net assets per share			
Opening net asset value per share	109.06	109.18	109.41
Return before operating charges [†]	1.12	0.52	(0.21)
Operating charges	(0.64)	(0.64)	(0.02)
Return after operating charges [†]	0.48	(0.12)	(0.23)
Distributions	(1.01)	(0.77)	(0.52)
Retained distributions on accumulation shares	1.01	0.77	0.52
Closing net asset value per share	109.54	109.06	109.18
[†] after direct transaction costs of	(0.04)	(0.07)	-
Performance			
Return after charges	0.44%	(0.11)%	(0.21)%
Other information			
Closing net asset value (£000)	3,304,477	1,010,951	43
Closing number of shares	3,016,643,241	926,973,852	38,894
Operating charges (%) [‡]	0.59%	0.59%	0.41%
Direct transaction costs (%)#	0.04%	0.06%	-
Prices≈			
Highest share price	112.14	111.33	109.75
Lowest share price	107.33	107.58	109.12

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

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

Ongoing Charges Fig	ure*	
Share class	15.10.17	15.10.16
Class 2	0.85%	0.85%
Class 3	0.70%**	0.13%
Class 5	0.80%	0.80%
Class 6	1.10%	1.10%
Class 8	0.59%	0.59%

^{*} 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 Annual Management Charge and other operating costs deducted from the assets of the Fund during the year, except for those payments that are explicitly excluded (performance fees). The OCF for share classes 2, 5 and 6 is capped at 0.85%, 0.80% and 1.10% respectively. This excludes, amongst other things, the charges of any other funds in which this Fund invests and which are included in the OCF. Please see the Prospectus for full details.

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.

⁽b) The Ongoing Charge 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).

 $[\]approx$ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. 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.

[§] Class 8 was launched on 1 October 2015.

^{**} Please note that with effect from 24 October 2016, the Annual Management Charge on share class 3 was increased from 0.10% to 0.67%.

PORTFOLIO STATEMENT

Investment	Currency	Holding	Market Value £000	% of Net Assets
Collective Investment Schemes 0.50% (0.66%)	Currency			,, ,, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
VanEck Vectors India Small-Cap Index Fund	USD	550,960	24,747	0.50
Collective Investment Schemes total			24,747	0.50
Equities 7.04% (13.36%)				
Bermuda 0.15% (0.12%)				
Man Wah Holdings	HKD	3,960,883	2,795	0.06
VTech Holdings	HKD	403,143	4,409	0.09
			7,204	0.15
Brazil 0.21% (0.12%)				
Grendene Smiles	BRL BRL	755,974	4,791	0.10 0.11
SITILES	DNL	256,070	5,360	
6			10,151	0.21
Cayman Islands 0.35% (0.27%) China Maple Leaf Educational Systems	HKD	3,903,539	3,311	0.07
Haitian International Holdings	HKD	2,719,805	6,087	0.07
New Century Healthcare Holding	HKD	1,385,124	1,267	0.03
Pacific Textiles Holdings	HKD	2,253,127	1,833	0.04
Value Partners Group	HKD	5,781,851	4,653	0.09
			17,151	0.35
Chile 0.06% (0.04%)				
Banmedica	CLP	1,118,595	2,803	0.06
			2,803	0.06
China 0.07% (0.03%)	HCD	4.000	_	
Foshan Haitian Flavouring & Food (UBS) Warrant 25/05/2018 Livzon Pharmaceutical Group 'H'	USD HKD	1,000 671,898	5 3,231	0.07
Livzon Friannaceutical Gloup in	ПКИ	071,090	3,231	0.07
Colombia 0.02% (0.00%)			3,230	0.07
Almacenes Exito	COP	291,657	1,183	0.02
		,,,,	1,183	0.02
Curacao 0.00% (0.41%)			•	
Czech Republic 0.09% (0.08%)				
Moneta Money Bank	CZK	970,251	2,520	0.05
Philip Morris CR	CZK	3,164	1,802	0.04
			4,322	0.09
Finland 0.11% (0.19%)				
Kone 'B'	EUR	131,000	5,310	0.11
			5,310	0.11
France 0.12% (0.64%)				
L'Oreal	EUR	35,000	5,867	0.12
			5,867	0.12
Germany 0.11% (0.22%)				
Henkel	EUR	44,300	4,225	0.08
Henkel Preference	EUR	13,400	1,420	0.03
			5,645	0.11
Indonesia 0.09% (0.14%)	100	C 054 546	2740	0.05
AKR Corporindo Summarecon Agung	IDR IDR	6,851,546 32,018,882	2,748 1,802	0.05 0.04
Summarecon Ayung	וטול	JZ,U10,00Z	4,550	0.04
14-1-0 000/ /0 440/\			4,330	0.09
Italy 0.00% (0.41%)				
Japan 0.03% (0.00%) Secom	JPY	27,900	1,602	0.03
Seconi	JI II	21,300	1,602	0.03
			1,002	0.03

Investment	Currency	Holding	Market Value £000	% of Net Assets
Jersey 0.08% (0.02%)				
Wizz Air Holdings	GBP	116,606	3,852	0.08
			3,852	0.08
Malaysia 0.39% (0.33%)				
Carlsberg Brewery Malaysia	MYR	916,000	2,453	0.05
Hartalega Holdings	MYR	5,832,100	7,766	0.16
Inari Amertron	MYR	3,191,600	1,494	0.03
KPJ Healthcare Padini Holdings	MYR MYR	10,694,800 4,233,431	1,942 3,602	0.04 0.07
Sunway Construction Group	MYR	5,554,900	2,274	0.07
Saliway Constitution Group	IVITI	5,554,500	19,531	0.39
Mayica 0 210/ (0 240/)			15,551	0.55
Mexico 0.21% (0.24%) Bolsa Mexicana de Valores	MXN	1,889,775	2,277	0.05
Controladora Vuela Cia de Aviacion 'A'	MXN	996,272	848	0.02
Genomma Lab Internacional 'B'	MXN	2,468,224	2,216	0.04
ndustrias Bachoco	MXN	536,638	2,055	0.04
Qualitas Controladora	MXN	1,418,128	1,713	0.03
Rassini 'A'	MXN	994,012	1,369	0.03
			10,478	0.21
Netherlands 0.23% (0.20%)				
Heineken	EUR	82,200	6,270	0.13
RELX	EUR	319,000	5,231	0.10
			11,501	0.23
Philippines 0.12% (0.12%) Filinvest Land	PHP	199,300,000	5,888	0.12
i illivest Latiu	1111	199,300,000	5,888	0.12
Poland 0.14% (0.11%)			3,000	02
Budimex	PLN	27,698	1,217	0.03
KRUK	PLN	61,733	3,629	0.07
Synthos	PLN	2,009,737	2,055	0.04
			6,901	0.14
Romania 0.11% (0.11%)				
Banca Transilvania	RON	9,379,268	4,274	0.08
Fondul Proprietatea, GDR	USD	157,968	1,312	0.03
			5,586	0.11
Singapore 0.05% (0.06%)				
Sheng Siong Group	SGD	4,495,900	2,302	0.05
5 4 46 4 9 240/ (0.450/)			2,302	0.05
South Africa 0.34% (0.46%) Advtech	ZAR	2,914,718	2,999	0.06
Bid	ZAR	68,300	1,223	0.02
Blue Label Telecoms	ZAR	2,967,492	2,889	0.06
Cashbuild	ZAR	153,680	3,580	0.07
ISE	ZAR	210,452	1,583	0.03
Super Group	ZAR	2,045,286	4,693	0.10
			16,967	0.34
South Korea 0.32% (0.40%)				
Com2uSCorp	KRW	21,820	1,804	0.04
DGB Financial Group	KRW	313,800	2,204	0.05
GS Home Shopping	KRW	22,708	3,084	0.06
Nice Information & Telecommunication	KRW	133,207	2,155	0.04
Samjin Pharmaceutical	KRW	255,276	5,524	0.11
Sungwoo Hitech	KRW	297,435	1,200	0.02

Investment	Currency	Holding	Market Value £000	% of Net Assets
Sri Lanka 0.05% (0.00%)				
John Keells Holdings (Citigroup) Warrant 08/02/2018	USD	3,257,740	2,588	0.05
			2,588	0.05
Sweden 0.10% (0.20%)	CEN	207.000	4.044	0.10
Assa Abloy 'B'	SEK	297,000	4,944 4,944	0.10
Switzerland 0.14% (1.18%)			7,577	0.10
Nestle	CHF	109,700	7,176	0.14
			7,176	0.14
Taiwan 0.97% (0.00%)				
Basso Industry	TWD	2,327,706	4,762	0.10
Elite Material	TWD	360,000	1,229	0.03
Getac Technology	TWD	7,151,872	7,529	0.15
Macauto Industrial	TWD	736,245	3,082	0.06
Merida Industry Pacific Hospital Supply	TWD TWD	635,100	2,192 2,373	0.04 0.05
	TWD	1,324,272 3,045,488	2,373 7,148	0.05
Powertech Technology				
Sinmag Equipment	TWD	706,043	2,692	0.05
Test Research	TWD	1,381,504	1,439	0.03
Win Semiconductors WT Microelectronics	TWD	1,363,234	7,915	0.16
	TWD	4,458,072	5,438	0.11
Youngtek Electronics	TWD	1,458,599	2,133	0.04
Thailand 0.40% (0.40%)			47,332	0.37
Bumrungrad Hospital	THB	719,800	3,563	0.07
KCE Electronics	THB	2,314,500	5,228	0.07
Kiatnakin Bank	THB	2,872,900	4,761	0.11
MCS Steel	THB	7,194,200	2,728	0.05
Quality Houses	THB	45,890,600	2,917	0.06
Thai Beverage	SGD	948,000	496	0.01
Thai Stanley Electric 'F'	THB	26,900	134	-
			19,827	0.40
Turkey 0.28% (0.33%)				
Celebi Hava Servisi	TRY	171,460	1,145	0.02
Ford Otomotiv Sanayi	TRY	466,937	4,729	0.10
Turk Traktor ve Ziraat Makineleri	TRY	210,989	3,376	0.07
Turkiye Sise ve Cam Fabrikalari	TRY	2,283,385	1,954	0.04
Ulker Biskuvi Sanayi	TRY	630,283	2,581	0.05
			13,785	0.28
United Kingdom 0.50% (2.47%) BGEO Group	GBP	103,892	3,491	0.07
British American Tobacco	GBP	101,300	4,921	0.10
Bunzl	GBP	111,800	2,552	0.05
Reckitt Benckiser Group	GBP	80,400	5,778	0.12
Unilever	GBP	179,000	8,060	0.16
		•	24,802	0.50
United States of America 1.20% (4.06%)				
3M	USD	18,500	3,027	0.06
Altria Group	USD	5,400	264	0.01
Amphenol 'A'	USD	85,700	5,615	0.11
Becton Dickinson and	USD	34,397	5,208	0.10
Berkshire Hathaway 'A'	USD	6	1,263	0.03
Berkshire Hathaway 'B'	USD	29,700	4,181	0.08
Church & Dwight	USD	155,863	5,618	0.11
Equifax	USD	67,800	5,579	0.11
Fiserv	USD	25,700	2,455	0.05
Jack Henry & Associates	USD	31,700	2,504	0.05

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 1.20% (4.06%) (continued)				
Ollie's Bargain Outlet Holdings	USD	11,800	402	0.01
Omnicom Group	USD	48,500	2,740	0.06
Philip Morris International	USD	61,100	5,236	0.11
Service Corp. International	USD	184,000	4,734	0.10
TJX Zoetis	USD USD	89,700	4,860	0.10
ZOEUS	030	112,000	5,509 59,195	0.11
Equities total			348,250	7.04
Government Bonds 20.86% (34.43%)				
Indonesia 1.91% (5.17%)				
Indonesia Treasury 8.25% 15/07/2021		57,000,000,000	44,937	0.91
Indonesia Treasury 7.00% 15/05/2022		62,000,000,000	32,243	0.65
Indonesia Treasury 8.38% 15/09/2026	IDR 2	77,300,000,000	17,188	0.35
Marries 2 170/ (0 000/)			94,368	1.91
Mexico 3.17% (0.00%) Mexican Bonos 5.75% 05/03/2026	MXN	2,040,000,000	74,071	1.50
Mexican Bonos 7.50% 03/06/2027	MXN	2,040,000,000	82,775	1.67
		,,	156,846	3.17
Poland 0.00% (5.99%)				
South Africa 0.00% (6.98%)				
United States of America 15.78% (16.29%)				
US Treasury Inflation Indexed, FRN 0.38% 15/01/2027	USD	186,862,000	141,484	2.86
US Treasury Inflation Indexed, FRN 0.38% 15/07/2027	USD	852,550,000	639,151	12.92
			780,635	15.78
Government Bonds total			1,031,849	20.86
Municipal Bonds 0.05% (0.06%)				
United States of America 0.05% (0.06%) Mohegan Gaming & Entertainment 7.88% 15/10/2024	USD	3,064,000	2,458	0.05
worlegan daming & Entertainment 7.86% 15/10/2024	030	3,004,000		
Manaisia al Danada Askal			2,458	0.05
Municipal Bonds total			2,458	0.05
Corporate Bonds 10.05% (11.52%)				
Australia 0.07% (0.00%)	1160	4 600 000	4 24 4	0.03
FMG Resources August 2006 5 129/ 15/05/2022	USD USD	1,600,000	1,214	0.02
FMG Resources August 2006 5.13% 15/05/2024	03D	3,150,000	2,395	0.05
Bermuda 0.08% (0.24%)			3,609	0.07
Fly Leasing 6.75% 15/12/2020	USD	2,620,000	2,042	0.04
Fly Leasing 6.38% 15/10/2021	USD	990,000	776	0.01
Fly Leasing 5.25% 15/10/2024	USD	1,745,000	1,315	0.03
			4,133	0.08
Canada 0.94% (0.56%)				
1011778 BC 4.25% 15/05/2024	USD	2,100,000	1,581	0.03
1011778 BC ULC 4.25% 15/05/2024	USD	1,450,000	1,091	0.02
	USD	8,103,000	6,189	0.13
		6,560,000	5,202	0.11
IAMGOLD 7.00% 15/04/2025	USD			U UE
Eldorado Gold 6.13% 15/12/2020 IAMGOLD 7.00% 15/04/2025 Kinross Gold 5.95% 15/03/2024 Kinross Gold 4.50% 15/07/2027	USD	3,515,000	2,934	0.06
IAMGOLD 7.00% 15/04/2025 Kinross Gold 5.95% 15/03/2024 Kinross Gold 4.50% 15/07/2027	USD USD	3,515,000 6,740,000	2,934 5,105	0.10
IAMGOLD 7.00% 15/04/2025 Kinross Gold 5.95% 15/03/2024 Kinross Gold 4.50% 15/07/2027 NOVA Chemicals 4.88% 01/06/2024	USD USD USD	3,515,000 6,740,000 1,600,000	2,934 5,105 1,223	0.10 0.02
IAMGOLD 7.00% 15/04/2025 Kinross Gold 5.95% 15/03/2024 Kinross Gold 4.50% 15/07/2027 NOVA Chemicals 4.88% 01/06/2024 NOVA Chemicals 5.25% 01/06/2027	USD USD USD USD	3,515,000 6,740,000 1,600,000 1,600,000	2,934 5,105 1,223 1,215	0.10 0.02 0.02
IAMGOLD 7.00% 15/04/2025 Kinross Gold 5.95% 15/03/2024 Kinross Gold 4.50% 15/07/2027 NOVA Chemicals 4.88% 01/06/2024 NOVA Chemicals 5.25% 01/06/2027 Reliance Intermediate Holdings 6.50% 01/04/2023	USD USD USD USD USD	3,515,000 6,740,000 1,600,000	2,934 5,105 1,223 1,215 1,378	0.10 0.02
IAMGOLD 7.00% 15/04/2025 Kinross Gold 5.95% 15/03/2024 Kinross Gold 4.50% 15/07/2027 NOVA Chemicals 4.88% 01/06/2024 NOVA Chemicals 5.25% 01/06/2027	USD USD USD USD	3,515,000 6,740,000 1,600,000 1,600,000 1,725,000	2,934 5,105 1,223 1,215	0.10 0.02 0.02 0.03

