



ANNUAL REPORT & ACCOUNTS

For the year ended
31 January 2019

Janus Henderson
— INVESTORS —

Janus Henderson Multi-Manager Investment OEIC

Who are Janus Henderson Investors?

Janus Henderson Investors exists to help clients achieve their long-term financial goals.

Formed in 2017 from the merger between Janus Capital Group and Henderson Group, we are committed to adding value through active management. For us, active is more than our investment approach – it is the way we translate ideas into action, how we communicate our views and the partnerships we build in order to create the best outcomes for clients.

We are proud to offer a highly diversified range of products, harnessing the intellectual capital of some of the industry's most innovative and formative thinkers. Our expertise encompasses the major asset classes, we have investment teams situated around the world and we serve intermediary, institutional and individual investors globally. As at 31 December 2018, we had approximately US\$329bn in assets under management, more than 2,000 employees and offices in 28 cities worldwide. Headquartered in London, we are an independent asset manager that is dual-listed on the New York Stock Exchange and the Australian Securities Exchange.

At Janus Henderson, we believe in the sharing of expert insight for better investment and business decisions. We call this ethos *Knowledge. Shared. Knowledge. Shared* is reflected both in how our investment teams interact and in our commitment to empowering clients in their decision-making. In our view, knowledge is powerful when it is shared.

Contents

Authorised Corporate Director's (ACD) report	Page 1
Market Review	Page 3
Statement of Authorised Corporate Director's (ACD) responsibilities	Page 5
Statement of Depositary's responsibilities and report to the shareholders of Janus Henderson Multi-Manager Investment OEIC	Page 5
Independent Auditors' report to the shareholders of Janus Henderson Multi-Manager Investment OEIC	Page 6
Notes to the financial statements	Page 8
Financial statements	
Janus Henderson Multi-Manager Active Fund	Page 16
Janus Henderson Multi-Manager Managed Fund	Page 38
Janus Henderson Diversified Growth Fund	Page 61
Janus Henderson Diversified Alternatives Fund	Page 85
Janus Henderson Core 3 Income Fund	Page 107
Janus Henderson Core 4 Income Fund	Page 143
Janus Henderson Core 5 Income Fund	Page 178
Janus Henderson Core 6 Income & Growth Fund	Page 214
Appendix - Additional information (unaudited)	
Risk profile	Page 241
Risk management systems	Page 243
Liquidity management	Page 243
Securities financing transactions	Page 244
Remuneration policy	Page 246
Further information	Page 249

Authorised Corporate Director's (ACD) report for the year ended 31 January 2019

We are pleased to present the Annual Report & Accounts for Janus Henderson Multi-Manager Investment OEIC ('the Company') for the year ended 31 January 2019.

Authorised status

The Company is an open-ended investment company with variable capital incorporated in England and Wales under registered number IC000146 and authorised by the Financial Conduct Authority (FCA) with effect from 4 February 2002.

The Company is a non-UCITS retail scheme complying with chapter 5 of COLL and the operation of the Company is governed by the OEIC Regulations, COLL, its instrument of incorporation and prospectus.

The Company is structured as an umbrella company comprising 8 sub-funds ('funds'). The assets of each fund will be treated as separate from those of every other fund and will be invested in accordance with the investment objective and policy applicable to that fund. Shareholders are not liable for the debts of the company.

The Company qualifies as an alternative investment fund ('AIF') in accordance with the directive 2011/61/EU ('AIFMD') of the European parliament.

The ACD has delegated the actual portfolio management of the funds of the Janus Henderson Multi-Manager Investment OEIC to Henderson Global Investors Limited (the 'Investment Manager'). The Investment Manager is authorised and regulated by the Financial Conduct Authority and has been appointed by the AIFM to provide investment management services to the Company.

Fund liabilities

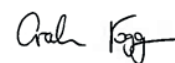
Each fund is treated as a separate entity and is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against that fund.

Brexit update

Janus Henderson Investors has a well-established project underway looking at all possible Brexit impacts including distribution, regulatory permissions and licenses, HR, IT and operations. Janus Henderson Investors is seeking to minimise the potential impact on investors, and like all firms, is operating in an environment that is uncertain and subject to change. We are proud of our long history in both the UK and continental Europe, and are in a strong position to continue to serve our investors after the UK leaves the European Union.

Director's statement

In accordance with the requirements of the Collective Investment Schemes sourcebook, as issued and amended by the Financial Conduct Authority, I hereby certify the investment report and financial statements on behalf of the Directors of Henderson Investment Funds Limited.



G Foggin
(Director)

23 April 2019

Authorised Corporate Director's (ACD) report (continued)

Service providers

	Name	Address	Regulator
Authorised Corporate Director and Alternative Investment Fund Manager (AIFM)	Henderson Investment Funds Limited Member of the Investment Association The ultimate holding company is Janus Henderson Group plc	Registered Office: 201 Bishopsgate London EC2M 3AE Registered in England No 2678531. Telephone – 020 7818 1818 Dealing – 0845 608 8703 Enquiries – 0800 832 832	Authorised and regulated by the Financial Conduct Authority
Directors of the Authorised Corporate Director	C Chaloner (to 28.09.18) R Chaudhuri (to 07.03.19) A Crooke (from 08.06.18) G Foggin G Fogo (from 04.02.19) S Hillenbrand (from 04.01.19) H J de Sausmarez G Kitchen (to 31.03.18) R Thompson (from 17.01.19) P Wagstaff (to 26.09.18)		
Investment Manager	Henderson Global Investors Limited The ultimate holding company is Janus Henderson Group plc	201 Bishopsgate London EC2M 3AE	Authorised and regulated by the Financial Conduct Authority
Shareholder Administrator	DST Financial Services International Limited and DST Financial Services Europe Limited	DST House St Nicholas Lane Basildon Essex SS15 5FS	Authorised and regulated by the Financial Conduct Authority
Depository	NatWest Trustee and Depository Services Limited The ultimate holding company is the Royal Bank of Scotland Group plc	250 Bishopsgate London EC2M 4AA	Authorised and regulated by the Prudential Regulation Authority and regulated by the Financial Conduct Authority
Independent Auditor	PricewaterhouseCoopers LLP	141 Bothwell Street Glasgow G2 7EQ	Institute of Chartered Accountants in England and Wales
Legal Adviser	Eversheds Sutherland (International) LLP	One Wood Street London EC2V 7WS	The Law Society

Returns are in sterling total return terms unless otherwise stated.

Global markets managed to eke out a gain in a volatile year that featured both record highs and a dramatic, widespread sell-off in the final quarter of 2018. The MSCI World Index rose 1.6% in sterling terms and fell 6.0% in US dollar terms. Markets were plagued by escalating fears regarding monetary tightening, ongoing trade disputes and increasingly complicated Brexit dealings. However, a marked upswing was evident in the final weeks of the period under review.

The FTSE All-Share Index fell 3.8% in sterling terms. Brexit cast a dark shadow over the market and caused protracted anxiety among investors, as uncertainties over the UK's departure from the EU and Prime Minister Theresa May's leadership abilities became more pronounced. However, a parliamentary defeat of the proposed UK/EU withdrawal agreement had an inflationary effect on sterling in January. On the economic front, fourth-quarter 2018 annualised GDP growth was muted, missing expectations to land at 1.3%. Unemployment touched 4.0% in the summer months and again in November, the lowest level recorded since 1975. The Bank of England raised interest rates in early August to 0.75%, the second hike this cycle.

European equities experienced a difficult year beset by economic slowing, establishment-threatening political developments and a reduction in monetary stimulus. The FTSE World Europe ex UK fell 7.8% in sterling terms and by 7.1% in euros over the period. The slowdown in economic momentum was pronounced. The Eurozone GDP growth rate declined over the period, falling to 1.2% annualised growth in the fourth quarter of 2018. In the summer, the European Central Bank announced that it would close its bond-purchasing scheme at year-end. There were further dramatic twists in European politics. In Italy, the general election resulted in a coalition government being formed. The coalition pursued an agenda of higher government spending, which brought it into conflict with the EU and its budget deficit rules. The Italian government had defused the situation somewhat by the end of the period, as it bowed to EU pressure and proposed reduced spending plans. However, the domestic economy failed to expand, and the country slipped into recession by the year end.

US stocks rose by 5.6% in sterling terms over the year under review (as measured by the S&P 500) but fell 2.3% in local currency. Sterling returns were boosted by the pound's weakness against the US dollar. The market remained in an uptrend until October (the S&P 500, Nasdaq and Dow Jones set new all-time highs) but global markets began to fall on fears of slowing earnings growth, the continuing trade dispute and tightening monetary policy. The final month of the year proved to be the worst December for returns since the Great Depression. The US Federal Reserve raised interest rates four times during the period, to 2.5%, and guided to two further rate hikes in 2019. However, the central bank re-evaluated the scene in the new year, determining that "the case for raising rates has weakened somewhat". This boosted sentiment and played a part in domestic markets enjoying their most upbeat January in over 30 years. US GDP growth waned in the third quarter, falling back to 3.4% annualised growth, down from 4.2% in the second quarter, although the third-quarter figure was still ahead of consensus growth-potential estimates.