nvestment	Currency	Holding	Market Value £000	% of Net Assets
Canada 0.94% (0.56%) (continued)				
Teck Resources 3.75% 01/02/2023	USD	3,400,000	2,557	0.05
Teck Resources 6.25% 15/07/2041	USD	3,000,000	2,527	0.05
eine Energy 6.88% 30/09/2022	USD	2,330,000	1,777	0.04
/aleant Pharmaceuticals International 7.50% 15/07/2021	USD	3,400,000	2,515	0.05
aleant Pharmaceuticals International 5.63% 01/12/2021	USD	2,000,000	1,391	0.03
aleant Pharmaceuticals International 6.50% 15/03/2022	USD	1,250,000	991	0.02
aleant Pharmaceuticals International 5.50% 01/11/2025	USD	235,000	179	_
′amana Gold 4.95% 15/07/2024	USD	3,000,000	2,324	0.05
			46,718	0.94
ayman Islands 0.00% (0.09%)				
rance 0.09% (0.13%)				
FR Group 7.38% 01/05/2026	USD	5,300,000	4,293	0.09
			4,293	0.09
Germany 0.10% (0.01%) Jnitymedia 6.13% 15/01/2025	USD	6,050,000	4,860	0.10
mrymedia 0.1370 172023	030	0,030,000	4,860	0.10
ersey 0.07% (0.05%)			.,	
Adient Global Holdings 4.88% 15/08/2026	USD	2,880,000	2,226	0.05
aston Martin Capital Holdings 6.50% 15/04/2022	USD	1,295,000	1,033	0.02
			3,259	0.07
uxembourg 0.62% (0.63%)	1165	42.500.000	40.027	0.20
Itice Luxembourg 7.75% 15/05/2022	USD	12,600,000	10,027	0.20
RD Finance 7.13% 15/09/2023	USD	4,475,000	3,595	0.07
onsolidated Energy Finance 6.75% 15/10/2019	USD	1,122,000	858	0.02
onsolidated Energy Finance 6.88% 15/06/2025	USD	3,375,000	2,651	0.05
NEOS Group Holdings 5.63% 01/08/2024	USD	6,400,000	4,987	0.10
ntelsat Jackson Holdings 8.00% 15/02/2024	USD	4,095,000	3,309	0.07
Mallinckrodt International Finance 3.50% 15/04/2018	USD	3,950,000	2,961	0.06
/ind Acquisition Finance 4.75% 15/07/2020	USD	3,100,000	2,349	0.05
			30,737	0.62
letherlands 0.12% (0.20%)	LICE	4.400.000	2.4.42	0.06
Ilpha 3 6.25% 01/02/2025	USD	4,100,000	3,142	0.06
NH Industrial 4.50% 15/08/2023	USD	3,500,000	2,780	0.06
			5,922	0.12
Jnited Kingdom 0.22% (0.21%)	LICD	4 100 000	2 401	0.07
loyal Bank of Scotland Group 6.13% 15/12/2022	USD	4,190,000	3,491	0.07
Firgin Media Secured Finance 5.25% 15/01/2026	USD	9,300,000	7,264	0.15
			10,755	0.22
Inited States of America 7.74% (9.40%) cadia Healthcare 5.63% 15/02/2023	USD	1,835,000	1,433	0.03
cadia Healthcare 6.50% 01/03/2024	USD	4,569,000	3,659	0.03
DT 3.50% 15/07/2022	USD	4,525,000	3,399	0.07
ECOM 5.13% 15/03/2027	USD	2,925,000	2,262	0.05
lliance Data Systems 6.38% 01/04/2020	USD	5,240,000	3,997	0.08
lly Financial 4.13% 13/02/2022	USD	3,425,000	2,656	0.05
lly Financial 5.75% 20/11/2025	USD	3,245,000	2,652	0.05
merican Axle & Manufacturing 6.25% 15/03/2021	USD	3,000,000	2,321	0.05
ndeavor Logistics 5.25% 15/01/2025	USD	1,610,000	1,298	0.03
ntero Resources 5.13% 01/12/2022	USD	4,640,000	3,539	0.07
ntero Resources 5.00% 01/03/2025	USD	2,250,000	1,710	0.03
PX Group 8.75% 01/12/2020	USD	3,150,000	2,431	0.05
ramark Services 5.13% 15/01/2024	USD	2,850,000	2,272	0.05
shtead Capital 4.13% 15/08/2025	USD	4,900,000	3,755	0.03
shtead Capital 4.13% 15/08/2027	USD	1,165,000	892	0.02
vis Budget Car Rental 5.13% 01/06/2022	USD USD	1,900,000 1,725,000	1,445 1,387	0.03 0.03
oyd Gaming 6.88% 15/05/2023				

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 7.74% (9.40%) (continued)				
Boyd Gaming 6.38% 01/04/2026	USD	2,755,000	2,262	0.05
Brink's 4.63% 15/10/2027	USD	2,500,000	1,871	0.04
Builders FirstSource 5.63% 01/09/2024	USD	3,375,000	2,683	0.05
Cablevision Systems 7.75% 15/04/2018	USD	1,350,000	1,038	0.02
CalAtlantic Group 8.38% 15/01/2021	USD	3,870,000	3,385	0.07
Calpine 5.75% 15/01/2025	USD	9,050,000	6,460	0.13
CCO Holdings 5.50% 01/05/2026	USD	5,908,000	4,573	0.09
Centene 4.75% 15/05/2022	USD	127,000	99	_
Centene 4.75% 15/01/2025	USD	4,705,000	3,612	0.07
Century Communities 6.88% 15/05/2022	USD	2,756,000	2,175	0.04
Century Communities 5.88% 15/07/2025	USD	2,285,000	1,739	0.04
CenturyLink 7.50% 01/04/2024	USD	5,050,000	4,045	0.08
Cheniere Corpus Christi Holdings 7.00% 30/06/2024	USD	3,000,000	2,567	0.05
CIT Group 5.00% 15/08/2022	USD	2,388,000	1,936	0.04
CNO Financial Group 5.25% 30/05/2025	USD	2,570,000	2,069	0.04
Community Health Systems 8.00% 15/11/2019	USD	2,435,000	1,731	0.03
Community Health Systems 7.13% 15/07/2020	USD	4,365,000	2,764	0.06
Community Health Systems 6.25% 31/03/2023	USD	2,150,000	1,572	0.03
Cott Beverages 5.38% 01/07/2022	USD	4,150,000	3,246	0.07
CRC Escrow Issuer 5.25% 15/10/2025	USD	3,400,000	2,531	0.05
Crescent Communities 8.88% 15/10/2021	USD	2,090,000	1,653	0.03
CrownRock 5.63% 15/10/2025	USD	1,500,000	1,127	0.02
CSC Holdings 6.63% 15/10/2025	USD	1,860,000	1,524	0.03
CSC Holdings 5.50% 15/04/2027	USD	1,745,000	1,354	0.03
CVR Partners 9.25% 15/06/2023	USD	2,425,000	1,941	0.04
CyrusOne, REIT 5.00% 15/03/2024	USD	660,000	522	0.01
DaVita 5.13% 15/07/2024	USD	6,413,000	4,772	0.10
DCP Midstream Operating 2.50% 01/12/2017 Dell International 7.13% 15/06/2024	USD USD	1,600,000	1,203 3,937	0.02 0.08
Dell International 6.02% 15/06/2026	USD	4,750,000 3,550,000	2,978	0.06
Diamondback Energy 4.75% 01/11/2024	USD	4,000,000	3,037	0.06
DISH DBS 6.75% 01/06/2021	USD	2,750,000	2,222	0.00
DISH DBS 7.75% 01/07/2026	USD	3,250,000	2,714	0.05
Dollar Tree 5.75% 01/03/2023	USD	4,770,000	3,769	0.03
DPL 7.25% 15/10/2021	USD	2,700,000	2,217	0.04
DS Services of America 10.00% 01/09/2021	USD	1,716,000	1,364	0.03
Dynegy 8.00% 15/01/2025	USD	2,255,000	1,792	0.04
Dynegy 8.13% 30/01/2026	USD	5,970,000	4,745	0.10
Eldorado Resorts 7.00% 01/08/2023	USD	1,180,000	957	0.02
Eldorado Resorts 6.00% 01/04/2025	USD	4,740,000	3,736	0.08
Energy Transfer Equity 4.25% 15/03/2023	USD	4,160,000	3,157	0.06
FGI Operating 7.88% 01/05/2020	USD	2,500,000	939	0.02
First Data 7.00% 01/12/2023	USD	7,500,000	6,019	0.12
Foresight Energy 11.50% 01/04/2023	USD	1,580,000	1,087	0.02
Frontier Communications 10.50% 15/09/2022	USD	4,860,000	3,175	0.06
Frontier Communications 11.00% 15/09/2025	USD	725,000	460	0.01
Golden Nugget 6.75% 15/10/2024	USD	3,800,000	2,870	0.06
Golden Nugget 8.75% 01/10/2025	USD	2,700,000	2,060	0.04
Greatbatch 9.13% 01/11/2023	USD	2,000,000	1,637	0.03
Greystar Real Estate Partners 8.25% 01/12/2022	USD	3,450,000	2,762	0.06
HCÁ 4.75% 01/05/2023	USD	1,000,000	789	0.02
HCA 5.88% 01/05/2023	USD	2,500,000	2,011	0.04
HCA 5.00% 15/03/2024	USD	2,800,000	2,215	0.04
HCA 5.38% 01/02/2025	USD	7,300,000	5,689	0.11
HCA 5.50% 15/06/2047	USD	1,525,000	1,165	0.02
HealthSouth 5.75% 01/11/2024	USD	4,865,000	3,716	0.07
Hecla Mining 6.88% 01/05/2021	USD	4,880,000	3,789	0.08
HUB International 7.88% 01/10/2021	USD	3,300,000	2,576	0.05
Huntsman International 5.13% 15/11/2022	USD	3,050,000	2,450	0.05