Japanese equities, as measured by the TOPIX Index, fell by 5.4% in sterling (-12.8% in yen terms). Worries grew around the global trade dispute and the continued frustration that ultra-easy monetary policy was having little apparent effect on stimulating growth. The market had enjoyed an upward trajectory during most of the year, with the Nikkei index hitting its highest level in 27 years in early October. This was partly based on optimism that Prime Minister Shinzo Abe's reforms would ultimately have a positive effect on growth. Annualised GDP expansion rebounded in the second quarter only to plummet in the third: GDP fell at an annualised pace of 2.5%, the worst quarter of growth since 2014, due in part to an earthquake in Hokkaido and flooding in the western part of the country. The yen strengthened materially in the final weeks of 2018, especially against the US dollar, which created pressure on Japanese exporting companies. Exports were further hurt by the slowdown in China. In response to these challenges, the Bank of Japan lowered 2019 inflation expectations to a range of 1.0–1.3% from 1.5–1.7%.

Asia Pacific equity markets were up slightly over the year (MSCI AC Asia Pacific ex Japan +0.2% in sterling, -7.3% in dollars). The backdrop of the trade dispute between China and the US, slowing economic growth, and the strength of the US dollar hurt equities. China was the weakest individual market, receding into a technical bear market (falling more than 20% from the peak) in the summer months. China's economy continued to slow, with the annualised GDP growth rate falling to 6.4% in the fourth quarter, the weakest growth rate since 2009. India was one of the best performing markets in the region, reaching an all-time high in the late summer before selling off dramatically in October and recovering in the final months of the year. Indian GDP growth remained robust, with the third quarter experiencing 7.1% year-on-year growth, down from 8.2% in the second quarter. South Korea benefited from a pronounced leap in annualised GDP expansion (from 2.0% in the third quarter of 2018 to 3.1% in the fourth), helped by marked manufacturing growth. Elsewhere, the Taiwanese market had a notably strong January.

Emerging markets weakened over the period (MSCI Emerging Markets -6.9% in sterling, -13.9% in dollars). Rising trade friction between the US and China was a major negative influence, as was the relative strength of the US dollar. Fears around monetary tightening and slowing global growth rates were additional factors causing unease among investors. Argentina took the prize for the worst performing individual market; this reflected a collapse in the local currency, uncontrolled inflation and a hike in interest rates to 60%. Turkey suffered similarly, with a run on the lira and a dramatic rise in interest rates. The Brazilian market was decidedly robust. Equities rallied following the election of far-right candidate Jair Bolsonaro as president, with investors excited by his promises of reform and a recovery in the Brazilian real - the market hit an all-time high in December. Emerging markets in aggregate experienced a hopeful start to 2019, enjoying their strongest January since 2012.

Market review (continued)

Within fixed income, core government bond markets were positive in sterling terms but marginally negative in US dollar terms. (The JPM Global Government Bond Index +7.4% in sterling and -0.7% in dollars). Government bond markets outperformed corporate bond markets, which were affected by creeping expectations of falling economic growth. In the US, tightening monetary policy and rising inflation expectations saw the 10-year government bond yield rise above 3.2% in the autumn, to the highest level since 2011. However, the yield fell back towards the end of the period on expectations of slowing growth. The US yield curve inverted in December for the first time since the global financial crisis as five-year yields fell below those of two- and three-year yields, spooking investors, because an inverted yield curve often precedes a recession. Ten-year German bund yields rose in the autumn but fell back towards the end of the period.

Commodities fell in tandem with equity markets. Oil prices experienced a spectacular fall, with both Brent Crude and West Texas Intermediate down over 30% through the fourth quarter of 2018 as OPEC and non-OPEC nations failed to agree on production cuts while supply remained abundant. The copper price suffered substantial declines from mid-summer as the market discounted slowing growth, especially in China. Likewise, gold fell through the summer as the US dollar rose and inflation remained muted. It then recovered to end the period largely flat, benefiting from the state of flux in markets.

Statement of the Authorised Corporate Director's (ACD) responsibilities

for the year ended 31 January 2019

The Financial Conduct Authority's (FCA) Collective Investment Schemes Sourcebook (COLL) requires the ACD to prepare financial statements for each annual accounting year which give a true and fair view, 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), of the financial affairs of the fund and of its income for the year. In preparing the financial statements the ACD is required to:

- Select suitable accounting policies and then apply them consistently;
- Comply with the disclosure requirements of the Statement of Recommended Practice for Authorised Funds issued by The Investment Management Association (IMA) in May 2014;
- Follow generally accepted accounting principles and applicable accounting standards;
- Keep proper accounting records which enable it to demonstrate that the financial statements, as prepared by Henderson Investment Funds Limited, comply with the above requirements;
- Make best judgements and estimates that are reasonable; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the fund will continue in operation for the foreseeable future.

The ACD is responsible for the management of the company in accordance with its Instrument of Incorporation, Prospectus and the Regulations. The ACD is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Depositary's responsibilities and report to the shareholders of Janus Henderson Multi-Manager Investment OEIC ('the Company')

for the year ended 31 January 2019

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

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

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

The Depositary must ensure that:

- The Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- The sale, issue, redemption and cancellation of shares carried out in accordance with the Regulations;
- The value of shares of the Company is calculated in accordance with the Regulations;
- Any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- The Company's income is applied in accordance with the Regulations; and
- The instructions of the Alternative Investment Fund Manager ('the AIFM') are carried out (unless they conflict with the Regulations).

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

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

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

NatWest Trustee and Depositary Services Limited
London
23 April 2019

Independent Auditors' report to the shareholders of Janus Henderson Multi-Manager Investment OEIC ('the Company') for the year ended 31 January 2019

Report on the audit of the financial statements

Opinion

In our opinion, Janus Henderson Multi-Manager Investment OEIC's financial statements:

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 31 January 2019 and of the net revenue and the net capital gains 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.

Janus Henderson Multi-Manager Investment OEIC (the 'Company') is an Open Ended Investment Company (OEIC) with 8 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 & Accounts (the 'Annual Report'), which comprise: the balance sheets as at 31 January 2019; the statement of total return and the statement of change in net assets attributable to shareholders for the year then ended 31 January 2019; the distribution tables; aggregated notes to the financial statements and the notes to the financial statements.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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.

We have nothing to report in respect of the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is difficult to evaluate all of the potential implications on the fund's business and the wider economy.

Reporting on other information

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

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

Authorised Corporate Director's Report

In our opinion, the information given in the Authorised Corporate Director's (ACD) 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 Janus Henderson Multi-Manager Investment OEIC ('the Company') (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 Authorised Corporate Director's (ACD) responsibilities set out on page 5, 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
Glasgow
23 April 2019

1 Accounting policies

(a) Basis of preparation

The financial statements of Janus Henderson Multi-Manager Investment OEIC (the 'Company') comprise the financial statements of each of the funds. They have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Management Association (IMA) in May 2014 (SORP), the Financial Reporting Standard 102 (FRS 102), the Financial Conduct Authority's Collective Investment Schemes Sourcebook (COLL) and the Company's Instrument of Incorporation. The financial statements have been prepared on a going concern basis.

(b) Basis of valuation of investments

The valuation of listed investments has been at fair value, which is generally deemed to be bid market price, excluding any accrued interest in the case of debt securities, at close of business on the last valuation day of the accounting year (31 January 2019) in accordance with the provisions of the scheme particulars.

Investments in collective investment schemes (CIS) have been valued at bid prices. For those CIS funds that are not dual priced, single prices are used.

The ACD has assigned the EMEA Pricing Committee whose function is to review and approve fair value pricing decisions on a regular basis and report to the Board of Directors on suspended, defaulted, delisted, unquoted or manually priced securities, taking into account, where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

Derivative assets and liabilities are valued at the fair value price to close out the contract at the Balance sheet date, using available market prices or an assessment of fair value based on counterparty valuations and appropriate pricing models.

(c) Revenue recognition

Distributions from CIS and dividends receivable from quoted equity and non equity shares are credited to revenue, when the security is quoted ex-dividend. Dividends on unquoted stocks are credited to revenue when the dividend is announced.

Overseas dividends are disclosed gross of any foreign tax suffered, the tax element being separately disclosed in the tax note.

Interest on debt securities is recognised on an accruals basis, taking into account the effective yield on the investment. The effective yield is a calculation that amortises any discount or premium on the purchase of an investment over its remaining life based on estimated cash flows.

Bank interest is recognised on an accruals basis.

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

Income distributions from UK Real Estate Investment Trusts (UK REIT) is split into two parts, a Property Income Distribution (PID) made up of rental revenue and a non-PID element, consisting of non-rental revenue. The PID element is subject to corporation tax as schedule A revenue, while the non-PID element is treated as franked revenue.

Interest on margin and revenue earned on derivatives are accounted for on an accruals basis.

Any annual management charge rebates from underlying funds, including offshore, are recognised on an accruals basis when the entitlement arises in accordance with the treatment of the annual management charge on the underlying CIS.

Distributions from offshore funds on accumulation shares are recognised as revenue and added to the bookcost of the holding when they are declared.

Stock lending revenue is accounted for on an accruals basis, net of bank and agent fees.

Revenue derived from the gains/losses on hedged class forward currency contracts is allocated to both the capital and revenue of the share class based upon the prior day capital/revenue split.

Special dividends are recognised as either revenue or capital depending on the nature and circumstances of the dividends receivable.

Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. The revenue forms part of any distribution.

If any revenue receivable at the Balance sheet date is not considered recoverable, a provision is made for the relevant amount.

Notes to the financial statements (continued)

1 Accounting policies (continued)

(d) Treatment of expenses (including ACD expenses)

All expenses (other than those detailed below and those relating to the purchase and sale of investments) are charged against revenue on an accruals basis.

Annual Management Charge (AMC)

In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of the Company's property, calculated as a percentage of the relevant value of the property of each class of each fund. The AMC is accrued on a daily basis by reference to the net asset value of each share class on that dealing day and the amount due for each month is payable on the last working day of the month.

The investment objective of Janus Henderson Core 3 Income Fund, Janus Henderson Core 4 Income Fund and Janus Henderson Core 5 Income Fund concentrates on the generation of income as a higher priority than capital growth. The ACD and Depositary have agreed that all expenses (including the AMC) for these funds are to be taken to capital for the purpose of calculation the distribution. Janus Henderson Core 6 Income & Growth Fund is to provide a sustainable amount of income as well as capital growth, therefore the ACD and Depositary have agreed that 50% of the AMC for this fund to be taken to capital for the purposes of calculating the distribution. The distribution currently payable reflects this treatment together with any associated tax effect, and is permitted by the OEIC regulations and in accordance with the Prospectus.

General Administration Charge

All fees with the exception of the AMC, Depositary, performance fees and safe custody fees have been replaced by a single ad valorem charge, the General Administration Charge (GAC). The ACD believes that this creates more efficiency around the charging process than more traditional methods. The GAC is calculated as a percentage of the scheme property and the amount each share class in each fund will pay will depend on the costs attributable to each share class based on whether the class is a 'retail' class or an 'Institutional' class. The GAC accrues on a daily basis and is payable to the ACD by each share class monthly.

Performance Fee on Janus Henderson Diversified Growth Fund

If applicable, the ACD will be entitled to a fee payable by the shareholders of Class K, Class K Euro hedged and Class K US Dollar hedged of Janus Henderson Diversified Growth Fund. The performance fee is payable in arrears from the capital of the relevant share class for each quarter of the fund's accounting period, provided the fund meets certain performance objectives. The performance fee will only be charged when, over a three month period, the relevant share class outperforms the benchmark and the High Water Mark, and when payable, the fee will equal 20% of the appreciation in value of the shares over the benchmark return for those shares over the relevant quarter. The High Water Mark for each share is the last published price (after deduction of the performance fee), at which a performance fee was payable for that share. The benchmark is the published share price on the last business day of the previous quarter multiplied by the return available had the amount of the published share price been invested at 3 month GBP LIBOR plus 4% until the last dealing day of the current quarter.

Allocation of revenue and expenses to multiple share classes

With the exception of the AMC, the GAC, performance fees and revenue derived from the gains/losses on hedged class forward currency contracts, which are directly attributable to individual share classes, all revenue and expenses are allocated to share classes pro rata to the value of the net assets of the relevant share class on the day that the revenue or expense is incurred.

(e) Exchange rates

Foreign currency transactions are translated into sterling at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies at the end of the accounting year are translated into sterling at the exchange rates prevailing at close of business on the last valuation day of the accounting year.

(f) Taxation

Provision is made for tax at the current rates on the excess of taxable revenue over allowable expenses, with relief for overseas taxation taken where appropriate.

Overseas dividends are disclosed gross of any foreign tax suffered, the tax element being separately disclosed in the tax note.

Corporation tax is charged at 20% of the revenue liable to corporation tax less expenses.

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

Deferred tax assets are only recognised to the extent it is regarded as more likely than not that there will be taxable profits against which the future reversal of underlying timing differences can be offset.

Notes to the financial statements (continued)

1 Accounting policies (continued)

(g) Cash flow statement

The funds are not required to produce a cash flow statement as they meet the exemption criteria set out in FRS 102 7.1A as the funds' investments are highly liquid, are carried at market value and a Statement of change in net assets attributable to shareholders is provided for each fund.

(h) Cash equivalents

Cash equivalents are highly liquid investments held in the base currency of the fund, which are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three-month high quality government bond.

(i) Hedged share classes

The following hedged share classes are held by the funds:

- Class I US Dollar hedged accumulation, Class K Euro hedged accumulation and Class K US Dollar hedged accumulation on Janus Henderson Diversified Growth Fund;
- Class A EUR Hedged accumulation and Class I EUR Hedged accumulation on Janus Henderson Core 3 Income Fund;
- Class A EUR Hedged accumulation and Class I EUR Hedged accumulation on Janus Henderson Core 4 Income Fund;
- Class A EUR Hedged accumulation and Class I EUR Hedged accumulation on Janus Henderson Core 5 Income Fund; and
- Class A EUR Hedged accumulation and Class I EUR Hedged accumulation on Janus Henderson Core 6 Income & Growth Fund.

Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in those classes and sterling which is the base currency of the fund.

Any benefits or losses of the hedging transactions accrue to shareholders in that hedged share class only. The ACD will review the relevant hedging positions on a regular basis and, if considered appropriate, make adjustments to correct the allocations across share classes.

The currency transactions will not cause the euro and US dollar hedged class shares to be leveraged. The value of the share class to be hedged will be made up of both capital and income elements and the ACD intends to hedge between 95-105% of the value of each hedged share class. Adjustments to any hedge to keep within this target range will only be made when the required adjustment is material. As such the euro and US dollar hedged class shares will not be completely protected from all currency fluctuations.

(j) Treatment of derivatives

Derivative transactions are accounted for on a trade date basis. Where such transactions are used to protect or enhance revenue and the circumstances support it, the revenue and expenses derived there from are included in Revenue in the Statement of total return on an accruals basis. Where such transactions are used to protect or enhance capital and the circumstances support it, the gains and losses derived there from are included in Net capital gains/(losses) in the Statement of total return.

Forward foreign currency contracts

Open forward currency contracts are shown in the portfolio statement at fair value and the net gains/(losses) are reflected in Forward currency contracts in Net capital gains/(losses) on investments.

Forward foreign currency contracts on hedged share classes

Open forward currency contracts on hedged share classes are shown in the portfolio statement at fair value. The net gains/(losses) on forward currency contracts on hedged unit classes are apportioned between Hedged income on forward currency contracts in the Revenue account and Forward currency contracts on hedged share classes in Net capital gains/(losses) on investments reflecting the income and capital elements of the hedged share classes.

The gains or losses from the hedge are calculated on a daily basis, and are allocated to both the capital and revenue of the share class based upon the relationship of the prior day capital/revenue split, with the revenue element impacting upon that class's potential distributable revenue.

Futures contracts

Equity future contracts

The unrealised gain/(loss) on open future contracts is disclosed in the portfolio statement. The margins paid on these contracts are included in amounts held at derivative clearing houses and brokers.

The net gains/(losses) are disclosed within derivative securities in net capital gains/(losses) on investments, reflecting the nature of the total return.

Bond future contracts

The unrealised gain/(loss) on open future contracts is disclosed in the portfolio statement. The margins paid on these contracts are included in amounts held at derivative clearing houses and brokers.

The net gains/(losses) are apportioned between the revenue account and derivative securities in net capital gains/(losses) on investments, reflecting the nature of the total return. The basis of the apportionment is typically made by reference to the yield on the underlying security or index or other appropriate source.

Notes to the financial statements (continued)

1 Accounting policies (continued)

Currency future contracts

The unrealised gain/(loss) on open future contracts is disclosed in the portfolio statement. The margins paid on these contracts are included in amounts held at derivative clearing houses and brokers.

The net gains/(losses) are disclosed within derivative securities in net capital gains/(losses) on investments, reflecting the nature of the total total return.

Index future contracts

The unrealised gain/(loss) on open future contracts is disclosed in the portfolio statement. The margins paid on these contracts are included in amounts held at derivative clearing houses and brokers.

The net gains/(losses) are apportioned between the revenue account and derivative securities in net capital gains/(losses) on investments, reflecting the nature of the total return. The basis of the apportionment is typically made by reference to the yield on the underlying security or index or other appropriate source.

Contracts for Difference

Contracts for difference (CFD) are shown in the Portfolio statement at fair value and the net gains/(losses) are reflected within Derivative securities in Net capital gains/(losses) on investments. The margins paid on these contracts are included in the amounts held at derivative clearing houses and brokers. Dividends receivable and payable on CFDs are recognised as either revenue or capital depending on the nature and circumstances of the underlying dividends receivable. Dividends receivable or payable that are recognised as capital are included in Derivative securities in Net capital gains/(losses) on investments on an accruals basis. Dividends receivable that are recognised as revenue are included in the Revenue account on an accruals basis. Dividends payable on CFDs that are recognised as revenue are included in Interest payable and similar charges on an accruals basis.

(k) Dilution adjustment

The funds are single priced however the ACD has discretion to make a dilution adjustment in the calculation of the dealing price and thereby swing the dealing price of shares linked to the relevant fund. The ACD has the discretion to charge a dilution adjustment when there is a large volume of deals and, in accordance with the FCA regulations, to pay this amount into the fund. In particular the ACD reserves the right to make such an adjustment in the following circumstances:

- On a fund experiencing large levels of net purchases (i.e. purchases less redemptions), relative to its size;
- On a fund experiencing large levels of net redemptions (i.e. redemptions less purchases), relative to its size;
- In any other case where the ACD is of the opinion that the interests of existing or continuing shareholders and potential investors require the imposition of a dilution adjustment.

2 Distribution Policy

The distribution policy of the funds is to distribute/accumulate all available revenue, after the deduction of expenses properly chargeable against revenue, subject to any of the AMC or other expense which may currently be transferred to capital. The fund pays dividend distributions.

Revenue attributed to accumulation shareholders is retained at the end of each distribution period and represents a reinvestment of revenue.