Investment	Currency	Holding	Market Value £000	% of Net Asset
United States of America 7.74% (9.40%) (continued)				
nfor US 6.50% 15/05/2022	USD	3,000,000	2,349	0.05
NVISTA Finance 4.25% 15/10/2019	USD	1,030,000	798	0.02
ron Mountain, REIT 4.88% 15/09/2027	USD	10,445,000	7,978	0.16
ack Ohio Finance 6.75% 15/11/2021	USD	1,825,000	1,440	0.03
ack Ohio Finance 10.25% 15/11/2022	USD	1,560,000	1,279	0.03
C Penney 5.65% 01/06/2020	USD	1,445,000	1,045	0.02
C Penney 5.88% 01/07/2023	USD	4,490,000	3,373	0.07
(AR Auction Services 5.13% 01/06/2025	USD	500,000	391	0.01
FC Holding 5.00% 01/06/2024	USD	3,885,000	3,069	0.06
ennar 4.50% 15/11/2019	USD	1,000,000	778	0.02
ive Nation Entertainment 5.38% 15/06/2022	USD	1,115,000	869	0.02
PL Holdings 5.75% 15/09/2025	USD	3,357,000	2,621	0.05
TF Merger Sub 8.50% 15/06/2023	USD	3,000,000	2,396	0.05
M/I Homes 6.75% 15/01/2021	USD	1,630,000	1,276	0.03
MGM Resorts International 5.25% 31/03/2020	USD	650,000	515	0.01
MGM Resorts International 6.63% 15/12/2021	USD	2,150,000	1,814	0.04
	USD			0.02
/PT Operating Partnership, REIT 6.38% 01/03/2024		4,181,000	3,386	
/SCI 5.75% 15/08/2025	USD	2,900,000	2,376	0.05
Multi-Color 4.88% 01/11/2025	USD	4,620,000	3,503	0.07
Murphy Oil 6.88% 15/08/2024	USD	1,500,000	1,197	0.02
lexstar Broadcasting 5.63% 01/08/2024	USD	3,000,000	2,329	0.05
NextEra Energy Operating Partners 4.25% 15/09/2024	USD	1,100,000	845	0.02
IRG Energy 6.25% 01/05/2024	USD	3,350,000	2,650	0.05
IRG Energy 6.63% 15/01/2027	USD	1,300,000	1,046	0.02
uance Communications 5.38% 15/08/2020	USD	458,000	349	0.01
luance Communications 6.00% 01/07/2024	USD	2,000,000	1,635	0.03
luance Communications 5.63% 15/12/2026	USD	1,965,000	1,567	0.03
neMain Financial Holdings 7.25% 15/12/2021	USD	6,700,000	5,235	0.11
Owens-Brockway Glass Container 5.88% 15/08/2023	USD	3,115,000	2,593	0.05
Parsley Energy 6.25% 01/06/2024	USD	4,045,000	3,210	0.06
Parsley Energy 5.63% 15/10/2027	USD	250,000	192	-
PBF Holding 7.25% 15/06/2025	USD	6,120,000	4,719	0.10
DC Energy 7.75% 15/10/2022	USD	3,500,000	2,735	0.06
eabody Energy 6.00% 31/03/2022	USD	4,750,000	3,695	0.07
Plantronics 5.50% 31/05/2023	USD	3,050,000	2,401	0.05
lastipak Holdings 6.25% 15/10/2025	USD	6,115,000	4,666	0.09
rime Security Services Borrower 9.25% 15/05/2023	USD	3,000,000	2,488	0.05
Resolute Forest Products 5.88% 15/05/2023	USD	1,625,000	1,212	0.02
Reynolds Group Issuer 5.75% 15/10/2020		1,950,000		
	USD USD		1,490 1,553	0.03 0.03
ockies Express Pipeline 6.85% 15/07/2018		2,000,000		
Rockies Express Pipeline 6.00% 15/01/2019	USD	2,000,000	1,550	0.03
SP Permian 6.63% 01/10/2022	USD	3,000,000	2,360	0.05
SP Permian 5.25% 15/01/2025	USD	1,965,000	1,492	0.03
cientific Games International 10.00% 01/12/2022	USD	3,000,000	2,475	0.05
ignode Industrial Group Lux 6.38% 01/05/2022	USD	2,000,000	1,560	0.03
irius XM Radio 3.88% 01/08/2022	USD	1,665,000	1,277	0.03
irius XM Radio 6.00% 15/07/2024	USD	4,300,000	3,471	0.07
x Flags Entertainment 4.88% 31/07/2024	USD	2,200,000	1,687	0.03
x Flags Entertainment 5.50% 15/04/2027	USD	665,000	511	0.0
outhwestern Energy 6.70% 23/01/2025	USD	3,000,000	2,286	0.05
outhwestern Energy 7.75% 01/10/2027	USD	2,495,000	1,940	0.04
oringleaf Finance 6.13% 15/05/2022	USD	2,900,000	2,296	0.0
print 7.25% 15/09/2021	USD	2,445,000	2,024	0.04
print 7.88% 15/09/2023	USD	3,555,000	3,077	0.06
print 7.13% 15/06/2024	USD	1,630,000	1,365	0.03
print 7:15/6 15/60/2024 print Capital 6.88% 15/11/2028	USD	3,000,000	2,487	0.05
tandard Industries 6.00% 15/10/2025	USD	3,550,000	2,467	0.06
			2,690 557	
ugarhouse HSP Gaming Prop Mezz 5.88% 15/05/2025	USD	765,000		0.01
Jummit Materials 8.50% 15/04/2022	USD	2,415,000	2,024	0.04
ummit Materials 5.13% 01/06/2025 unoco 6.25% 15/04/2021	USD	500,000	382	0.01
	USD	3,815,000	3,013	0.06

Investment	Currency	Holding	Market Value £000	% of Net Assets
United States of America 7.74% (9.40%) (continued)				
Tempur Sealy International 5.63% 15/10/2023	USD	3,000,000	2,371	0.05
Tenet Healthcare 4.50% 01/04/2021	USD	2,350,000	1,787	0.04
Tenet Healthcare 8.13% 01/04/2022	USD	5,165,000	3,845	0.08
Terex 5.63% 01/02/2025	USD	2,050,000	1,620	0.03
T-Mobile USA 6.50% 15/01/2026	USD	9,000,000	7,466	0.15
Tribune Media 5.88% 15/07/2022	USD	5,325,000	4,168	0.08
Triumph Group 7.75% 15/08/2025	USD	2,165,000	1,722	0.03
Ultra Resources 6.88% 15/04/2022	USD	2,420,000	1,845	0.04
United Rentals North America 4.63% 15/10/2025	USD	1,600,000	1,220	0.02
United Rentals North America 5.88% 15/09/2026	USD	2,935,000	2,400	0.05
United States Steel 8.38% 01/07/2021	USD	4,350,000	3,588	0.07
Univision Communications 5.13% 15/02/2025	USD	3,481,000	2,641	0.05
Valeant Pharmaceuticals International 7.25% 15/07/2022	USD	1,500,000	1,099	0.02
Vector Group 6.13% 01/02/2025	USD	9,500,000	7,378	0.15
Western Digital 10.50% 01/04/2024	USD	7,600,000	6,703	0.14
Westmoreland Coal 8.75% 01/01/2022	USD	3,350,000	1,800	0.04
William Lyon Homes 5.88% 31/01/2025	USD	1,650,000	1,259	0.03
Xerium Technologies 9.50% 15/08/2021	USD	5,000,000	3,843	0.08
Zayo Group 5.75% 15/01/2027	USD	3,150,000	2,496	0.05
ZF North America Capital 4.50% 29/04/2022	USD	1,298,000	1,021	0.02
ZF North America Capital 4.75% 29/04/2025	USD	1,350,000	1,062	0.02
			384,404	7.74
Corporate Bonds total			497,246	10.05
Certificates of Deposit 39.57% (24.94%)				
United Kingdom 39.57% (24.94%)				
Abbey National Treasury Services 0.29% 31/10/2017	GBP	40,000,000	40,000	0.81
Abbey National Treasury Services 0.29% 23/11/2017	GBP	10,000,000	9,997	0.20
Abbey National Treasury Services 0.26% 01/12/2017	GBP	50,000,000	50,000	1.01
Abbey National Treasury Services 0.30% 06/12/2017	GBP	29,700,000	29,702	0.60
Bank of Nova Scotia 0.26% 13/11/2017	GBP	50,000,000	50,000	1.01
Bank of Tokyo-Mitsubishi 0.24% 07/11/2017	GBP	50,000,000	50,000	1.01
Bank of Tokyo-Mitsubishi 0.40% 24/11/2017	GBP	20,000,000	20,003	0.40
Bank of Tokyo-Mitsubishi 0.40% 24/11/2017	GBP	10,000,000	10,001	0.20
Banque Federative Du Credit 0.26% 04/01/2018	GBP	65,000,000	64,999	1.31
BNP Paribas 0.26% 02/11/2017	GBP	50,000,000	50,001	1.01
BNP Paribas 0.31% 02/01/2018	GBP	10,000,000	10,000	0.20
Commonwealth Bank of Australia 0.50% 06/04/2018	GBP	50,000,000	49,999	1.00
Cooperatieve Rabobank 0.37% 11/12/2017	GBP	25,000,000	25,000	0.50
Credit Agricole Corporate and Investment Bank 0.40% 13/11/2017	GBP	75,000,000	75,006	1.52
Credit Agricole Corporate and Investment Bank 0.26% 01/12/2017	GBP	30,000,000	30,000	0.61
Credit Agricole Corporate and Investment Bank 0.30% 04/12/2017	GBP	50,000,000	50,000	1.01
First Abu Dhabi Bank 0.35% 16/10/2017	GBP	25,000,000	25,000	0.50
First Abu Dhabi Bank 0.30% 18/10/2017	GBP	25,000,000	25,000	0.51
First Abu Dhabi Bank 0.30% 16/11/2017	GBP	25,000,000	25,000	0.51
First Abu Dhabi Bank 0.35% 04/12/2017	GBP	40,000,000	40,000	0.81
First Abu Dhabi Bank 0.39% 12/03/2018	GBP	80,000,000	80,004	1.62
Industrial And Commercial Bank of China 0.51% 04/01/2018	GBP	30,000,000	29,966	0.61
Industrial And Commercial Bank Of China 0.45% 23/10/2017	GBP	30,000,000	29,996	0.61
Industrial And Commercial Bank Of China 0.81% 15/02/2018	GBP	14,000,000	13,999	0.27
Industrial And Commercial Bank Of China 0.55% 12/03/2018	GBP	50,000,000	49,890	1.01
ING Bank 0.26% 11/12/2017	GBP	50,000,000	50,000	1.01
ING Bank 0.31% 11/12/2017	GBP	40,000,000	40,000	0.81
Mizuho Bank 0.22% 09/11/2017	GBP	50,000,000	50,000	1.01
Mizuho Bank 0.27% 15/11/2017	GBP	25,000,000	24,994	0.50
Mizuho Bank 0.31% 05/01/2018	GBP	40,000,000	40,000	0.81
Mizuho Bank 0.30% 11/01/2018	GBP	25,000,000	25,000	0.51
Nationwide Building Society 0.46% 26/01/2018	GBP	35,000,000	35,019	0.71
Natixis 0.38% 06/11/2017	GBP	30,000,000	30,000	0.61
Natixis 0.35% 00717/2017	GBP	30,000,000	30,000	0.61
Natixis 0.31% 01/12/2017	GBP	20,000,000	20,000	0.40
TIGURES 0.3 170 017 127 20 17	ועט	20,000,000	20,000	0.40

Investment	Currency	Holding	Market Value £000	% of Net Assets
United Kingdom 39.57% (24.94%) (continued)				
Natixis 0.40% 02/01/2018	GBP	30,000,000	30,000	0.61
Nordea Bank Finland 0.25% 06/11/2017	GBP	50,000,000	50,000	1.01
Nordea Bank Finland 0.25% 10/11/2017	GBP	30,000,000	30,000	0.61
Nordea Bank Finland 0.25% 07/12/2017	GBP	50,000,000	50,000	1.01
Norinchukin Bank 0.26% 27/11/2017	GBP	50,000,000	49,985	1.01
Standard Chartered Bank 0.33% 17/11/2017	GBP	50,000,000	50,000	1.01
Standard Chartered Bank 0.37% 14/12/2017	GBP	75,000,000	75,000	1.52
Sumitomo Mitsui Banking Corporation Europe 0.31% 16/10/2017	GBP	25,000,000	25,000	0.51
Sumitomo Mitsui Banking Corporation Europe 0.28% 17/11/2017	GBP	40,000,000	40,000	0.81
Sumitomo Mitsui Banking Corporation Europe 0.34% 19/02/2018	GBP	50,000,000	50,000	1.01
Sumitomo Mitsui Banking Corporation Europe 0.36% 15/03/2022	GBP	50,000,000	50,000	1.01
Svenska Handelsbanken 0.24% 20/10/2017	GBP	25,000,000	25,000	0.51
Svenska Handelsbanken 0.24% 27/10/2017	GBP	28,700,000	28,700	0.58
Svenska Handelsbanken 0.22% 11/12/2017	GBP	30,000,000	30,000	0.61
Toronto-Dominion Bank 0.22% 13/12/2017	GBP	30,000,000	30,000	0.61
Toronto-Dominion Bank 0.26% 27/12/2017	GBP	65,000,000	65,000	1.31
TOTOTIC-DOTTITION BATK 0.20% 27/12/2017	GDF	03,000,000		
Certificates of Deposit total			1,957,261 1,957,261	39.57 39.57
			1,557,201	33.31
Commercial Papers 12.07% (3.36%)				
United Kingdom 12.07% (3.36%) Albion Capital 0.28% 20/10/2017	GBP	30,000,000	29,998	0.61
Chesham Finance 0.54% 27/10/2017	GBP	50,000,000	49,990	1.01
Chesham Finance 0.31% 06/11/2017	GBP	35,000,000	34,993	0.71
Chesham Finance 0.51% 07/11/2017	GBP	60,000,000	59,980	1.21
Chesham Finance 0.50% 06/12/2017	GBP	40,300,000	40,271	0.81
Chesham Finance 0.54% 10/01/2018	GBP	30,000,000	29,962	0.61
Chesham Finance 0.35% 10/01/2018	GBP	50,000,000	49,959	1.01
Nieuw Amsterdam Receivables 0.32% 19/10/2017	GBP	45,000,000	44,998	0.91
OP Corporate Bank 0.30% 28/02/2018	GBP	27,000,000	26,970	0.54
Oversea Chinese Banking 0.26% 22/01/2018	GBP	50,000,000	49,965	1.01
Sheffield Receivables 0.34% 18/10/2017	GBP	50,000,000	49,998	1.01
Sheffield Receivables 0.34% 23/10/2017	GBP	100,000,000	99,991	2.02
Sheffield Receivables 0.41% 26/10/2017	GBP	30,000,000	29,996	0.61
			597,071	12.07
Commercial Papers total			597,071	12.07
Swaps (1.16)% (0.75%)				
Equity Variance Swap BNP Paribas EURO STOXX 50 Index 15/12/2017	EUR	36,773,200	(816)	(0.02)
Equity Variance Swap BNP Paribas EURO STOXX 50 Index 15/12/2017	EUR	73,635,200	4,900	0.10
Equity Variance Swap BNP Paribas EURO STOXX 50 Index 15/12/2017	EUR	74,154,500	1,912	0.04
Equity Variance Swap BNP Paribas EURO STOXX 50 Index 21/12/2018	EUR	72,056,700	(3,479)	(0.07)
Equity Variance Swap BNP Paribas EURO STOXX 50 Index 21/12/2018	JPY	5,054,380,000	(8,000)	(0.16)
Equity Variance Swap BNP Paribas Hang Seng China Enterprises Index 28/12/2018	EUR	169,423,700	(407)	(0.01)
Equity Variance Swap BNP Paribas Hang Seng China Enterprises Index 28/12/2018	HKD	258,440,000	(744)	(0.02)
Equity Variance Swap BNP Paribas NIKKEI 225 Index 14/12/2018	HKD	513,580,000	446	0.01
Equity Variance Swap BNP Paribas USAA S&P 500 Index 15/12/2017	HKD	350,162,500	1,211	0.02
Equity Variance Swap BNP Paribas USAA S&P 500 Index 21/12/2018	HKD	345,270,400	938	0.02
Equity Variance Swap BNP Paribas USAA S&P 500 Index 21/12/2018	HKD	375,502,700	499	0.01
Equity Variance Swap BNP Paribas USAA S&P 500 Index 21/12/2018	HKD	389,394,200	281	0.01
Equity Variance Swap Goldman Sachs EURO STOXX 50 Index 15/12/2017	HKD	320,619,800	10,082	0.20
Equity Variance Swap Goldman Sachs EURO STOXX 50 Index 15/12/2017	HKD	278,128,000	2,024	0.20
Equity Variance Swap Goldman Sachs EURO STOXX 50 Index 15/12/2017	HKD	314,948,200	748	0.04
Equity Variance Swap Goldman Sachs EURO STOXX 50 Index 15/12/2017	HKD	582,414,400	743	0.01
Equity Variance Swap Goldman Sachs EURO STOXX 50 Index 13/12/2017 Equity Variance Swap Goldman Sachs EURO STOXX 50 Index 21/12/2018	HKD	263,406,700	(1,286)	(0.03)
	HKD			
Equity Variance Swap Goldman Sachs EURO STOXX 50 Index 21/12/2018		256,290,500	(1,331)	(0.03)
Equity Variance Swap Goldman Sachs EURO STOXX 50 Index 21/12/2018	HKD	255,371,900	(3,825)	(0.08)
Equity Variance Swap Goldman Sachs EURO STOXX 50 Index 21/12/2018	HKD	260,574,400	(16,824)	(0.34)
Equity Variance Swap J.P. Morgan EURO STOXX 50 Index 15/12/2017	HKD	259,180,900	2,377	0.05
FOURTY VARIANCE SWAN LP Morgan FIDO CIOYY 50 Index 71/17/7019	HKD	258,260,200	(4,875)	(0.10)
Equity Variance Swap J.P. Morgan EURO STOXX 50 Index 21/12/2018 Equity Variance Swap J.P. Morgan Hang Seng China Enterprises Index 28/12/2018	HKD	774,154,900	(31)	(0.10)