Marginal tax relief has been taken into account when determining the amount available for distribution on the following funds:

- Janus Henderson Multi-Manager Active Fund;
- Janus Henderson Multi-Manager Managed Fund; and
- Janus Henderson Diversified Growth Fund.

Marginal tax relief is no longer taken into account when determining the amount available for distribution on the following funds;

- Janus Henderson Core 3 Income Fund;
- Janus Henderson Core 4 Income Fund;
- Janus Henderson Core 5 Income Fund; and
- Janus Henderson Core 6 Income & Growth Fund.

Gains and losses on investments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution.

When the revenue from investments exceeds the expenses, a distribution will be made. Should expenses exceed revenue there will be no distribution and the shortfall will be transferred from capital at the year end.

The following funds make annual distributions (31 May) to shareholders:

- Janus Henderson Multi-Manager Active Fund;
- Janus Henderson Multi-Manager Managed Fund;
- Janus Henderson Diversified Alternatives Fund; and
- Janus Henderson Diversified Growth Fund.

Notes to the financial statements (continued)

2 Distribution Policy (continued)

The following fund makes quarterly distributions (31 March, 30 June, 30 September and 31 December) to shareholders:

- Janus Henderson Core 6 Income & Growth Fund.

The following funds make monthly distributions (last business day of each month) to shareholders:

- Janus Henderson Core 3 Income Fund;
- Janus Henderson Core 4 Income Fund; and
- Janus Henderson Core 5 Income Fund.

Distribution policy

In the event that an amount of income to be distributed or accumulated is less than 1% of the value of the fund's property the ACD reserves the right to carry the income over to the next distribution or accumulation. All distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall revert to the funds.

Equalisation

Income equalisation applies to Janus Henderson Core 3 Income Fund, Janus Henderson Core 4 Income Fund, Janus Henderson Core 5 Income Fund and Janus Henderson Core 6 Income & Growth Fund.

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

3 Risk

The Company is a non-UCITS retail scheme whose operations are governed by the OEIC Regulations, COLL, its Instrument of Incorporation and the Company Prospectus; as a result its investment powers and limits must comply with Chapter 5 of COLL.

The assets of each fund are treated as separate from those of every other fund and are invested in accordance with the investment objective and investment policy applicable to that fund.

The funds may hold the following types of assets:

- Transferable securities
- Units in collective investment schemes
- Money-market instruments
- Derivatives and forward foreign exchange contracts
- Deposits
- Warrants
- Cash and near cash

The risk management policy and process for the funds is designed to satisfy the requirements of the AIFMD; associated regulatory technical standards and guidelines; and local regulations. The framework for risk controls and limits for each fund is documented within Henderson Investment Funds Limited (HIFL) Risk Management Policy and Process document, which outlines for each main risk category the controls and risk measures in place, including stress tests for assessing sensitivity to the most relevant risks. This risk framework includes setting of limits and monitoring against those limits.

In the normal course of business, the funds' activities expose them to various types of risk which are associated with the financial instruments and markets in which they invest. These financial risks, market risk (comprising currency risk, interest rate risk, other price risk), credit and counterparty and liquidity risk and the approach to the management of these risks, are set out below and remain unchanged from the previous accounting period.

The risk management systems in place are detailed below:

- Straight-through processing via a deal Order and Management System ("OMS") is utilised for listed securities, exchange traded derivatives and OTC derivative contracts with connectivity to third-party affirmation and trade repository services.
- Portfolio modelling and investment management functions (including order-raising, dealing and trade execution) are performed using one of or a combination of, the following third-party software applications: Charles River Development OMS; and /or Imagine.
- The IT tools to which the Janus Henderson Risk, Compliance and Operations teams have access for independent monitoring and risk measurement purposes include:
- Charles River system's Compliance module for investment restrictions monitoring;
- NasdaqBWISE operational risk database;
- RiskMetrics, UBS Delta, Style Research, Cognity and Barra for market risk measurement; and
- Bloomberg for market data and price checking.

These are supplemented by an in-house development; the Janus Henderson Derivatives Risk and Compliance database.

Notes to the financial statements (continued)

3 Risk (continued)

(a) Market Risk

Market risk is the risk of loss resulting from fluctuation in the market value of positions in a fund attributable to changes in market variables such as interest rates, foreign exchange rates, equity and commodity prices or an issuer's creditworthiness.

The investments of the funds are subject to normal market fluctuations which are monitored by the ACD in pursuance of the investment objective and policies.

There can be no assurance that any appreciation in the value of investments will occur. There is no certainty that the investment objective of the funds will actually be achieved and no warranty of representation is given to this effect.

Where derivatives transactions are used in a fund solely for the purposes of efficient portfolio management, they are not intended to increase the risk profile of the fund. For Janus Henderson Diversified Growth Fund, Janus Henderson Core 3 Income Fund, Janus Henderson Core 4 Income Fund, Janus Henderson Core 5 Income Fund and Janus Henderson Core 6 Income & Growth Fund, derivatives may also be used for the purposes of hedging or for purpose of meeting the fund's investment objective. Whilst it is not likely to increase the risk profile of the funds, the use of derivatives to meet the investment objective may affect the volatility of these funds.

In respect of Janus Henderson Multi-Manager Active Fund, Janus Henderson Multi-Manager Managed Fund and Janus Henderson Diversified Alternatives Fund, cash and near cash will be used for the purposes of redemptions and efficient portfolio management only. In respect of Janus Henderson Diversified Growth Fund, Janus Henderson Core 3 Income Fund, Janus Henderson Core 4 Income Fund, Janus Henderson Core 5 Income Fund and Janus Henderson Core 6 Income & Growth Fund, cash and near cash may be used for the purposes of redemptions, efficient portfolio management and to meet the investment objective.

Currency risk

Currency risk is the risk that the value of the funds' investments will fluctuate as a result of changes in foreign currency exchange rates.

A proportion of the funds' assets and revenue are denominated in currencies other than sterling (the funds' functional currency and the one in which financial statements are reported). As a result, movements in exchange rates may affect the sterling value of those items. The ACD regularly reviews currency risk.

Please refer to the individual funds' accounts for details of currency exposure.

Hedged share classes on Janus Henderson Diversified Growth fund, Janus Henderson Core 3 Income Fund, Janus Henderson Core 4 Income Fund, Janus Henderson Core 5 Income Fund and Janus Henderson Core 6 Income & Growth Fund.

Hedging transactions may be entered into whether the euro or US dollar (as appropriate) is declining or increasing in value relative to sterling and so where such hedging is undertaken it may substantially protect investors in the relevant class against a decrease in the value of sterling relative to the US dollar or euro but it may also preclude investors from benefiting from an increase in the value of sterling.

While the ACD may attempt to hedge currency risks, there can be no guarantee that it will be successful in doing so and it may result in mismatches between the currency position of the relevant fund and the relevant hedged share class. As there is no segregation of liabilities between share classes, there is a remote risk that under certain circumstances, currency hedging transactions in relation to a share class could result in liabilities which might affect the Net Asset Value of other share classes of the same fund or other funds.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Some securities such as bonds are directly impacted by interest rate movements but others are indirectly affected.

The funds may invest in debt securities. The revenue of each fund may be affected by changes to interest rates relevant to particular securities or as a result of the Fund Manager being unable to secure similar returns on the expiry of contracts or sale of securities. The value of debt securities may be affected by interest rate movements or the expectation of such movements in the future.

Please refer to the individual funds' accounts for details of interest rate risk exposure.

Other price risk

Other price risk is the risk that the value of the funds' investments will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Other price risk arises mainly from uncertainty about future prices of financial instruments the funds might hold. It represents the potential loss each fund might suffer through holding market positions in the face of price movements.

Each funds' investment portfolio is exposed to market price fluctuations, which are monitored by the ACD in pursuance of their investment objectives.

Notes to the financial statements (continued)

3 Risk (continued)

Leverage

Each fund may achieve leverage through borrowing, the use of derivatives, forward foreign exchange contracts and/ or other non-fully funded instruments or techniques. Typically this will be through the use of index futures, forward FX, warrants or CFD, where cash is paid to the counterparty as margin against the current mark to market value of the derivative contract. The use of leverage may significantly increase the investment/market and counterparty risk (the risk that a fund could lose money if an entity with which it interacts becomes unwilling or unable to meet its obligations to the fund) of the funds through non-fully funded exposure to underlying markets or securities.

Leverage is measured in terms of a funds' overall exposure and includes any method by which the exposure of each fund is increased whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means. Henderson Investment Fund Limited (HIFL) as the AIFM is required to calculate and monitor the level of leverage of each fund, expressed as the ratio between the total exposure of the fund and its net asset value with exposure values being calculated by both the gross method and commitment method at the year end.

Exposure values under the gross method basis are calculated as the absolute value of all positions of each fund; this includes all eligible assets and liabilities, relevant borrowings, derivatives (converted into their equivalent underlying positions) and all other positions even those held purely for risk reduction purposes, such as forward foreign exchange contracts held for currency hedging.

The gross method of exposure of a fund requires the calculation to:

- include the sum of all non-derivative assets held at market value, plus the absolute value of all such liabilities;
- exclude cash and cash equivalents which are highly liquid investments held in the base currency of the fund, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three month high quality bond;
- convert derivative instruments into the equivalent position in their underlying assets;
- exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known;
- include exposures resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised and the total amount of cash borrowed; and
- include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements.