Investment	Currency	Holding	Market Value £000	% of Net Assets
Swaps (1.16)% (0.75%) (continued)				
Equity Variance Swap J.P. Morgan Hang Seng China Enterprises Index 28/12/2018	HKD	659,415,200	(110)	_
Equity Variance Swap J.P. Morgan Hang Seng China Enterprises Index 28/12/2018	HKD	535,122,900	(330)	(0.01)
Equity Variance Swap J.P. Morgan Hang Seng China Enterprises Index 28/12/2018	HKD	533,256,300	(416)	(0.01)
Equity Variance Swap J.P. Morgan Hang Seng China Enterprises Index 28/12/2018	HKD	526,080,300	(474)	(0.01)
Equity Variance Swap J.P. Morgan Hang Seng China Enterprises Index 28/12/2018	HKD	521,148,600	(493)	(0.01)
Equity Variance Swap J.P. Morgan Hang Seng China Enterprises Index 28/12/2018	HKD	520,867,800	(650)	(0.01)
Equity Variance Swap J.P. Morgan Hang Seng China Enterprises Index 28/12/2018	HKD	777,542,600	(1,165)	(0.02)
Equity Variance Swap J.P. Morgan Hang Seng China Enterprises Index 28/12/2018	USD	145,625,700	(1,168)	(0.02)
Equity Variance Swap J.P. Morgan Hang Seng China Enterprises Index 28/12/2018	USD	97,312,100	(1,387)	(0.03)
Equity Variance Swap J.P. Morgan Hang Seng China Enterprises Index 28/12/2018	USD	98,273,100	(1,462)	(0.03)
Equity Variance Swap J.P. Morgan NIKKEI 225 Index 14/12/2018	USD	98,100,300	408	0.01
Equity Variance Swap J.P. Morgan NIKKEI 225 Index 14/12/2018	USD	97,171,500	354	0.01
Equity Variance Swap J.P. Morgan NIKKEI 225 Index 14/12/2018	USD	97,782,100	251	_
Equity Variance Swap J.P. Morgan NIKKEI 225 Index 14/12/2018	USD	117,922,200	177	- 0.03
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD	140,844,600	1,240	0.02
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD	105,388,400	1,193	0.02
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD	176,530,000	1,126	0.02
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD	4,842	1,119	0.02
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD	48,668,100	790	0.02
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD	49,050,300	640	0.01
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD	47,906,300	527	0.01
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD	47,906,300	514	0.01
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD	49,050,300	478	0.01
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD USD	58,110,500 57,699,700	417 412	0.01 0.01
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD		315	0.01
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018 Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD	70,518,200 67,991,500	171	0.01
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD	61,297,200	137	_
Equity Variance Swap J.P. Morgan USAA S&P 500 Index 21/12/2018	USD	51,351,700	101	
Equity Variance Swap Merrill Lynch EURO STOXX 50 Index 21712/2017	USD	63,824,000	3,451	0.07
Equity Variance Swap Merrill Lynch EURO STOXX 50 Index 15/12/2017	USD	117,890,000	3,151	0.06
Equity Variance Swap Merrill Lynch EURO STOXX 50 Index 13/12/2018	USD	94,930,000	(5,342)	(0.11)
Equity Variance Swap Merrill Lynch EURO STOXX 50 Index 21/12/2018	USD	106,100,000	(5,430)	(0.11)
Equity Variance Swap Societe Generale EURO STOXX 50 Index 15/06/2018	USD	59,590,000	1,119	0.02
Equity Variance Swap Societe Generale EURO STOXX 50 Index 15/12/2017	USD	47,900,000	(1,498)	(0.03)
Equity Variance Swap Societe Generale EURO STOXX 50 Index 15/12/2017	USD	61,710,000	(1,646)	(0.03)
Equity Variance Swap Societe Generale EURO STOXX 50 Index 15/12/2017	EUR	31,290,000	(2,033)	(0.04)
Eguity Variance Swap Societe Generale EURO STOXX 50 Index 15/12/2017	EUR	60,720,000	6,065	0.12
Equity Variance Swap Societe Generale EURO STOXX 50 Index 21/06/2019	EUR	122,240,000	(1,353)	(0.03)
Equity Variance Swap Societe Generale EURO STOXX 50 Index 21/12/2018	EUR	134,130,000	(9,786)	(0.20)
Equity Variance Swap Societe Generale Hang Seng China Enterprises Index 28/12/2018	EUR	322,930,000	(340)	(0.01)
Equity Variance Swap Societe Generale Hang Seng China Enterprises Index 28/12/2018	EUR	121,094,800	(499)	(0.01)
Equity Variance Swap Societe Generale Hang Seng China Enterprises Index 28/12/2018	EUR	130,234,200	(651)	(0.01)
Equity Variance Swap Societe Generale Hang Seng China Enterprises Index 28/12/2018	EUR	184,638,100	(670)	(0.01)
Equity Variance Swap Societe Generale Hang Seng China Enterprises Index 28/12/2018	EUR	205,376,500	(685)	(0.01)
Equity Variance Swap Societe Generale Hang Seng China Enterprises Index 28/12/2018	EUR	371,610,000	(700)	(0.01)
Equity Variance Swap Societe Generale Hang Seng China Enterprises Index 28/12/2018	JPY		(712)	(0.01)
Equity Variance Swap Societe Generale Hang Seng China Enterprises Index 28/12/2018	JPY	16,427,680,000	(726)	(0.01)
Equity Variance Swap Societe Generale Hang Seng China Enterprises Index 28/12/2018	JPY	11,083,110,000	(1,400)	(0.03)
Equity Variance Swap Societe Generale Hang Seng China Enterprises Index 28/12/2018	JPY	5,724,290,000	(2,124)	(0.04)
Equity Variance Swap Societe Generale NIKKEI 225 Index 14/12/2018	JPY	5,517,880,000	(648)	(0.01)
Equity Variance Swap Societe Generale USAA S&P 500 Index 15/12/2017	EUR	82,863,600	2,729	0.06
Equity Variance Swap Societe Generale USAA S&P 500 Index 15/12/2017	EUR	201,860,000	2,421	0.05
Equity Variance Swap Societe Generale USAA S&P 500 Index 15/12/2017	EUR	115,219,500	2,325	0.05
Equity Variance Swap Societe Generale USAA S&P 500 Index 21/12/2018	EUR	97,373,100	1,796	0.04
Equity Variance Swap Societe Generale USAA S&P 500 Index 21/12/2018	EUR	70,065,500	1,158	0.02
Equity Variance Swap Societe Generale USAA S&P 500 Index 21/12/2018	EUR	66,229,100	605	0.01
Equity Variance Swap Societe Generale USAA S&P 500 Index 21/12/2018	EUR	117,930,000	596	0.01
Equity Variance Swan Societa Congralo LICAA S.P. F.O. Indox 21/12/2019	EUR	60,360,000	579	0.01
Equity Variance Swap Societe Generale USAA S&P 500 Index 21/12/2018				
Equity Variance Swap Societe Generale USAA S&P 500 Index 21/12/2018 Equity Variance Swap Societe Generale USAA S&P 500 Index 21/12/2018 Equity Variance Swap Societe Generale USAA S&P 500 Index 21/12/2018	EUR EUR	55,450,000 15,880,000	579 576	0.01 0.01

Investment	Currency	Holding	Market Value £000	% of Net Assets
Swaps (1.16)% (0.75%) (continued)				
Equity Variance Swap Societe Generale USAA S&P 500 Index 21/12/2018	EUR	25,300,000	574	0.01
Equity Variance Swap Societe Generale USAA S&P 500 Index 21/12/2018	USD	45,640,000	518	0.01
Equity Variance Swap Societe Generale USAA S&P 500 Index 21/12/2018	USD	88,041,100	496	0.01
Equity Variance Swap Societe Generale USAA S&P 500 Index 21/12/2018	USD	92,134,800	1,277	0.03
Equity Variance Swap UBS Hang Seng China Enterprises Index 28/12/2018	USD	93,181,800	(914)	(0.02)
Equity Variance Swap UBS USAA S&P 500 Index 21/12/2018	USD	46,067,400	1,100	0.02
nflation Rate Swap Barclays Pay fixed 2.19% Receive floating USCPI 1 month 21/04/2027	GBP	84,675,000	(1,659)	(0.03)
Inflation Rate Swap Barclays Pay fixed 2.27% Receive floating USCPI 1 month 03/04/2027	GBP	84,675,000	(980)	(0.02)
Inflation Rate Swap BNP Paribas Pay fixed 3.46% Receive floating UKRPI 1 month 15/02/2022	GBP	84,675,000	124	_
nflation Rate Swap BNP Paribas Pay floating UKRPI 1 month Receive fixed 3.44% 15/02/2027	GBP	84,675,000	(125)	_
nflation Rate Swap Citigroup Pay fixed 3.57% Receive floating UKRPI 1 month 15/02/2022	GBP	84,675,000	(212)	(0.01)
Inflation Rate Swap Citigroup Pay fixed 3.62% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap Citigroup Pay fixed 3.52% Receive floating UKRPI 1 month 15/03/2022	GBP GBP	84,675,000 84,675,000	(344) 105	(0.01)
Inflation Rate Swap Citigroup Pay fixed 3.32% Receive floating UKRPI 1 month 15/05/2022	GBP	84,675,000	(199)	_
nflation Rate Swap Citigroup Pay floating UKRPI 1 month Receive fixed 3.55% 15/02/2027	USD	72,000,000	553	0.01
Inflation Rate Swap Citigroup Pay floating OKKI 1 Month Receive fixed 3.59% 15/02/2027	USD	108,000,000	821	0.02
Inflation Rate Swap Citigroup Pay floating UKRPI 1 month Receive fixed 3.49% 15/03/2027	GBP	115,100,000	28	- 0.02
nflation Rate Swap Citigroup Pay floating UKRPI 1 month Receive fixed 3.48% 15/05/2027	GBP	67,740,000	310	0.01
nflation Rate Swap Citigroup Pay fixed 2.27% Receive floating USCPI 1 month 03/04/2027	GBP	85,000,000	(999)	(0.02)
nflation Rate Swap Goldman Sachs Pay fixed 3.46% Receive floating UKRPI 1 month 15/02/2022	GBP	71,650,000	140	-
nflation Rate Swap Goldman Sachs Pay floating UKRPI 1 month Receive fixed 3.44% 15/02/2027	GBP	71,650,000	(143)	_
nflation Rate Swap J.P. Morgan Pay fixed 3.57% Receive floating UKRPI 1 month 15/02/2022	GBP	71,650,000	(197)	_
nflation Rate Swap J.P. Morgan Pay fixed 3.62% Receive floating UKRPI 1 month 15/02/2022	GBP	71,650,000	(353)	(0.01)
nflation Rate Swap J.P. Morgan Pay fixed 3.43% Receive floating UKRPI 1 month 15/05/2022	GBP	52,400,000	136	_
nflation Rate Swap J.P. Morgan Pay fixed 3.43% Receive floating UKRPI 1 month 15/05/2022	GBP	80,000,000	136	_
nflation Rate Swap J.P. Morgan Pay fixed 3.44% Receive floating UKRPI 1 month 15/05/2022	GBP	53,060,000	78	_
nflation Rate Swap J.P. Morgan Pay fixed 3.45% Receive floating UKRPI 1 month 15/05/2022	GBP	53,060,000	43	_
nflation Rate Swap J.P. Morgan Pay fixed 3.33% Receive floating UKRPI 1 month 15/08/2022	GBP	53,060,000	999	0.02
nflation Rate Swap J.P. Morgan Pay fixed 2.16% Receive floating USCPI 1 month 15/05/2027	GBP	53,060,000	(434)	(0.01)
nflation Rate Swap J.P. Morgan Pay fixed 2.17% Receive floating USCPI 1 month 15/05/2027	GBP	53,060,000	(690)	(0.01)
nflation Rate Swap J.P. Morgan Pay fixed 2.17% Receive floating USCPI 1 month 16/05/2027	GBP	53,060,000	(330)	(0.01)
nflation Rate Swap J.P. Morgan Pay fixed 2.18% Receive floating USCPI 1 month 16/05/2027	GBP	53,060,000	(442)	(0.01)
nflation Rate Swap J.P. Morgan Pay fixed 2.18% Receive floating USCPI 1 month 16/05/2027	GBP	53,060,000	(453)	(0.01)
Inflation Rate Swap J.P. Morgan Pay fixed 2.00% Receive floating USCPI 1 month 27/06/2027	GBP	53,060,000	470	0.01
Inflation Rate Swap J.P. Morgan Pay fixed 2.00% Receive floating USCPI 1 month 27/06/2027	GBP	53,060,000	443	0.01
nflation Rate Swap J.P. Morgan Pay fixed 2.01% Receive floating USCPI 1 month 27/06/2027	GBP	44,000,000	429	0.01
nflation Rate Swap J.P. Morgan Pay fixed 2.01% Receive floating USCPI 1 month 27/06/2027	GBP	59,000,000	429	0.01
nflation Rate Swap J.P. Morgan Pay fixed 2.01% Receive floating USCPI 1 month 28/06/2027	GBP	59,000,000	433	0.01
Inflation Rate Swap J.P. Morgan Pay fixed 2.02% Receive floating USCPI 1 month 28/06/2027 Inflation Rate Swap J.P. Morgan Pay fixed 2.02% Receive floating USCPI 1 month 28/06/2027	GBP GBP	59,000,000 59,000,000	418 411	0.01 0.01
nflation Rate Swap J.P. Morgan Pay fixed 2.02% Receive floating OSCFF 1 month 28/06/2027	GBP	59,000,000	411	0.01
nflation Rate Swap J.P. Morgan Pay fixed 2.02% Receive floating USCPI 1 month 29/06/2027	GBP	115,100,000	188	0.01
nflation Rate Swap J.P. Morgan Pay fixed 2.07% Receive floating USCPI 1 month 29/06/2027	GBP	67,740,000	183	_
nflation Rate Swap J.P. Morgan Pay floating UKRPI 1 month Receive fixed 3.55% 15/02/2027	GBP	85,000,000	569	0.01
nflation Rate Swap J.P. Morgan Pay floating UKRPI 1 month Receive fixed 3.59% 15/02/2027	GBP	80,000,000	814	0.02
nflation Rate Swap J.P. Morgan Pay floating UKRPI 1 month Receive fixed 3.44% 15/05/2027	GBP	52,400,000	(50)	_
nflation Rate Swap J.P. Morgan Pay floating UKRPI 1 month Receive fixed 3.44% 15/05/2027	GBP	71,650,000	(50)	_
nflation Rate Swap J.P. Morgan Pay floating UKRPI 1 month Receive fixed 3.45% 15/05/2027	GBP	71,650,000	53	_
nflation Rate Swap J.P. Morgan Pay floating UKRPI 1 month Receive fixed 3.45% 15/05/2027	GBP	71,650,000	15	_
nflation Rate Swap J.P. Morgan Pay floating UKRPI 1 month Receive fixed 3.33% 15/08/2027	GBP	71,650,000	(1,837)	(0.04)
nflation Rate Swap Merrill Lynch Pay fixed 2.31% Receive floating USCPI 1 month 16/02/2027	GBP	59,000,000	(1,447)	(0.03)
nflation Rate Swap Merrill Lynch Pay fixed 3.49% Receive floating UKRPI 1 month 15/02/2022	GBP	59,000,000	34	_
nflation Rate Swap Merrill Lynch Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022	GBP	59,000,000	(159)	-
nflation Rate Swap Merrill Lynch Pay fixed 3.57% Receive floating UKRPI 1 month 15/02/2022	GBP	59,000,000	(204)	-
nflation Rate Swap Merrill Lynch Pay floating UKRPI 1 month Receive fixed 3.48% 15/02/2027	GBP	59,000,000	138	-
nflation Rate Swap Merrill Lynch Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027	GBP	44,000,000	462	0.01
nflation Rate Swap Merrill Lynch Pay floating UKRPI 1 month Receive fixed 3.55% 15/02/2027	GBP	53,060,000	560	0.01
nflation Rate Swap Morgan Stanley Pay fixed 3.62% Receive floating UKRPI 1 month 15/02/2022	GBP	53,060,000	(366)	(0.01)
Inflation Rate Swap Morgan Stanley Pay fixed 3.53% Receive floating UKRPI 1 month 15/03/2022	GBP	53,060,000	85	
Inflation Rate Swap Morgan Stanley Pay floating UKRPI 1 month Receive fixed 3.59% 15/02/2027	GBP	53,060,000	847	0.02
Inflation Rate Swap Morgan Stanley Pay floating UKRPI 1 month Receive fixed 3.49% 15/03/2027	GBP	53,060,000	28	