Exposure values under the commitment method basis are calculated on a similar basis to the above, but may take into account the effect of netting off instruments to reflect eligible netting and hedging arrangements on eligible assets and the different treatment of certain cash and cash equivalent items in line with regulatory requirements.

There have been no breaches of the maximum levels during the year, no changes to the maximum level of leverage employed by the funds or to their right of reuse of collateral or any guarantee granted under the leveraging arrangements.

The actual and maximum leverage limits are summarised in the notes of each funds' accounts.

(b) Credit and counterparty risk

Credit and counterparty risk is the risk of loss resulting from the possibility that the counterparty to a transaction may default on its obligations prior to the settlement of the transaction's cash flow.

In order to manage credit risk each fund is subject to investment limits for issuers of securities as outlined in the Prospectus. Issuer credit ratings are evaluated periodically and an approved issuer list is maintained and monitored. In addition the funds may only buy and sell investments through brokers which have been approved by the ACD as an acceptable counterparty and limits are set and monitored to cover the exposure to any individual broker. Changes in broker's financial ratings are periodically reviewed by the Janus Henderson Credit Risk Committee along with set limits and new counterparty approval.

The funds' assets that are held with banks could be exposed to credit and counterparty risk. The banks used by each fund and the ACD are subject to regular reviews.

Only counterparties that have been approved by Janus Henderson's Credit Risk Committee are used for derivative transactions. The continuing creditworthiness of counterparties is monitored on a daily basis.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Financial Services Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

In accordance with FRS 102.34.26(a), a review has been completed for financial assets that are past due but not impaired and individually impaired at the end of the reporting period. Where relevant the market value of financial assets in each funds' portfolio statement has been updated to this effect.

The exposure to counterparty risk is detailed in the notes of each funds' accounts, as relevant.

Notes to the financial statements (continued)

3 Risk (continued)

(c) Liquidity risk

Liquidity risk is the risk that a position in each funds' portfolio cannot be sold, liquidated or closed out at limited cost in an adequately short timeframe and that the ability of each fund to meet its settlement obligations is thereby compromised.

The funds are generally able to realise cash quickly to meet liabilities. The main liquidity requirements of the funds include the redemption of any shares that shareholder wishes to sell. Temporary higher liquidity levels may also arise during the carrying out of a change in asset allocation policy, or following a large issue of shares.

The ACD manages the funds' cash to ensure they can meet their liabilities. The ACD receives daily reports of subscriptions and redemptions enabling the ACD to raise cash from each funds' portfolio in order to meet redemption requests. In addition the ACD monitors market liquidity of all securities, seeking to ensure the fund's maintain sufficient liquidity to meet known and potential redemption activity. Each funds' cash balances are monitored daily by the ACD and administrator. Where investments cannot be realised in time to meet any potential liability, the funds may borrow up to 10% of their property value to ensure settlement.

A maturity analysis of each funds' financial liabilities is disclosed in the notes in each funds' accounts.

(d) Brexit Risk

In a referendum held on 23 June 2016, the electorate of the United Kingdom resolved to leave the European Union. The result has led to political and economic uncertainty, volatility in the financial markets of the United Kingdom and more broadly across Europe. Consumer, corporate and financial confidence in these markets may decrease as the Brexit negotiations progress. The implementation process of the political, economic and legal framework between the United Kingdom and the European Union is likely to lead to continuing uncertainty and periods of increased volatility in both the United Kingdom and in wider European markets.

Currency volatility resulting from this uncertainty may mean that the returns of the fund and its investments are adversely affected by market movements, potential decline in the value of the British Pound and/or Euro, and any downgrading of United Kingdom sovereign credit rating.

This mid to long term uncertainty may have an adverse effect on the economy generally and on the ability of relevant funds and their investments to execute their respective strategies and to receive attractive returns, and may also result in increased costs to the relevant funds.

4 Cross-holdings

2019		Holding Fund	
		Janus Henderson Diversified Alternatives Fund	
		Number of Shares	Market Value £000
Investor Fund	Janus Henderson Multi-Manager Managed Fund	5,703,074	7,577

No other such cross-holdings between other funds in the Janus Henderson Multi-Manager Investment OEIC were held at the 31 January 2019.

2018		Holding Fund	
		Janus Henderson Diversified Alternatives Fund	
		Number of Shares	Market Value £000
Investor Fund	Janus Henderson Multi-Manager Managed Fund	5,703,074	7,135

No other such cross-holdings between other funds in the Janus Henderson Multi-Manager Investment OEIC were held at the 31 January 2018.

Janus Henderson Multi-Manager Active Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Janus Henderson Multi-Asset Team

Investment objective and policy

To achieve capital growth by investing in markets in both the UK and overseas. The fund may invest in collective investment schemes, exchange traded funds, unregulated collective investment schemes (which include limited partnerships), money-market instruments and deposits. Investments will not be confined to any particular sector.

Performance summary

	31 Jan 18 - 31 Jan 19	31 Jan 17 - 31 Jan 18	31 Jan 16 - 31 Jan 17	31 Jan 15 - 31 Jan 16	31 Jan 14 - 31 Jan 15
	%	%	%	%	%
Class A accumulation	(4.6)	10.3	22.3	(3.7)	8.4
IA Flexible Investment sector average	(3.8)	10.5	20.2	(4.4)	9.9

Source: Morningstar, Class A, NAV to NAV and net of fees as at 4.00 p.m. valuation point. Benchmark values are at close of business.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Significant portfolio changes for the year ended 31 January 2019

Largest purchases	£000	Largest sales	£000
iShares JPMorgan USD Emerging Markets Bond UCITS ETF	6,263	JO Hambro UK Opportunities Fund B Accumulation	9,419
LF Gresham House UK Multi Cap Income Fund Class F Income	3,850	Vanguard S&P 500 ETF	7,929
Polar Capital UK Value Opportunities Fund	3,681	Polar Capital Global Insurance Fund	6,174
iShares Core MSCI EM IMI UCITS ETF	1,352	Mandarine Unique Small & Mid Caps Europe Fund	5,126
		Stewart Investors Asia Pacific Leaders Fund	2,284
		ETFS Physical Gold	1,567
Total purchases	15,146	Total sales	32,499

All purchases and sales are included.

Investment review

The fund fell 4.6% based on Class A accumulation over the year under review, compared with a fall of 3.8% in the IA Flexible Investment sector average. Longer-term performance of the fund has been strong, with the fund outperforming its peer group over all periods in the last 10 years.

The year under review was a challenging one for risk assets. After a 2017 that saw almost all equity markets rise, 2018 brought renewed volatility (sharper fluctuations in price) and challenging macroeconomic and geopolitical conditions. As a result, many markets around the world collectively fell.

The portfolio's allocation to European ex UK equities struggled the most during the period, with all of our underlying active managers underperforming the broader market return. Other notable detractors included holdings in the Hermes Asia Ex-Japan Equity Fund which was down 8.6%, the Janus Henderson Emerging Markets Fund which was down 10.8%, and the First State Global Japan Equity Fund which was down 6.9%. Hedging of US dollar foreign exchange risk was also a significant drag throughout most of the reporting period, as sterling, the fund's base currency, suffered from Brexit-related uncertainty and the US dollar remained strong against most major currencies. However, this trend was reversed during January as sterling strengthened and the US dollar weakened.

On the positive side, our allocation to North American equities provided a strong contribution over the period as a whole. Our holding in the Findlay Park American Fund was up 8.9%, outperforming the broader market return. Other positive contributions were received through our holdings in the Stewart Investors Asia Pacific Leaders Fund which was up 3.4%, the LF Lindsell Train UK Equity Income Fund which was up 2.8%, and ETFS Physical Gold was up 5.9%.

During the period, we increased our allocation to global bonds by initiating a new holding in the iShares JPMorgan USD Emerging Markets Bond UCITS ETF. Within equities, we introduced a new position in the LF Gresham House UK Multi Cap Income Fund, which is a smaller companies focused dividend strategy that complements the rest of our UK equity holdings. Within European ex-UK equities, we fully redeemed our holding in the Mandarin Unique Small & Mid-Caps Europe Fund during October following news that the portfolio managers would be departing the company. The proceeds from this sale were reallocated into Euro Stoxx 50 index futures. Lastly, following strong market returns during January, we reduced the overall equity allocation by redeeming our holding in the Polar Capital Global Insurance Fund and reducing the S&P 500 index futures position, reallocating the proceeds into cash.

The bounce in asset prices in January removed some of the risk premia that had been re-introduced by the market declines in the final quarter of 2018. While the bounce has been good for performance, higher valuations leave less room for future returns, especially when uncertainty remains elevated. We have been looking to lock in the rise in asset prices with the expectation that we will see better opportunities as the year progresses. Investors need to remain nimble in such conditions and look to rotate across the multi-asset spectrum as appropriate. This is, of course, harder than usual with government bond yields so low, but flexibility should allow the disciplined investor to outperform.