Swaps (1.16)% (0.75%) (continued) Inflation Rate Swap Nomura Pay fixed 3.57% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap Nomura Pay fixed 3.49% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap Nomura Pay fixed 3.53% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap Nomura Pay fixed 3.49% Receive floating UKRPI 1 month 15/04/2022 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.55% 15/02/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.47% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.49% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.43% 15/04/2027 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.52% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.50% 15/03/2027	GBP GBP GBP GBP USD USD USD USD	53,060,000 53,060,000 53,060,000 53,060,000 53,060,000 63,400,000 63,400,000	(197) 171 75 (221) 553 (108) 39	- - -
Inflation Rate Swap Nomura Pay fixed 3.57% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap Nomura Pay fixed 3.49% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap Nomura Pay fixed 3.53% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap Nomura Pay fixed 3.49% Receive floating UKRPI 1 month 15/04/2022 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.55% 15/02/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.47% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.49% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.43% 15/04/2027 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.52% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027	GBP GBP GBP USD USD USD USD	53,060,000 53,060,000 53,060,000 53,060,000 63,400,000 63,400,000 63,400,000	171 75 (221) 553 (108)	- - -
Inflation Rate Swap Nomura Pay fixed 3.49% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap Nomura Pay fixed 3.53% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap Nomura Pay fixed 3.49% Receive floating UKRPI 1 month 15/04/2022 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.55% 15/02/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.47% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.49% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.43% 15/04/2027 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.52% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027	GBP GBP GBP USD USD USD USD	53,060,000 53,060,000 53,060,000 63,400,000 63,400,000 63,400,000	75 (221) 553 (108)	-
Inflation Rate Swap Nomura Pay fixed 3.49% Receive floating UKRPI 1 month 15/04/2022 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.55% 15/02/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.47% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.49% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.43% 15/04/2027 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.52% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027	GBP GBP USD USD USD USD	53,060,000 53,060,000 63,400,000 63,400,000 63,400,000	(221) 553 (108)	-
Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.55% 15/02/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.47% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.49% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.43% 15/04/2027 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.52% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027	GBP USD USD USD USD	53,060,000 63,400,000 63,400,000 63,400,000	553 (108)	- 0.01
Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.47% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.49% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.43% 15/04/2027 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.52% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027	USD USD USD USD	63,400,000 63,400,000 63,400,000	(108)	0.04
Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.49% 15/03/2027 Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.43% 15/04/2027 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.52% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027	USD USD USD	63,400,000 63,400,000		0.01
Inflation Rate Swap Nomura Pay floating UKRPI 1 month Receive fixed 3.43% 15/04/2027 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.52% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027	USD USD	63,400,000	30	_
Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.52% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027	USD			-
Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/02/2022 Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.52% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027		62 100 000	(41)	-
Inflation Rate Swap RBS Pay fixed 3.55% Receive floating UKRPI 1 month 15/03/2022 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.52% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027	USD	63,400,000	(114)	_
Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.52% 15/02/2027 Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027		63,400,000	(138)	_
Inflation Rate Swap RBS Pay floating UKRPI 1 month Receive fixed 3.53% 15/02/2027	USD	63,400,000	(4)	_
	USD	63,400,000	390	0.01
Intlation Rate Swan RRS Pay tloating HKRPL1 month Receive tived 3 50% 15/03/2027	USD	63,400,000	364	0.01
	USD	63,400,000	126	_
Inflation Rate Swap ROYAL BANK OF CANADA Pay fixed 3.49% Receive floating UKRPI			251	
1 month 15/03/2022	USD	63,400,000	261	0.01
Inflation Rate Swap ROYAL BANK OF CANADA Pay floating UKRPI 1 month Receive fixed			()	()
3.44% 15/03/2027	USD	173,000,000	(481)	(0.01)
Inflation Rate Swap UBS Pay fixed 3.45% Receive floating UKRPI 1 month 15/02/2022	USD	63,500,000	156	_
Inflation Rate Swap UBS Pay fixed 3.49% Receive floating UKRPI 1 month 15/02/2022	USD	63,500,000	34	_
Inflation Rate Swap UBS Pay fixed 3.57% Receive floating UKRPI 1 month 15/02/2022	USD	88,000,000	(219)	_
Inflation Rate Swap UBS Pay floating UKRPI 1 month Receive fixed 3.44% 15/02/2027	USD	54,000,000	(161)	-
Inflation Rate Swap UBS Pay floating UKRPI 1 month Receive fixed 3.48% 15/02/2027	USD	63,000,000	127	-
Inflation Rate Swap UBS Pay floating UKRPI 1 month Receive fixed 3.55% 15/02/2027	USD	63,000,000	586	0.01
Interest Rate Swap Pay fixed 0.50% Receive floating LIBOR 6 month 16/10/2030	JPY	7,400,000,000	237	_
Interest Rate Swap Pay fixed 0.50% Receive floating LIBOR 6 month 16/10/2030	JPY	7,400,000,000	109	_
Interest Rate Swap Pay fixed 0.51% Receive floating LIBOR 6 month 16/10/2030	JPY	14,700,000,000	84	_
Interest Rate Swap Pay fixed 0.52% Receive floating LIBOR 6 month 16/10/2030		14,700,000,000	25	_
Interest Rate Swap Pay fixed 0.53% Receive floating LIBOR 6 month 16/10/2030	AUD	267,300,000	(15)	_
Interest Rate Swap Pay floating BBR 3 month Receive fixed 2.17% 16/04/2020	AUD	596,750,000	10	_
Interest Rate Swap Pay floating BBR 3 month Receive fixed 2.18% 16/04/2020	GBP	59,920,000	36	_
Interest Rate Swap Pay floating LIBOR 6 month Receive fixed 0.27% 16/10/2025	GBP	59,923,024	(121)	(0.01)
Interest Rate Swap Pay floating LIBOR 6 month Receive fixed 0.27% 16/10/2025	GBP	60,883,952	(242)	(0.01)
Interest Rate Swap Pay floating LIBOR 6 month Receive fixed 0.28% 16/10/2025	GBP	59,923,024	(97)	_
Interest Rate Swap Pay floating LIBOR 6 month Receive fixed 0.29% 16/10/2025	GBP	28,500,000	(37)	_
Interest Rate Swap Pay floating LIBOR 6 month Receive fixed 0.30% 16/10/2025	GBP	28,500,000	(2.275)	(0.05)
Interest Rate Swap J.P. Morgan Pay fixed 2.47% Receive floating LIBOR 3 month 15/02/2024	GBP GBP	28,500,000 28,500,000	(2,275)	(0.05) (0.05)
Interest Rate Swap J.P. Morgan Pay fixed 2.47% Receive floating LIBOR 3 month 15/02/2024 Interest Rate Swap J.P. Morgan Pay fixed 2.48% Receive floating LIBOR 3 month 15/02/2024			(2,275)	, ,
Interest Rate Swap J.P. Morgan Pay fixed 2.48% Receive floating LIBOR 3 month 15/02/2024 Interest Rate Swap J.P. Morgan Pay fixed 2.48% Receive floating LIBOR 3 month 15/02/2024	GBP GBP	28,500,000	(2,347)	(0.05)
Interest Rate Swap J.P. Morgan Pay fixed 2.48% Receive floating LIBOR 3 month 16/02/2024	GBP	28,500,000 28,500,000	(2,379) (1,188)	(0.05) (0.02)
Interest Rate Swap J.P. Morgan Pay fixed 2.52% Receive floating LIBOR 3 month 16/02/2024 Interest Rate Swap J.P. Morgan Pay fixed 2.52% Receive floating LIBOR 3 month 16/02/2024	GBP	28,500,000	(2,550)	(0.02)
Interest Rate Swap J.P. Morgan Pay fixed 2.49% Receive floating LIBOR 3 month 19/02/2024	GBP	56,836,000	(1,198)	(0.03)
nterest Rate Swap J.P. Morgan Pay fixed 2.49% Receive floating LIBOR 3 month 21/02/2024	GBP	56,836,000	(1,497)	(0.02)
Interest Rate Swap J.P. Morgan Pay fixed 2.49% Receive floating LIBOR 3 month 21/02/2024	GBP	56,836,000	(1,437)	(0.03)
nterest Rate Swap J.P. Morgan Pay fixed 2.53% Receive floating LIBOR 3 month 21/02/2024	GBP	56,836,000	(3,059)	(0.03)
Interest Rate Swap J.P. Morgan Pay fixed 2.52% Receive floating LIBOR 3 month 23/02/2024	JPY	14,800,000,000	(1,474)	(0.00)
Interest Rate Swap J.P. Morgan Pay fixed 2.52% Receive floating LIBOR 3 month 23/02/2024	JPY	7,400,000,000	(1,621)	(0.03)
Interest Rate Swap J.P. Morgan Pay fixed 2.50% Receive floating LIBOR 3 month 25/02/2024	JPY	7,400,000,000	(1,260)	(0.03)
nterest Rate Swap J.P. Morgan Pay fixed 2.51% Receive floating LIBOR 3 month 25/02/2024	JPY	14,700,000,000	(1,641)	(0.03)
Interest Rate Swap J.P. Morgan Pay fixed 2.51% Receive floating LIBOR 3 month 25/02/2024	JPY	14,700,000,000	(2,347)	(0.05)
Interest Rate Swap J.P. Morgan Pay fixed 2.59% Receive floating LIBOR 3 month 21/03/2024		29,400,000,000	(1,352)	(0.03)
interest Rate Swap J.P. Morgan Pay fixed 2.42% Receive floating LIBOR 3 month 29/03/2024	USD	140,530,000	(1,190)	(0.03)
Interest Rate Swap J.P. Morgan Pay fixed 2.21% Receive floating LIBOR 3 month 21/04/2024	USD	206,000,000	(1,130)	(0.02)
Interest Rate Swap J.P. Morgan Pay fixed 2.36% Receive floating LIBOR 3 month 08/05/2024	USD	300,000,000	(1,060)	(0.02)
Interest Rate Swap J.P. Morgan Pay fixed 2.24% Receive floating LIBOR 3 month 05/08/2024	USD	158,700,000	(1,000)	(0.02)
Interest Rate Swap J.P. Morgan Pay fixed 1.65% Receive floating LIBOR 6 month 29/06/2047	USD	98,000,000	108	_
Interest Rate Swap J.P. Morgan Pay fixed 1.65% Receive floating LIBOR 6 month 29/06/2047	USD	115,875,000	77	_
Interest Rate Swap J.P. Morgan Pay fixed 1.66% Receive floating LIBOR 6 month 29/06/2047	USD	148,062,500	40	_
Interest Rate Swap J.P. Morgan Pay fixed 1.66% Receive floating LIBOR 6 month 29/06/2047	USD	212,437,500	25	_
Interest Rate Swap J.P. Morgan Pay fixed 1.70% Receive floating LIBOR 6 month 05/07/2047	USD	128,750,000	(118)	_