Comparative tables for the year ended 31 January 2019

	Class A accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	227.96	206.76	169.14
Return before operating charges*	(4.67)	26.33	42.12
Operating charges	(5.21)	(5.13)	(4.50)
Return after operating charges*	(9.88)	21.20	37.62
Distributions on accumulation shares	-	-	(0.84)
Retained distributions on accumulation shares	-	-	0.84
Closing net asset value per share	218.08	227.96	206.76
* after direct transaction costs of:	0.01	-	0.01
Performance			
Return after charges	(4.33%)	10.25%	22.24%
Other information			
Closing net asset value (£000s)	125,902	146,142	151,539
Closing number of shares	57,731,579	64,107,529	73,292,521
Operating charges	2.33%	2.34%	2.37%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price (pence)	233.50	231.60	209.60
Lowest share price (pence)	208.50	205.90	161.60
	Class B accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	145.15	130.67	106.10
Return before operating charges*	(2.98)	16.69	26.51
Operating charges	(2.26)	(2.21)	(1.94)
Return after operating charges*	(5.24)	14.48	24.57
Distributions on accumulation shares	(0.90)	(0.78)	(1.46)
Retained distributions on accumulation shares	0.90	0.78	1.46
Closing net asset value per share	139.91	145.15	130.67
* after direct transaction costs of:	-	-	0.01
Performance			
Return after charges	(3.61%)	11.08%	23.16%
Other information			
Closing net asset value (£000s)	7,633	8,327	8,114
Closing number of shares	5,455,823	5,736,881	6,210,060
Operating charges	1.58%	1.59%	1.62%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price (pence)	149.30	147.40	132.40
Lowest share price (pence)	133.70	130.20	101.40

Comparative tables (continued)

	Class I accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	185.39	166.78	135.34
Return before operating charges*	(3.83)	21.33	33.82
Operating charges	(2.76)	(2.72)	(2.38)
Return after operating charges*	(6.59)	18.61	31.44
Distributions on accumulation shares	(1.27)	(1.09)	(2.00)
Retained distributions on accumulation shares	1.27	1.09	2.00
Closing net asset value per share	178.80	185.39	166.78
* after direct transaction costs of:	0.01	-	0.01
Performance			
Return after charges	(3.55%)	11.16%	23.23%
Other information			
Closing net asset value (£000s)	79,257	81,238	76,011
Closing number of shares	44,326,552	43,820,767	45,575,800
Operating charges	1.51%	1.53%	1.56%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price (pence)	190.70	188.30	169.00
Lowest share price (pence)	170.80	166.10	129.30
	Class Y accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	183.08	166.06	135.84
Return before operating charges*	(3.75)	21.14	33.83
Operating charges	(4.18)	(4.12)	(3.61)
Return after operating charges*	(7.93)	17.02	30.22
Distributions on accumulation shares	-	-	(0.68)
Retained distributions on accumulation shares	-	-	0.68
Closing net asset value per share	175.15	183.08	166.06
* after direct transaction costs of:	0.01	-	0.01
Performance			
Return after charges	(4.33%)	10.25%	22.25%
Other information			
Closing net asset value (£000s)	585	644	666
Closing number of shares	334,059	351,651	400,818
Operating charges	2.33%	2.34%	2.37%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price (pence)	187.50	186.00	168.30
Lowest share price (pence)	167.50	165.40	129.80

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are close of business and on a bid basis and may differ from the performance summary.

Comparative tables (continued)

Operating charges

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

Share class launches and closures

There were no share classes launched or closed in the year.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2019 %	2018 %
Class A	2.33	2.34
Class B	1.58	1.59
Class I	1.51	1.53
Class Y	2.33	2.34

The OCF includes a synthetic element of 0.68% (2018: 0.69%) to incorporate the OCF of underlying funds.

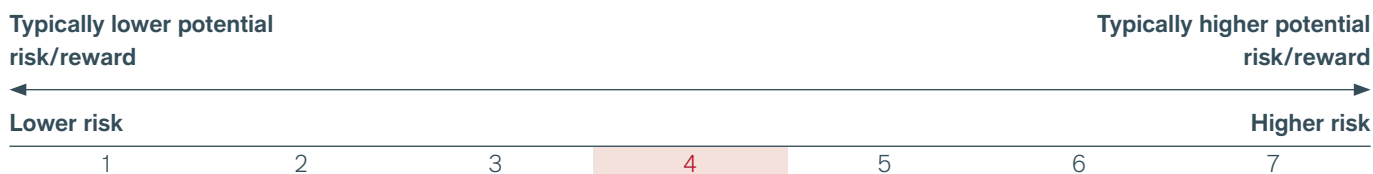
The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

The fund is a non-UCITS fund and we have used this disclosure to enable comparison across our fund range.

Risk and reward profile

The fund currently has 4 types of share in issue: A accumulation, B accumulation, I accumulation and Y accumulation.

The risk and reward profile of each type of share class is as follows:



The synthetic risk and reward indicator (SRR) is calculated based on historical volatility over a rolling 5 year period; it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRR level. The SRR is an indicator and may not accurately reflect future volatility and market conditions. The value of an investment in the fund can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The share class appears at 4 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

The full list of the fund's risks are contained in the 'Risk Warnings' section of the fund's prospectus.

There has been no change to the risk ratings in the year.

The SRR conforms to the ESMA guidelines for the calculation of the SRR.

This fund is non-UCITS retail fund and we have adopted this disclosure to enable comparison across fund range.

Portfolio statement as at 31 January 2019

Holding	Investment	Market value £000	Percentage of total net assets %
Asia Ex Japan Equity 11.03% (2018: 11.48%)			
7,315,436	Hermes Asia Ex Japan Equity Fund C Accumulation	11,071	5.19
20,128	Schroders International Selection Asian Total Return Fund	6,661	3.12
797,480	Stewart Investors Asia Pacific Leaders Fund	5,809	2.72
		<u>23,541</u>	<u>11.03</u>
Commodities 4.38% (2018: 4.50%)			
52,923	ETFS Physical Gold	5,084	2.38
333,460	Invesco Bloomberg Commodity UCITS ETF	4,260	2.00
		<u>9,344</u>	<u>4.38</u>
Emerging Market Bonds 5.58% (2018: 2.36%)			
63,773	BlackRock Emerging Markets Flexi Dynamic Bond Fund	5,535	2.59
77,546	iShares JPMorgan USD Emerging Markets Bond UCITS ETF	6,378	2.99
		<u>11,913</u>	<u>5.58</u>
Europe ex UK Equity 13.90% (2018: 16.71%)			
7,056,362	BlackRock European Dynamic Fund A Accumulation	10,486	4.92
6,797,974	Invesco European Equity Income Fund	8,757	4.10
2,158,976	Janus Henderson European Growth Fund I Accumulation ¹	10,414	4.88
		<u>29,657</u>	<u>13.90</u>
Global Emerging Market Equity 7.57% (2018: 6.70%)			
63,660	iShares Core MSCI EM IMI UCITS ETF	1,358	0.64
695,308	Janus Henderson Emerging Markets Fund R\$ Accumulation ¹	9,431	4.42
6,969,656	JPMorgan UK Emerging Markets Fund Class B Net Income	5,355	2.51
		<u>16,144</u>	<u>7.57</u>
Japan Equity 9.47% (2018: 9.05%)			
748,510	First State Global Japan Equity III	9,201	4.31
6,096,861	MAN GLG Japan Core Alpha Fund	11,011	5.16
		<u>20,212</u>	<u>9.47</u>
North America Equity 17.20% (2018: 17.99%)			
700,221	Fidelity American Special Situations	10,706	5.02
200,382	Findlay Park American Fund	17,466	8.19
45,890	LeggMason ClearBridge US Aggressive Growth Fund	8,518	3.99
		<u>36,690</u>	<u>17.20</u>
Specialist Equity 0.00% (2018: 2.59%)			
UK Equity 17.70% (2018: 17.25%)			
660,425	JO Hambro UK Opportunities Fund B Accumulation	1,759	0.82
2,418,937	Jupiter UK Special Situations Fund I Accumulation	5,657	2.65
3,475,018	LF Gresham House UK Multi Cap Income Fund Class F Income	3,612	1.69
2,541,758	LF Lindsell Train UK Equity Income Fund	7,386	3.47
5,249,091	Majedie UK Equity Fund	9,013	4.23
4,134,937	Merian UK Alpha Fund U1 Accumulation	5,615	2.63
420,321	Polar Capital UK Value Opportunities Fund	4,720	2.21
		<u>37,762</u>	<u>17.70</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Derivatives 0.33% (2018: 0.69%)		
	Futures 0.06% (2018: 0.00%)		
13	CME S&P 500 E-mini March 2019	74	0.03
54	EUX Euro STOXX50 March 2019	57	0.03
		<u>131</u>	<u>0.06</u>
	Forward Foreign Exchange Contracts 0.27% (2018: 0.69%)²		
	Buy GBP 30,806,376 : Sell USD 39,938,860 February 2019	481	0.23
	Buy GBP 9,423,506 : Sell EUR 10,686,146 February 2019	95	0.04
	Buy JPY 106,282 : Sell GBP 751 February 2019 ³	-	-
		<u>576</u>	<u>0.27</u>
	Investment assets	185,970	87.16
	Other net assets	27,407	12.84
	Total net assets	<u>213,377</u>	<u>100.00</u>

¹ Related party to the fund

² Unquoted securities

³ Due to rounding to nearest £1,000

Portfolio statement (continued)

Composition of portfolio

2019	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	168,183	78.82
Total equities	17,080	8.01
Total derivatives	707	0.33
Investment assets	185,970	87.16
Other net assets	27,407	12.84
Total net assets	213,377	100.00
2018	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	191,233	82.73
Total equities	18,242	5.90
Total derivatives	1,635	0.69
Investment assets including investment liabilities	211,110	89.32
Other net assets	25,241	10.68
Total net assets	236,351	100.00

The collective investment schemes held are approved regulated collective investment schemes within the meaning of the FCA rules. Exchange traded funds and all other investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Statement of total return for the year ended 31 January 2019