Investment	Currency	Holding	Market Value £000	% of Net Assets
Swaps (1.16)% (0.75%) (continued)				
Interest Rate Swap J.P. Morgan Pay fixed 1.71% Receive floating LIBOR 6 month 05/07/2047	USD	141,625,000	(137)	_
Interest Rate Swap J.P. Morgan Pay fixed 1.72% Receive floating LIBOR 6 month 05/07/2047	USD	141,625,000	(160)	_
Interest Rate Swap J.P. Morgan Pay fixed 1.72% Receive floating LIBOR 6 month 05/07/2047	USD	141,625,000	(165)	_
Interest Rate Swap J.P. Morgan Pay fixed 1.72% Receive floating LIBOR 6 month 05/07/2047	USD	257,500,000	(176)	_
Interest Rate Swap J.P. Morgan Pay fixed 1.73% Receive floating LIBOR 6 month 05/07/2047	USD	114,500,000	(184)	_
Interest Rate Swap J.P. Morgan Pay fixed 1.73% Receive floating LIBOR 6 month 05/07/2047	USD	114,500,000	(196)	_
Interest Rate Swap J.P. Morgan Pay fixed 1.73% Receive floating LIBOR 6 month 05/07/2047 Interest Rate Swap J.P. Morgan Pay fixed 1.76% Receive floating LIBOR 6 month 06/10/2047	USD USD	216,000,000 229,000,000	(206) (662)	(0.01)
Interest Rate Swap J.P. Morgan Pay fixed 1.76% Receive floating LIBOR 6 month 06/10/2047	USD	229,000,000	(662)	(0.01)
Interest Rate Swap J.P. Morgan Pay fixed 1.76% Receive floating LIBOR 6 month 06/10/2047	USD	229,000,000	(709)	(0.01)
Interest Rate Swap J.P. Morgan Pay fixed 1.77% Receive floating LIBOR 6 month 06/10/2047	USD	229,000,000	(720)	(0.01)
Interest Rate Swap J.P. Morgan Pay floating BBR 3 month Receive fixed 2.32% 17/05/2021	AUD	286,000,000	(564)	(0.01)
Interest Rate Swap J.P. Morgan Pay floating BBR 3 month Receive fixed 2.20% 20/05/2021	AUD	286,000,000	(932)	(0.02)
Interest Rate Swap J.P. Morgan Pay floating BBR 3 month Receive fixed 2.21% 20/05/2021	AUD	286,000,000	(922)	(0.02)
Interest Rate Swap J.P. Morgan Pay floating BBR 3 month Receive fixed 2.27% 20/05/2021	AUD	286,000,000	(703)	(0.01)
Interest Rate Swap J.P. Morgan Pay floating BBR 3 month Receive fixed 2.23% 22/05/2021	AUD	286,000,000	(860)	(0.02)
Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 1.79% 21/04/2020	USD	300,500,000	(1,260)	(0.03)
Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 1.83% 06/08/2020	USD	490,000,000	(597)	(0.01)
Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 1.94% 08/05/2020	USD	720,000,000	119	_
Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 1.98% 29/03/2020	USD	345,350,000	431	0.01
Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 2.00% 21/02/2020	USD	232,000,000	724	0.01
Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 2.00% 23/02/2020	USD	370,200,000	731 769	0.01 0.02
Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 2.01% 23/02/2020 Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 2.02% 23/02/2020	USD USD	370,200,000 308,500,000	668	0.02
Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 2.10% 21/03/2020	USD	370,200,000	733	0.01
Total Return Swap BNP Paribas Pay USBNPPAISB.I Receive 1.31% LIBOR 3 month 07/03/2018	USD	65,399,604	(1,324)	(0.03)
Swaps total		03/333/00 .	(57,425)	(1.16)
			(31,423)	(1.10)
Swaptions 1.27% (1.75%)	LICE	46,000,000	(4.440)	(0.03)
Interest Rate Swap Barclays Pay fixed 1.88% Receive floating LIBOR 6 month Put, 1.88, 21/08/2021	USD	16,000,000	(1,419)	(0.03)
Interest Rate Swap Barclays Pay fixed 1.88% Receive floating LIBOR 6 month Put, 1.88, 21/08/2021	USD	27,400,000	(1,418)	(0.03)
Interest Rate Swap Barclays Pay fixed 1.90% Receive floating LIBOR 6 month Put, 1.898, 22/08/202 Interest Rate Swap Barclays Pay fixed 2.93% Receive floating LIBOR 3 month Call, 2.93, 23/08/2021	1 USD USD	14,000,000 23,000,000	(2,780) 943	(0.06) 0.02
Interest Rate Swap Barclays Pay fixed 2.93% Receive floating LIBOR 3 month Call, 2.93, 23/08/2021	USD	8,000,000	944	0.02
Interest Rate Swap Barclays Pay fixed 2.95% Receive floating LIBOR 3 month Call, 2.954, 27/08/202		12,100,000	1,824	0.04
Interest Rate Swap Barclays Pay fixed 2:85% Receive floating LIBOR 3 month Call, 3:85, 17/12/2045	USD	3,660,000	798	0.02
Interest Rate Swap Barclays Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 12/02/2046		39,000,000	465	0.01
Interest Rate Swap Barclays Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 03/10/2046	USD	22,630,000	577	0.01
Interest Rate Swap Barclays Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 01/04/2047	USD	11,000,000	3,393	0.07
Interest Rate Swap Barclays Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1, 01/04/2047	USD	60,000,000	1,081	0.02
Interest Rate Swap Barclays Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1, 03/10/2046	USD	73,000,000	371	0.01
Interest Rate Swap BNP Paribas Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85,				
25/09/2046	GBP	(560,000,000)	3,700	0.08
Interest Rate Swap BNP Paribas Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1, 25/09/2046		(560,000,000)	814	0.02
Interest Rate Swap Citigroup Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 17/02/2047		(1,120,000,000)	3,487	0.07
Interest Rate Swap Citigroup Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1, 17/02/2047	USD	710,000,000	1,071	0.02
Interest Rate Swap Deutsche Bank Pay fixed 1.87% Receive floating LIBOR 6 month Put, 1.87, 23/08/2021	USD	710,000,000	(2,899)	(0.06)
Interest Rate Swap Deutsche Bank Pay fixed 2.93% Receive floating LIBOR 3 month Call, 2.93,	030	710,000,000	(2,099)	(0.00)
28/08/2021	USD	1,420,000,000	1,895	0.04
Interest Rate Swap Goldman Sachs Pay fixed 1.90% Receive floating LIBOR 6 month Put, 1.898,	030	1,420,000,000	1,055	0.04
22/08/2021	USD	34,000,000	(2,781)	(0.06)
Interest Rate Swap Goldman Sachs Pay fixed 1.87% Receive floating LIBOR 6 month Put, 1.87,		, , , , , , , , ,	() - /	(****)
23/08/2021	USD	78,000,000	(2,894)	(0.06)
Interest Rate Swap Goldman Sachs Pay fixed 2.95% Receive floating LIBOR 3 month Call, 2.954,				
27/08/2021	USD	22,000,000	1,825	0.04
Interest Rate Swap Goldman Sachs Pay fixed 2.93% Receive floating LIBOR 3 month Call, 2.93,				
28/08/2021	USD	93,000,000	1,918	0.04
Interest Rate Swap Goldman Sachs Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85,	LICE	35 000 000	1.004	0.04
13/03/2045	USD	35,000,000	1,964	0.04

Investment	Currency	Holding	Market Value £000	% of Net Assets
Swaptions 1.27% (1.75%) (continued)				
Interest Rate Swap Goldman Sachs Pay fixed 3.85% Receive floating LIBOR 3 month Call,				
3.85, 23/04/2045	USD	80,000,000	2,369	0.05
Interest Rate Swap Goldman Sachs Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 21/06/2045	GBP	(1,120,000,000)	321	0.01
Interest Rate Swap Goldman Sachs Pay fixed 3.85% Receive floating LIBOR 3 month Call,	GDI	(1,120,000,000)	321	0.01
3.85, 23/10/2045	USD	1,420,000,000	671	0.01
Interest Rate Swap Goldman Sachs Pay fixed 3.85% Receive floating LIBOR 3 month Call,	CDD	(4.430.000.000)	502	0.04
3.85, 12/12/2045 Interest Rate Swap Goldman Sachs Pay fixed 3.85% Receive floating LIBOR 3 month Call,	GBP	(1,120,000,000)	582	0.01
3.85, 28/02/2046	GBP	(1,120,000,000)	232	0.01
Interest Rate Swap Goldman Sachs Pay fixed 3.85% Receive floating LIBOR 3 month Call,		()		
3.85, 20/08/2046	USD	1,420,000,000	3,249	0.07
Interest Rate Swap Goldman Sachs Pay fixed 3.85% Receive floating LIBOR 3 month Call,	LICD	1 420 000 000	2 020	0.00
3.85, 09/06/2047 Interest Rate Swap Goldman Sachs Pay floating LIBOR 3 month Receive fixed 1.00% Put,	USD	1,420,000,000	2,820	0.06
1, 09/06/2047	USD	67,100,000	928	0.02
Interest Rate Swap Goldman Sachs Pay floating LIBOR 3 month Receive fixed 1.00% Put,		, , , , , , , , , , , , , , , , , , , ,		
1, 20/08/2046	USD	81,000,000	2,711	0.06
Interest Rate Swap HSBC Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 16/08/2045	USD	11,000,000	356	0.01
Interest Rate Swap J.P. Morgan Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 02/05/2045	USD	20,000,000	1,141	0.02
Interest Rate Swap J.P. Morgan Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85,	030	20,000,000	1,141	0.02
10/12/2046	USD	80,800,000	1,902	0.04
Interest Rate Swap J.P. Morgan Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85,				
11/04/2045	USD	70,000,000	107	_
Interest Rate Swap J.P. Morgan Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 17/02/2047	USD	67,000,000	5,269	0.11
Interest Rate Swap J.P. Morgan Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85,	030	07,000,000	3,203	0.11
21/04/2047	USD	28,000,000	6,079	0.12
Interest Rate Swap J.P. Morgan Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85,				
23/10/2045	USD	20,000,000	583	0.01
Interest Rate Swap J.P. Morgan Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 24/05/2045	USD	21,000,000	662	0.01
Interest Rate Swap J.P. Morgan Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85,	030	21,000,000	002	0.01
30/10/2045	USD	19,000,000	612	0.01
Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1, 26/02/2046		43,000,000	1,260	0.03
Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1, 10/12/2046		52,000,000	612	0.01
Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1, 17/02/2047	7 USD	118,000,000	1,618	0.03
Interest Rate Swap J.P. Morgan Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1, 21/04/2047	7 USD	140,000,000	2,031	0.04
Interest Rate Swap Morgan Stanley Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85,				
17/04/2046 Interest Rate Swap Morgan Stanley Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85,	USD	62,000,000	3,449	0.07
interest rate Swap Morgan Stanley Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 22/04/2046	USD	1,500,000	1,145	0.02
Interest Rate Swap Morgan Stanley Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85,	030	1,300,000	1,143	0.02
08/05/2046	USD	84,000,000	1,199	0.02
Interest Rate Swap Morgan Stanley Pay fixed 3.85% Receive floating LIBOR 6 month Call, 3.85,				
27/03/2045	USD	28,000,000	48	_
Interest Rate Swap Morgan Stanley Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1, 17/04/2046	USD	24,500,000	2,398	0.05
Interest Rate Swap Morgan Stanley Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1,	030	24,300,000	2,330	0.03
22/04/2046	USD	29,000,000	804	0.02
Interest Rate Swap Morgan Stanley Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1,				
08/05/2046	USD	25,000,000	818	0.02
Interest Rate Swap Nomura Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 09/04/2046 Interest Rate Swap Nomura Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 14/05/2046		35,000,000	1,571	0.03
	5 USD	38,000,000	205	

Investment	Currency	Holding	Market Value £000	% of Net Assets
Swaptions 1.27% (1.75%) (continued)				
Interest Rate Swap Nomura Pay fixed 3.85% Receive floating LIBOR 3 month Call, 3.85, 15/03/2047	USD	5,000,000	436	0.01
Interest Rate Swap Nomura Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1, 09/04/2046	USD	5,000,000	1,163	0.02
Interest Rate Swap Nomura Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1, 14/05/2046	USD	10,000,000	165	_
Interest Rate Swap Nomura Pay floating LIBOR 3 month Receive fixed 1.00% Put, 1, 15/03/2047	USD	5,000,000	150	_
Swaptions total			62,545	1.27
Options 2.13% (3.00%)				
EURO STOXX 50 Index, Call, 3,950, 15/12/2017	EUR	54,700	195	_
EURO STOXX 50 Index, Call, 4,100, 15/12/2017	EUR	(54,700)	(97)	_
EURO STOXX Bank Index, Call, 155, 15/12/2017	EUR	107,150	477	0.01
EURO STOXX Bank Index, Call, 160, 15/12/2017	EUR	(107,150)	(238)	_
Foreign Exchange USD/JPY, Call, 108, 30/09/2020	USD	8,000,000	289	0.01
Foreign Exchange USD/JPY, Call, 108.18, 02/10/2020	USD	122,500,000	4,357	0.09
Foreign Exchange USD/JPY, Call, 108.1, 20/10/2020	USD	10,000,000	358	0.01
Foreign Exchange USD/JPY, Call, 108.9, 26/10/2020	USD	10,500,000	354	0.01
Foreign Exchange USD/JPY, Call, 107.65, 10/12/2020	USD	10,000,000	370	0.01
Foreign Exchange USD/JPY, Call, 107.56, 11/12/2020	USD	13,500,000	503	0.01
Foreign Exchange USD/JPY, Call, 105.17, 03/02/2021	USD	5,000,000	220	_
Foreign Exchange USD/JPY, Call, 104.15, 09/02/2021	USD	6,000,000	283	0.01
Foreign Exchange USD/JPY, Call, 100.4, 12/03/2021	USD	11,000,000	666	0.01
Foreign Exchange USD/JPY, Call, 99.2, 22/03/2021	USD	15,100,000	987	0.02
Foreign Exchange USD/JPY, Call, 97.85, 13/04/2021	USD	42,400,000	3,003	0.06
Foreign Exchange USD/JPY, Call, 97.19, 15/04/2021	USD	13,500,000	994	0.02
Foreign Exchange USD/JPY, Call, 99.15, 29/04/2021	USD	12,000,000	779	0.02
Foreign Exchange USD/JPY, Call, 95.9, 06/05/2021	USD	4,000,000	317	0.01
Foreign Exchange USD/JPY, Call, 97.55, 26/05/2021	USD	17,000,000	1,215	0.02
Foreign Exchange USD/JPY, Call, 91.4, 13/08/2021	USD	24,000,000	2,378	0.05
Foreign Exchange USD/JPY, Call, 93.2, 03/09/2021	USD	22,000,000	1,973	0.04
Foreign Exchange USD/JPY, Call, 90.76, 23/09/2021	USD	21,000,000	2,129	0.04
Foreign Exchange USD/JPY, Call, 99.85, 06/12/2021	USD	26,000,000	1,553	0.03
Foreign Exchange USD/JPY, Call, 99.15, 09/02/2022	USD	61,000,000	3,752	0.08
Foreign Exchange USD/JPY, Call, 99.3, 10/02/2022	USD	37,700,000	2,298	0.05
Foreign Exchange USD/JPY, Call, 96.5, 25/03/2022	USD	43,000,000	3,064	0.06
Foreign Exchange USD/JPY, Call, 95.61, 19/04/2022	USD	61,600,000	4,596	0.09
Foreign Exchange USD/JPY, Call, 96, 21/04/2022	USD	101,423,395	7,393	0.15
Foreign Exchange USD/JPY, Call, 96.5, 22/04/2022	USD	101,423,394	7,186	0.15
Foreign Exchange USD/JPY, Call, 98.9, 06/05/2022	USD	41,570,000	2,557	0.05
Foreign Exchange USD/JPY, Call, 100.04, 10/05/2022	USD	59,583,211	3,429	0.07
Foreign Exchange USD/JPY, Call, 98, 02/06/2022	USD	124,768,947	8,046	0.16
Foreign Exchange USD/JPY, Call, 97.5, 13/06/2022	USD	97,365,527	6,452	0.13
Foreign Exchange USD/JPY, Call, 99, 13/06/2022	USD	97,365,526	5,919	0.12
Foreign Exchange USD/JPY, Call, 98.18, 21/07/2022	USD	95,000,000	6,008	0.12
Foreign Exchange USD/SAR, Call, 3.9, 13/12/2017	USD	13,500,000	3	-
Foreign Exchange USD/SAR, Call, 3.9, 13/12/2017	USD	11,000,000	2	_
Foreign Exchange USD/SAR, Call, 3.925, 06/02/2018	USD	5,000,000	3	_
Foreign Exchange USD/SAR, Call, 3.903, 07/02/2018	USD	6,000,000	4	_
Foreign Exchange USD/SAR, Call, 3.85, 14/03/2018	USD	11,000,000	13	
Foreign Exchange USD/SAR, Call, 3.865, 21/03/2018	USD	15,100,000	17	_
Foreign Exchange USD/SAR, Call, 3.805, 21/03/2018	USD	42,400,000	61	_
Foreign Exchange USD/SAR, Call, 3.845, 17/04/2018	USD		20	_
		13,500,000		_
Foreign Exchange USD/SAR, Call, 3.837, 30/04/2018	USD	11,000,000	19	_
Foreign Exchange USD/SAR, Call, 3.825, 07/05/2018	USD	4,000,000	7	_
Foreign Exchange USD/SAR, Call, 3.885, 29/05/2018	USD	15,000,000	27	_
Foreign Exchange USD/SAR, Call, 3.878, 18/07/2018	USD	20,000,000	49	_
Foreign Exchange USD/SAR, Call, 3.894, 23/08/2018	USD	20,000,000	60	_

Investment	Currency	Holding	Market Value £000	% of Net Assets
Options 2.13% (3.00%) (continued)				
Foreign Exchange USD/SAR, Call, 3.88, 25/09/2018	USD	30,000,000	111	_
Foreign Exchange USD/SAR, Call, 3.86, 05/12/2018	USD	26,000,000	151	_
Foreign Exchange USD/TRY, Put, 4, 08/03/2019	USD	183,470,000	6,135	0.12
Foreign Exchange USD/TRY, Put, 3.9, 21/03/2019	USD	187,910,000	4,738	0.10
Foreign Exchange USD/TRY, Put, 3.9, 05/04/2019	USD	129,144,000	3,205	0.06
Foreign Exchange USD/TRY, Put, 3.9, 09/04/2019	USD	48,000,000	1,191	0.02
Foreign Exchange USD/TRY, Put, 3.9, 18/04/2019	USD	48,000,000	1,186	0.02
Foreign Exchange USD/TRY, Put, 3.9, 02/05/2019	USD	32,000,000	784	0.02
Foreign Exchange USD/TRY, Put, 3.8, 19/06/2019	USD	42,016,806	751	0.02
Foreign Exchange USD/TRY, Put, 3.8, 27/06/2019	USD	21,010,000	374	0.01
Foreign Exchange USD/TRY, Put, 3.8, 10/07/2019	USD	42,015,210	744	0.01
Foreign Exchange USD/TRY, Put, 3.8, 17/07/2019	USD	21,008,403	371	0.01
Foreign Exchange USD/TRY, Put, 4, 04/05/2020	USD	21,010,000	529	0.01
Foreign Exchange USD/TRY, Put, 4, 04/06/2020	USD	42,015,000	1,044	0.02
Options total			105,364	2.13
Forward Currency Contracts (0.19)% ((4.49)%)				
Buy AUD 139,601,507 sell GBP 82,300,000 dated 20/10/2017			458	0.01
Buy GBP 82,300,000 sell AUD 137,937,837 dated 20/10/2017			528	0.01
Buy GBP 164,600,000 sell AUD 270,993,695 dated 22/11/2017			4,179	0.08
Buy GBP 82,300,000 sell AUD 139,794,097 dated 22/11/2017			(454)	(0.01)
Buy GBP 28,000,000 sell EUR 30,847,536 dated 22/11/2017			537	0.01
Buy GBP 493,517,538 sell USD 644,498,728 dated 22/11/2017			9,163	0.01
Buy GBP 498,336,490 sell USD 676,991,000 dated 20/10/2017			(10,437)	(0.21)
Buy GBP 1,253,552,441 sell USD 1,656,761,598 dated 22/11/2017			9,717	0.20
Buy INR 9,559,942,988 sell USD 147,019,500 dated 24/10/2017			452	0.20
Buy INR 11,073,450,620 sell USD 171,019,500 dated 22/11/2017			(469)	(0.01)
Buy INR 9,518,902,472 sell USD 147,461,000 dated 19/12/2017			(1,093)	(0.01)
Buy INR 9,644,920,259 sell USD 147,401,600 dated 13/12/2017			282	0.02)
Buy JPY 18,884,889,590 sell USD 168,619,000 dated 20/10/2017			92	0.01
Buy JPY 4,381,728,700 sell USD 39,700,000 dated 20/10/2017			(412)	(0.01)
Buy JPY 23,325,707,581 sell USD 208,319,000 dated 22/11/2017			306	0.01)
Buy JPY 37,086,878,468 sell USD 337,611,000 dated 22/11/2017			(4,313)	(0.09)
Buy KRW 142,596,156,105 sell USD 125,973,900 dated 20/10/2017			318	0.01
Buy KRW 165,077,504,293 sell USD 145,973,900 dated 22/11/2017			387	0.01
Buy KRW 142,889,175,936 sell USD 126,352,200 dated 19/12/2017			358	0.01
Buy MXN 2,863,622,953 sell AUD 198,614,437 dated 19/12/2017			(4,965)	(0.10)
Buy USD 640,889,728 sell GBP 482,089,460 dated 20/10/2017			(4,303)	(0.10)
Buy USD 147,019,500 sell INR 9,546,711,233 dated 24/10/2017			(299)	(0.01)
Buy USD 208,319,000 sell JPY 23,358,809,470 dated 20/10/2017 Buy USD 125,973,900 sell KRW 141,783,624,450 dated 20/10/2017			(300) 223	(0.01)
Buy USD 145,973,900 sell KRW 141,763,024,430 dated 20/10/2017			(1,092)	(0.02)
Buy USD 126,352,200 sell KRW 142,421,672,796 dated 19/12/2017			(47)	(0.02)
Buy USD 36,373,626 sell SAR 149,713,845 dated 18/01/2022			(1,669)	(0.03)
Buy USD 36,373,627 sell SAR 149,481,967 dated 16/01/2022			(1,621)	(0.03)
Buy USD 18,319,560 sell SAR 74,915,093 dated 07/02/2022 Buy USD 18,319,559 sell SAR 75,166,983 dated 09/02/2022			(742) (788)	(0.01) (0.02)
Buy USD 18,519,539 Sell SAR 73,100,965 dated 09/02/2022				
			(369)	(0.01)
Buy USD 30,680,450 sell SAR 125,134,005 dated 15/02/2022			(1,177)	(0.02)
Buy USD 23,461,521 sell SAR 95,504,994 dated 16/02/2022			(865)	(0.02)
Buy USD 32,556,835 sell SAR 132,391,284 dated 22/02/2022			(1,171)	(0.02)
Buy USD 21,704,559 sell SAR 88,127,021 dated 02/03/2022			(753)	(0.02)
Buy USD 17,797,736 sell SAR 72,351,964 dated 07/03/2022			(632)	(0.01)
Buy USD 22,000,000 sell SAR 87,821,800 dated 30/03/2022			(472)	(0.01)
Buy USD 25,000,000 sell SAR 101,072,500 dated 09/05/2022			(753)	(0.02)
Buy USD 26,000,000 sell SAR 105,107,600 dated 11/05/2022			(781)	(0.02)
Buy USD 12,500,000 sell SAR 50,255,000 dated 15/08/2022			(301)	(0.01)
Forward Currency Contracts total			(9,422)	(0.19)

As at 15 October 2017

			Market Value	
Investment	Currency	Holding	£000	% of Net Assets
Futures 0.64% (0.32%)				
EURO STOXX 50 Index 15/12/2017	EUR	14029	17,544	0.36
EURO STOXX Bank Index 15/12/2017	EUR	40789	8,005	0.16
MSCI Emerging Markets Emini Index 15/12/2017	USD	9623	10,417	0.21
MSCI World Index 15/12/2017	USD	(5988)	(8,297)	(0.17)
Nikkei 225 Index 07/12/2017	JPY	375	4,082	0.08
Russell E-Mini 2000 Equity Index 15/12/2017 15/12/2017	USD	(4126)	(14,792)	(0.30)
S&P 500 Emini Index 15/12/2017	USD	2600	8,737	0.18
STOXX 600 Automobiles & Parts Index 15/12/2017	EUR	(5645)	(10,319)	(0.21)
TOPIX Index 07/12/2017	JPY	900	7,048	0.14
TPX Banks Index 07/12/2017	JPY	4160	3,509	0.07
US 10 Year Ultra Note 19/12/2017	USD	(8803)	5,602	0.12
Futures total			31,536	0.64
Investment assets (including investment liabilities)			4,591,480	92.83
Net other assets			354,436	7.17
Net assets			4,945,916	100.00

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

The comparative percentage figures in brackets are as at 15 October 2016.

STATEMENT OF TOTAL RETURN

For the year ended 15 October 2017

			'ear ended 15.10.17		Year ended 15.10.16
	Notes	£000	£000	£000	£000
Income					
Net capital losses	2		(39,037)		(21,538)
Revenue	3	69,427		31,174	
Expenses	4	(28,862)		(8,092)	
Net revenue before taxation		40,565		23,082	
Taxation	5	(6,034)		(5,307)	
Net revenue after taxation			34,531		17,775
Total return before distributions			(4,506)		(3,763)
Distributions	6		(34,518)		(17,773)
Change in net assets attributable to shareholders from investment activities			(39,024)		(21,536)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 15 October 2017

	£000	Year ended 15.10.17 £000	£000	Year ended 15.10.16 £000
Opening net assets attributable to shareholders		2,885,931		823,322
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	2,393,435		2,100,341	
Amounts payable on cancellation of shares	(339,730)		(38,646)	
		2,053,705		2,061,695
Dilution adjustment		2,161		682
Change in net assets attributable to shareholders from investment activities (see above)		(39,024)		(21,536)
Retained distribution on accumulation shares		43,143		21,768
Closing net assets attributable to shareholders		4,945,916		2,885,931

BALANCE SHEET

		As at	As at
		15.10.17	15.10.16
	Notes	£000	£000
Assets:			
Investments		4,819,618	2,786,351
Current assets:			
Debtors	8	26,622	63,145
Cash and bank balances	9	450,274	300,905
Total assets		5,296,514	3,150,401
Liabilities:			
Investment liabilities		(228,138)	(198,719)
Creditors:			
Bank overdrafts		(3,614)	(675)
Other creditors	10	(118,846)	(65,076)
Total liabilities		(350,598)	(264,470)
Net assets attributable to shareholders		4,945,916	2,885,931

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting basis and policiesPlease see pages 7 to 9 for accounting basis and policies.

2 Net capital losses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net capital losses on investments during the year comprise:		
Currency gains	4,860	2,468
Derivative contracts losses	(13,607)	(15,908)
Expenses relating to the purchase and sale of investments	(81)	(42)
Forward currency contracts gains/(losses)	97,246	(252,624)
Non-derivative securities (losses)/gains	(127,455)	244,568
Net capital losses	(39,037)	(21,538)

3 Revenue

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Bank and deposit interest	765	344
Compensation payment	32	-
Interest on debt securities	64,133	26,639
Income from derivatives	(10,029)	(251)
Overseas dividends	13,265	3,358
Stock dividends	(832)	859
UK dividends	2,093	225
Total revenue	69,427	31,174

4 Expenses

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:		
ACD's periodic charge	25,703	6,920
Registration fees	1,013	488
	26,716	7,408
Payable to the Depositary, associates of the Depositary or agents of either of them:		
Depositary's fee	494	290
Interest payable	1,349	279
Safe custody fee	508	186
	2,351	755
Other expenses:		
Audit fee*	28	13
Printing & postage expenses	18	20
Professional fees	1	_
Statement fees	38	58
	85	91
Total expenses	29,152	8,254
Less those expenses rebated by the ACD	(290)	(162
Net expenses	28,862	8,092

^{*}The audit fee was £17,000 (2016: £17,000) net of VAT. The figure disclosed above is inclusive of any accrual adjustments in relation to prior period.

5 Taxation

a Analysis of tax charge

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Corporation tax	4,167	4,032
Adjustments in respect of prior periods	(507)	-
Overseas tax suffered	2,374	1,275
Total tax for the year (see note 5b)	6,034	5,307

b Factors affecting current tax charge

The tax assessed for the year is lower (2016: higher) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2016: 20%).