	Note	2019		2018	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(9,623)		23,484
Revenue	3	3,418		3,318	
Expenses	4	(3,024)		(3,165)	
Interest payable and similar charges	5	-		(2)	
Net revenue before taxation		394		151	
Taxation	6	-		-	
Net revenue after taxation			394		151
Total return before distributions			(9,229)		23,635
Distributions	7		(611)		(520)
Change in net assets attributable to shareholders from investment activities			(9,840)		23,115

Statement of change in net assets attributable to shareholders

for the year ended 31 January 2019

	2019		2018	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		236,351		236,330
Amounts receivable on issue of shares	7,131		4,170	
Amounts payable on cancellation of shares	(20,876)		(27,788)	
		(13,745)		(23,618)
Dilution adjustment		-		4
Change in net assets attributable to shareholders from investment activities		(9,840)		23,115
Retained distributions on accumulation shares		611		520
Closing net assets attributable to shareholders		213,377		236,351

Balance sheet as at 31 January 2019

	Note	2019 £000	2018 £000
Assets:			
Investments		185,970	211,274
Current assets:			
Debtors	8	259	339
Cash and bank balances	9	1,125	54
Cash equivalents	10	27,474	25,579
Total assets		<u>214,828</u>	<u>237,246</u>
Liabilities:			
Investment liabilities		-	164
Creditors:			
Amounts held at derivative clearing houses and brokers		131	-
Bank overdrafts		859	113
Other creditors	11	461	618
Total liabilities		<u>1,451</u>	<u>895</u>
Net assets attributable to shareholders		<u>213,377</u>	<u>236,351</u>

Notes to the financial statements for the year ended 31 January 2019

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

2 Net capital (losses)/gains

Net capital (losses)/gains on investments during the year comprise:

	2019	2018
	£000	£000
Capital management fee rebates	164	197
Derivative securities*	285	(1,128)
Forward currency contracts*	(1,371)	3,279
Non-derivative securities*	(8,708)	21,135
Other currency gains	14	8
Transaction costs	(7)	(7)
Net capital (losses)/gains	(9,623)	23,484
*The above includes:		
Realised gains	9,318	12,796
Unrealised (losses)/gains	(19,112)	10,490
	(9,794)	23,286

* Where realised gains/(losses) include gains/(losses) arising in previous years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 Revenue

	2019	2018
	£000	£000
Distributions from UK regulated collective investment schemes:		
Franked investment revenue	1,942	2,103
Interest on margin	4	-
Management fee rebates	360	431
Overseas dividends*	1,112	784
Total revenue	3,418	3,318

* includes distributions from overseas funds

Notes to the financial statements (continued)

4 Expenses

	2019 £000	2018 £000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	2,731	2,867
GAC*	264	277
	2,995	3,144
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	20	12
Safe custody fees	9	9
	29	21
Total expenses	3,024	3,165

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £10,017 (2018: £9,725).

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2019 £000	2018 £000
Interest payable	-	2
Total interest payable and similar charges	-	2

6 Taxation

a) Analysis of charge in the year

There is no tax charge for the current year (2018: nil).

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised open ended investment companies (OEICS) of 20% (2018: 20%). The differences are explained below:

	2019 £000	2018 £000
Net revenue before taxation	394	151
Corporation tax at 20% (2018: 20%)	79	30
Effects of:		
Overseas dividends*	(159)	(146)
Tax effect of management fee rebates in capital	33	39
UK dividends**	(389)	(420)
Unused management expenses	571	497
Change in prior year offshore fund reporting status	(135)	-
Tax charge for the year (note 6a)	-	-

* Certain overseas dividends are not subject to corporation tax from 1 July 2009 due to changes enacted in the Finance Act 2009.

**As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

Notes to the financial statements (continued)

6 Taxation (continued)

c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2018: nil).

d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £6,624,201 (2018: £6,052,992) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

7 Distributions

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

	2019	2018
	£000	£000
Final accumulation	611	520
Total distributions	611	520
Net revenue after taxation	394	151
Revenue shortfall	184	330
Tax relief on capital management fee rebates	33	39
Total distributions	611	520

Details of the distribution per share are set out in the distribution table on page 37.

8 Debtors

	2019	2018
	£000	£000
Accrued revenue	50	65
Amounts receivable for issue of shares	24	33
Management fee rebates	185	241
Total debtors	259	339

9 Cash and bank balances

	2019	2018
	£000	£000
Amounts held at derivative clearing houses and brokers	265	-
Cash and bank balances	860	54
Total cash and bank balances	1,125	54

10 Cash equivalents

	2019	2018
	£000	£000
Short term investments	27,474	25,579
Total cash equivalents	27,474	25,579

Notes to the financial statements (continued)

11 Other creditors

	2019	2018
	£000	£000
Accrued annual management charge	214	249
Accrued Depository's fee	4	3
Accrued other expenses	34	25
Amounts payable for cancellation of shares	209	341
Total other creditors	461	618

12 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

13 Related party transactions

Henderson Investment Funds Limited as ACD to the fund is deemed to be a related party because it provides key management personnel services to the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 26 and 27 and notes 4, 8, and 11 on pages 29 to 31 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations,
- Annual management charge
- GAC

The ultimate controlling party of Henderson Investment Funds Limited is Janus Henderson Group plc. The transactions associated with Janus Henderson Group plc, its subsidiaries and other funds managed by Henderson Investment Funds Limited are as follows:

- The aggregate value of purchases and sales transactions was nil (2018: £4,429,353) and the balance outstanding at the year end was nil (2018: nil).
- Revenue receivable for the year was £318,691 (2018: £284,141) and the balance outstanding at the year end was nil (2018: nil).
- Management fee rebates receivable for the year was £232,830 (2018: £224,271) and the balance outstanding at the year end was £134,414 (2018: £140,126).
- The aggregate value of investments held at the year end was £19,845,677 (2018: £22,187,484).

There were no material shareholders at the year end (2018: nil).

14 Shareholders' funds

The fund currently has 4 share classes available; Class Y (Retail with exit charges), Class A (Retail with front-end charges), Class B (Institutional) and Class I (Institutional). The annual management charge on each share class is as follows:

	2019	2018
	%	%
Class A	1.50	1.50
Class B	0.75	0.75
Class I	0.75	0.75
Class Y	1.50	1.50

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 18 to 20. The distribution per share class is given in the distribution tables on page 37. All share classes have the same rights on winding up.

Notes to the financial statements (continued)

14 Shareholders' funds (continued)

Shares reconciliation as at 31 January 2019

	Class A accumulation	Class B accumulation	Class I accumulation	Class Y accumulation
Opening number of shares	64,107,529	5,736,881	43,820,767	351,651
Issues during the year	363,520	-	3,443,856	-
Cancellations during the year	(5,529,853)	(281,058)	(4,416,723)	(17,592)
Shares converted during the year	(1,209,617)	-	1,478,652	-
Closing shares in issue	57,731,579	5,455,823	44,326,552	334,059

15 Financial derivatives

The fund may use financial derivatives for the purposes of efficient portfolio management.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

The counterparty exposure has been calculated using the positive marked-to-market value of the derivative contract with that counterparty.

There was no collateral pledged or collateral held in respect of derivatives as at 31 January 2019 (2018: nil).

2019

At 31 January 2019 the underlying exposure for each category of the derivatives held was as follows:

Counterparty	Forward foreign exchange contracts £000	Futures £000	Total by counterparty £000
BNP Paribas	576	-	576
UBS	-	131	131
	576	131	707

2018

At 31 January 2018 the underlying exposure for the derivatives held was as follows:

Counterparty	Forward foreign exchange contracts £000
BNP Paribas	1,765
Société Générale	8
JP Morgan	26
	1,799

Notes to the financial statements (continued)

16 Risk

Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principal foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies.

2019	Investment assets £000	Other net assets £000	Total net assets £000
Currency			
Euro	(9,271)	95	(9,176)
UK sterling	163,345	27,273	190,618
US dollar	31,896	39	31,935
Total	185,970	27,407	213,377

2018	Investment assets including investment liabilities £000	Other net assets £000	Total net assets £000
Currency			
Euro	(13,905)	-	(13,905)
Japanese yen	(7,216)	-	(7,216)
UK sterling	188,277	25,241	213,518
US dollar	43,954	-	43,954
Total	211,110	25,241	236,351

Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £22,759,000 (2018: £22,833,000). A 10% increase in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing the return for the year ended 31 January 2019 and the net assets as at 31 January 2019 by £2,275,900 (2018: £2,283,300). A 10% decrease in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of decreasing the return for the year ended 31 January 2019 and the net assets as at 31 January 2019 by £2,275,900 (2018: £2,283,300).

Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

Leverage

There have been no breaches of the maximum levels during the year, no changes to the maximum level of leverage employed by the fund or to its right of reuse of collateral or any guarantee granted under the leveraging arrangements.

	Gross method		Commitment method	
	Maximum level %	Actual level %	Maximum level %	Actual level %
2019	275	107	175	100
2018	275	112	175	100

Notes to the financial statements (continued)

16 Risk (continued)

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis.