The differences are explained below:

	Year ended 15.10.17 £000	Year ended 15.10.16 £000
Net revenue before taxation	40,565	23,082
Corporation tax at 20%	8,113	4,616
Effects of:		
Adjustments in respect of prior periods	(507)	-
Double taxation relief	(900)	_
Expenses not deductible for tax purposes	(11)	-
Overseas dividends not subject to corporation tax	(2,616)	(539)
Overseas tax suffered	2,374	1,275
UK dividends not subject to corporation tax	(419)	(45)
	(2,079)	691
Total tax for the year (see note 5a)	6,034	5,307

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 year end (2016: £nil).

6 Distributions

	Year ended 15.10.17 £000	Year ended 15.10.16 £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	43,143	21,768
	43,143	21,768
Add: Revenue deducted on cancellation of shares	2,032	84
Deduct: Revenue received on issue of shares	(10,657)	(4,079)
Total distributions	34,518	17,773
Reconciliations of distributions for the year to net revenue after taxation		
Distributions for the year	34,518	17,773
Equalisation on conversions	(8)	-
Revenue deficit transferred to capital	22	-
Undistributed income brought forward	(2)	-
Undistributed income carried forward	1	2
Net revenue after taxation	34,531	17,775

Details of the distributions per share are set out in the distribution tables on page 364.

7 Fair value hierarchy

Valuation technique	Assets at 15.10.17 £000	Liabilities at 15.10.17 £000	Assets at 15.10.16 £000	Liabilities at 15.10.16 £000
Level 1: Quoted prices	419,058	(25,110)	450,386	(4,980)
Level 2: Observable market data	4,400,560	(203,028)	2,335,965	(193,739)
Total value	4,819,618	(228,138)	2,786,351	(198,719)

Financial instruments have been measured at their fair value and have been classified below using a hierarchy that reflects the significance of the inputs used in measuring their fair value:

- 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.

8 Debtors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued revenue	13,989	15,165
Accrued expense fee rebate	33	36
Amounts receivable on issue of shares	421	6,055
Income tax recoverable	472	_
Overseas tax recoverable	449	2
Sales awaiting settlement	11,258	41,887
Total debtors	26,622	63,145

9 Cash and bank balances

	As at 15.10.17 £000	As at 15.10.16 £000
Amounts held at futures clearing house and brokers	57,524	24,782
Cash and bank balances	392,750	276,123
Total cash and bank balances	450,274	300,905

10 Other creditors

	As at 15.10.17 £000	As at 15.10.16 £000
Accrued expenses	4,018	1,779
Amounts payable for cancellation of shares	6,239	364
Corporation tax payable	1,510	4,032
Derivative income payable	22	-
Purchases awaiting settlement	107,057	58,901
Total creditors	118,846	65,076

11 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2016: fnil).

12 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.

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 ACD periodic charges was £3,622,000 (2016: £1,533,000). 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 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £6,319,000 (2016: £17,406,000). The amount outstanding at the year end was £6,319,000 (2016: £17,406,000). 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.

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 finil (2016: £802,000) and finil (2016: £8,805,000) respectively. The income received during the year amounted to finil (2016: finil).

Aviva Investors Global Services Limited has agreed to compensate the Fund for £32,000 of bank overdraft charges incurred.

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

	Holdings at 15.10.17 (shares)	Movement (shares)	Holdings at 15.10.16 (shares)
ACD and related parties (share class SC 2 Accumulation shares)	42,647,684	(1,190,445)	43,838,129
ACD and related parties (share class SC 3 Accumulation shares)	594,358,521	(253,317,554)	847,676,075
ACD and related parties (share class SC 5 Accumulation shares)	51,057,065	529,011	50,528,054
ACD and related parties (share class SC 8 Accumulation shares)	_	(926,964,695)	926,964,695

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

13 Shareholder funds

The Fund currently has five share classes: Class 6 (Retail), Classes 2 and 5 (Institutional) and Classes 3 and 8 (Associated undertakings of Aviva Plc). The annual management charges are as follows:

Class 2: 0.75% Class 3: 0.67% Class 5: 0.70% Class 6: 1.00% Class 8: 0.56%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on pages 334 and 335. The distributions per share are given in the distribution tables on page 364. All the share classes have the same rights on winding up.

14 Shares in issue reconciliation

	Number of shares in issue at 15.10.16	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 15.10.17
Share Class 2 Accumulation	822,545,446	178,955,463	(60,655,291)	(92,792,076)	848,053,542
Share Class 3 Accumulation	847,676,075	508,079,680	(5,303,786)	(756,093,448)	594,358,521
Share Class 5 Accumulation	51,348,744	17,647,374	(6,840,412)	(7,363)	62,148,343
Share Class 6 Accumulation	2,337,096	299,202	(504,200)	_	2,132,098
Share Class 8 Accumulation	926,973,852	1,475,882,777	(237,123,122)	850,909,734	3,016,643,241

15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 8 and 9.

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 (2016: £nil).

Value at risk

The Fund enters into derivative transactions in the form of options, swaps, futures contracts and forward currency contracts 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 15 October 2017 was as follows:

	15.10.17 %	15.10.16 %
As at 15 October, the company's value at risk is		
During the financial year, the highest utilisation of value at risk was	(1.85)	(1.30)
During the financial year, the average utilisation of value at risk was	(2.79)	(2.07)
During the financial year, the lowest utilisation of value at risk was	(3.92)	(2.94)

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 15 October 2017 the average leverage was 554% (15.10.16: 575%).

Market price risk

At the year end date, 92.83% (2016: 89.66%) 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 9.28% (2016: 8.96%).

16 Counterparty exposure

Financial derivative exposure

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

15.10.17	Options £000	Swaps £000	Futures contracts £000	Forward currency contracts £000	Total £000
Barclays	-	10,396	-	-	10,396
BNP Paribas	48,713	14,825	-	(6,131)	57,407
Citibank	5,875	6,375	-	(9,963)	2,287
Deutsche Bank	-	1,895	_	-	1,895
Goldman Sachs	-	33,327	-	4,232	37,559
HSBC	-	356	-	528	884
JPMorgan	14,385	46,217	5,602	(1,779)	64,425
Merrill Lynch	-	7,796	-	-	7,796
Morgan Stanley	_	10,821	_	-	10,821
Nomura	9,961	4,528	_	(628)	13,861
Royal Bank of Canada	-	261	-	-	261
Royal Bank of Scotland	-	880	-	-	880
Société Générale	26,007	23,413	_	(5,683)	43,737
Standard Chartered Bank	758	_	_	2,794	3,552
UBS	_	2,003	59,342	7,208	68,553
Total	105,699	163,093	64,944	(9,422)	324,314

15.10.16	Options £000	Swaps £000	Futures contracts £000	Forward currency contracts £000	Total £000
Barclays	-	3,287	-	(465)	2,822
BNP Paribas	26,258	7,469	_	2,251	35,978
Citigroup Global Markets	1,359	4,910	_	(17,825)	(11,556)
Goldman Sachs	_	23,961	-	(43,535)	(19,574)
HSBC	_	829	_	_	829
JPMorgan	4,755	13,691	12,745	(11,980)	19,211
Merrill Lynch	_	2,104	_	(2,121)	(17)
Morgan Stanley	_	15,519	_	(2,386)	13,133
Nomura International	9,527	3,778	-	956	14,261
Royal Bank of Canada	_	_	_	(209)	(209)
Royal Bank of Scotland	_	2,186	_	1,481	3,667
Société Générale	2,911	14,017	_	(35,626)	(18,698)
Standard Chartered Bank	1,632	_	_	(18,582)	(16,950)
UBS	60,466	32	1,442	(1,573)	60,367
Total	106,908	91,783	14,187	(129,614)	83,264

The counterparty exposure on forward currency contracts is reported at their mark to market values but for futures contracts, option contracts, swaption contracts, equity variance swaps, credit default swaps, interest rate swaps, inflation linked swaps and total return swaps it is only the positive mark to market values that are reported.

Collateral

There is £82,217,000 (2016: £7,510,000) of collateral held on the above derivatives in the form of cash.

17 Debt security credit analysis

		Market value £000		Total net assets %	
	15.10.17	15.10.16	15.10.17	15.10.16	
Investment grade	937,481	846,927	18.95%	29.35%	
Below investment grade	590,075	467,475	11.93%	16.20%	
Unrated	3,997	13,124	0.08%	0.46%	
Total debt securities	1,531,553	1,327,526	30.96%	46.01%	

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

18 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.

15.10.17	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases (excluding corporate actions)						
Equities	(349,607)	(191)	(309)	(350,107)	0.05%	0.09%
Bonds	(10,156,602)	-	-	(10,156,602)	0.00%	0.00%
Funds	(2,393)	-	-	(2,393)	0.00%	0.00%
Purchases (corporate action activity only)						
Equities	(692)	_	_	(692)	0.00%	0.00%
	(10,509,294)	(191)	(309)	(10,509,794)		
Sales						
Equities	402,322	(135)	(147)	402,040	0.03%	0.04%
Bonds	8,082,387	_	_	8,082,387	0.00%	0.00%
	8,484,709	(135)	(147)	8,484,427		
Derivative purchases and sales	-	(906)				
Total	_	(1,232)	(456)			
Percentage of Fund average net assets	_	0.03%	0.01%			

18 Direct transaction costs (continued)

15.10.16	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
Purchases						
Equities	(626,368)	(269)	(424)	(627,061)	0.05%	0.08%
Bonds	(5,067,344)	_	_	(5,067,344)	0.00%	0.00%
Funds	(802)	_	_	(802)	0.00%	0.00%
	(5,694,514)	(269)	(424)	(5,695,207)		
Sales						
Equities	274,178	(66)	(10)	274,102	0.03%	0.00%
Bonds	3,830,371	_	_	3,830,371	0.00%	0.00%
Funds	8,008	_	_	8,008	0.00%	0.00%
	4,112,557	(66)	(10)	4,112,481		
Derivative purchases and sales	_	(127)	_			
Total	_	(462)	(434)			
Percentage of Fund average net assets	_	0.03%	0.03%			

Dealing spread

As at 15 October 2017, the average portfolio dealing spread was 0.13% (2016: 0.31%). 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.

19 Post balance sheet events

There are no post balance sheet events which require adjustment or disclosure at the year end (2016: £nil).

DISTRIBUTION TABLE

Final distribution payable in pence per share for the year ended 15 October 2017

Income shares		Net revenue	Equalisation	Final distribution payable 15 December 2017	Final distribution paid 15 December 2016
Share Class 2	Group 1	0.7697	_	0.7697	0.5586
	Group 2	0.3952	0.3745	0.7697	0.5586
Share Class 3	Group 1	0.9380	_	0.9380	1.1463
	Group 2	0.4362	0.5018	0.9380	1.1463
Share Class 5	Group 1	0.8139	-	0.8139	0.5785
	Group 2	0.3917	0.4222	0.8139	0.5785
Share Class 6	Group 1	0.5541	-	0.5541	0.3360
	Group 2	0.1345	0.4196	0.5541	0.3360
Share Class 8	Group 1	1.0118	-	1.0118	0.7715
	Group 2	0.5113	0.5005	1.0118	0.7715

Final distribution

Group 1 shares are those shares purchased at or before 12:00 noon on 15 October 2016.

Group 2 shares are those shares purchased after 12:00 noon on 15 October 2016.

Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant 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.

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 income 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 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 Investment Funds ICVC for the year ended 15 October 2017 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 Buckle Director

S Ebenston Director 12 February 2018

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES

The Depositary is responsible for the safe keeping of all the property of the company (other than tangible moveable property) which is entrusted to it and for the collection of income 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 income 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 income in accordance with the COLL Sourcebook, as appropriate, and, where applicable, the OEIC Regulations and the Company's Instrument of Incorporation and Prospectus; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

Citibank Europe plc, UK Branch London 12 February 2018

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

REPORT ON THE FINANCIAL STATEMENTS

OUR OPINION

In our opinion, Aviva Investors Investment Funds ICVC's financial statements:

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 15 October 2017 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 Investment Funds ICVC (the "company") is an Open Ended Investment Company ('OEIC') with 17 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 15 October 2017; the statements of total return and the statements of change in net assets attributable to shareholders for the year then ended; the distribution tables; the accounting policies; 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.

In dependence

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

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Authorised Corporate Directors' 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.

Report of the Authorised Corporate Director

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 INVESTMENT FUNDS ICVC (CONTINUED)

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of the Authorised Corporate Director's Responsibilities set out on page 365, 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 12 February 2018

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 Return 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 period ended 15 October 2017 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	(1,324)	(0.03)

Ten largest collateral issuers

All collateral received or pledged in relation to TRS positions is in the form of cash. As a result of this there is no requirement to list the top 10 non-cash collateral issuers.

Counterparties

The following table provides details of the top ten counterparties, their country of incorporation and the gross volume of oustanding 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	49,154

Type, quality of maturity tenor of collateral

All collateral received £32,239,000 and provided £nil by the Fund in respect of OTC ("Over The Counter") derivatives (including TRS) with the counterparty noted (BNP Paribas) as at the balance sheet date is in the form of cash and is therefore open maturity.

Currency of collateral

The following table provide an analysis of the currency profile of collateral received and provided in respect of OTC derivatives (including TRS) with the counterparties noted (BNP Paribas) as at the balance sheet date.

Collateral Received		
Currency	Value £000	
EUR	32,239	
	32,239	

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	(1,324)
	(1,324)

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

SECURITIES FINANCING TRANSACTIONS (UNAUDITED) (CONTINUED)

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 (BNP Paribas) 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 period ended 15 October 2017 is included in Note 2 to the financial statements for the Aviva Investors Multi-Strategy Target Return Fund.

Safekeeping of collateral

All collateral received and provided by the Fund in respect of OTC dervative transactions as at the reporting date is cash, held by Citibank N.A.

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 Manager, 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 Return Fund.

GENERAL INFORMATION

Investments in Aviva Investors Investment 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 Manager and should not be relied upon as indicating any guarantee of return from investment in the funds.

The performance figure given for each fund (source: Aviva Investors) is based on midday values (with the exception of Aviva Investors UK Index Tracking Fund which is based on 5 p.m values and Aviva Investors Multi-Strategy Target Return Fund with is based on 11:59 p.m values). The performance figure given for each comparative index (source: Lipper) is based on close of business values. Hence any over/under performance may be adversely or favourably affected by this time difference.

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 may be recorded for training or monitoring purposes. Calls are free from landlines and mobiles.