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2019				
Amounts held at derivatives clearing houses and brokers	131	-	-	-
Bank overdrafts	859	-	-	-
Other creditors	-	461	-	-
Total	990	461	-	-
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2018				
Bank overdrafts	113	-	-	-
Derivative financial liabilities	-	164	-	-
Other creditors	-	618	-	-
Total	113	782	-	-

17 Fair value disclosure

Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Fair value hierarchy

	2019		2018	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	17,211	-	18,242	-
Level 2	168,759	-	193,032	164
Level 3	-	-	-	-
	185,970	-	211,274	164

Notes to the financial statements (continued)

18 Direct transaction costs

	Purchases		Sales	
	2019 £000	2018 £000	2019 £000	2018 £000
Trades in the year				
Collective investment schemes	7,531	21,522	23,004	44,773
Equities	7,613	4,702	9,498	6,809
Trades in the year before transaction costs	15,144	26,224	32,502	51,582
Transaction costs				
Commissions				
Collective investment schemes	-	-	-	-
Equities	2	2	3	3
Total commissions	2	2	3	3
Taxes				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
Total taxes	-	-	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
Total other expenses	-	-	-	-
Total transaction costs	2	2	3	3
Total net trades in the year after transaction costs	15,146	26,226	32,499	51,579

	Purchases		Sales	
	2019 %	2018 %	2019 %	2018 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective investment schemes	-	-	-	-
Equities	0.03	0.04	0.03	0.04
Taxes				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
	2019 %	2018 %		
Total transaction costs expressed as a percentage of net asset value				
Commissions	-	-		
Taxes	-	-		
Other expenses	-	-		
Total costs	-	-		

There were no in specie transfers during the year. There were no corporate actions during the year (2018: nil).

There were direct transaction costs associated with derivatives in the year of £1,561 (2018: £1,551) which is 0.00% of the average net asset value of the fund (2018: 0.00%).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

Notes to the financial statements (continued)

18 Direct transaction costs (continued)

The costs of acquiring and disposing of units/shares in other collective investment schemes are included within the expense ratio which is an intrinsic part of the NAV price per unit/share of the underlying fund.

The portfolio dealing spread as at 31 January 2019 was 0.05% (2018: 0.05%). The portfolio dealing spread is calculated at a 12 noon valuation point.

19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Distribution table for the year ended 31 January 2019 (in pence per share)

Final dividend distribution (accounting date 31 January 2019, paid on 31 May 2019)

Group 1 : shares purchased prior to 1 February 2018

Group 2 : shares purchased on or after 1 February 2018

	Distribution per share	Total distribution per share 31/05/19	Total distribution per share 31/05/18
Class A accumulation			
Group 1	-	-	-
Group 2	-	-	-
Class B accumulation			
Group 1	0.9034	0.9034	0.7771
Group 2	0.9034	0.9034	0.7771
Class I accumulation			
Group 1	1.2667	1.2667	1.0850
Group 2	1.2667	1.2667	1.0850
Class Y accumulation			
Group 1	-	-	-
Group 2	-	-	-

Janus Henderson Multi-Manager Managed Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Janus Henderson Multi-Asset Team

Investment objective and policy

To achieve capital growth through exposure to UK and overseas equities and fixed interest securities. The fund may invest in collective investment schemes, exchange traded funds, unregulated collective investment schemes (which include limited partnerships), moneymarket instruments and deposits. Investment will not be confined to any particular sector.

Performance summary

	31 Jan 18 - 31 Jan 19	31 Jan 17 - 31 Jan 18	31 Jan 16 - 31 Jan 17	31 Jan 15 - 31 Jan 16	31 Jan 14 - 31 Jan 15
	%	%	%	%	%
Class A accumulation	(4.4)	8.2	18.6	(3.9)	8.1
IA Mixed Investment 40-85% Shares sector average	(3.0)	9.4	18.3	(3.5)	9.4

Source: Morningstar, Class A, NAV to NAV and net of fees as at 4.00 p.m. valuation point. Benchmark values are at close of business.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Significant portfolio changes for the year ended 31 January 2019

Largest purchases	£000	Largest sales	£000
iShares JPMorgan USD Emerging Markets Bond UCITS ETF	11,761	JO Hambro UK Opportunities Fund B Accumulation	21,412
First State Global Japan Equity III	11,114	LF Morant Wright Nippon Yield Fund	9,607
iShares \$ TIPS UCITS ETF	8,379	Mandarine Unique Small & Mid Caps Europe Fund	8,943
LF Gresham House UK Multi Cap Income Fund Class F Income	6,847	Polar Capital Global Insurance Fund	8,613
Polar Capital UK Value Opportunities Fund	5,810	iShares II USD TIPS UCITS ETF	8,397
iShares Core MSCI EM IMI UCITS ETF	2,268	Janus Henderson Fund Emerging Markets Fund R\$ Accumulation ¹	2,546
AXA US Short Duration High Yield Bond Fund	2,178	Artemis Income Fund	1,907
		ETFS Physical Gold	637
Total purchases	48,357	Total sales	62,062

All purchases and sales are included.

¹ Related party to the fund

Authorised Corporate Director's (ACD) report (continued)

Investment review

The fund fell 4.4% based on Class A accumulation over the period under review, underperforming the IA Mixed Investment 40-85% Shares sector average, which fell by 3.0%.

The year under review was a challenging one for risk assets. After a 2017 that saw almost all equity markets rise, 2018 brought renewed volatility (sharper fluctuations in price) and challenging macroeconomic and geopolitical conditions. As a result, many markets around the world collectively fell.

The portfolio's allocations to UK and European equities struggled the most during the period. Within European ex-UK equities, all of our underlying managers underperformed the broader market's return, and within UK equities, our holding in the Merian UK Alpha Fund was down 5.6%, underperforming the FTSE All Share Index by 1.8%. Other detractors included our holdings in the Janus Henderson Emerging Markets Fund, which lost 10.8%, and the Montlake Dunn WMA Institutional UCITS Fund, which was down 14.9%. Hedging of US dollar foreign exchange risk was also a significant drag throughout most of the reporting period, as sterling, the fund's base currency, suffered from Brexit-related uncertainty and the US dollar remained strong against most major currencies. However, this trend was reversed during January as sterling strengthened and the US dollar weakened.

On the positive side, our allocation to North American equities provided a strong contribution over the period as a whole. Our holding in the Findlay Park American Fund was up 8.9%, outperforming the broader market return. Other positive contributions were received through our holdings in the iShares \$ TIPS UCITS ETF which was up 9.8%, the Janus Henderson Diversified Alternatives Fund which was up 6.2%, the LF Lindsell Train UK Equity Fund which was up 2.8% and ETFS Physical Gold which was up 5.9%.

During the period, we increased our allocation to global bonds by initiating new holdings in the iShares JPMorgan USD Emerging Markets Bond UCITS ETF and the iShares \$ TIPS UCITS ETF. We also added to our position in the AXA US Short Duration High Yield Bond Fund. Within equities, we introduced a new position in the LF Gresham House UK Multi Cap Income Fund, which is a smaller-company focused dividend strategy that complements the rest of our UK equity holdings. Within European ex-UK equities, we fully redeemed our holding in the Mandarine Unique Small & Mid-Caps Europe Fund during October following news that the portfolio managers would be departing the company. The proceeds from this sale were reallocated into Euro Stoxx 50 index futures. Meanwhile, in order to rebalance the investment styles within our Japan equity allocation, we fully redeemed our holding in the LF Morant Wright Nippon Yield Fund, reallocating proceeds into the First State Japan Global Equity Fund. Lastly, following strong market returns during January, we reduced the overall equity allocation by redeeming our holding in the Polar Capital Global Insurance Fund and reducing the S&P 500 Index futures position, reallocating the proceeds into cash.

The bounce in asset prices in January removed some of the risk premia that had been re-introduced by the market declines in the final quarter of 2018. While the bounce has been good for performance, higher valuations leave less room for future returns, especially when uncertainty remains elevated. We have been looking to lock in the rise in asset prices with the expectation that we will see better opportunities as the year progresses. Investors need to remain nimble in such conditions and look to rotate across the multi-asset spectrum as appropriate. This is, of course, harder than usual with government bond yields so low, but flexibility should allow the disciplined investor to outperform.

Comparative tables for the year ended 31 January 2019

	Class A accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	282.35	260.99	220.09
Return before operating charges*	(5.56)	27.74	46.63
Operating charges	(6.39)	(6.38)	(5.73)
Return after operating charges*	(11.95)	21.36	40.90
Distributions on accumulation shares	(0.57)	(0.07)	(1.45)
Retained distributions on accumulation shares	0.57	0.07	1.45
Closing net asset value per share	270.40	282.35	260.99
* after direct transaction costs of:	-	-	0.01

Performance

Return after charges	(4.23%)	8.18%	18.58%
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Other information

Closing net asset value (£000s)	228,547	261,253	258,059
Closing number of shares	84,520,552	92,527,136	98,876,187
Operating charges	2.31%	2.33%	2.36%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	287.80	286.60	264.00
Lowest share price (pence)	259.00	259.80	210.70

	Class A income		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	275.09	254.33	215.68
Return before operating charges*	(5.43)	27.04	45.69
Operating charges	(6.22)	(6.22)	(5.60)
Return after operating charges*	(11.65)	20.82	40.09
Distributions on income shares	(0.55)	(0.06)	(1.44)
Closing net asset value per share	262.89	275.09	254.33
* after direct transaction costs of:	-	-	0.01

Performance

Return after charges	(4.23%)	8.19%	18.59%
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Other information

Closing net asset value (£000s)	4,616	5,024	5,267
Closing number of shares	1,755,721	1,826,393	2,070,931
Operating charges	2.31%	2.33%	2.36%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	280.40	279.20	258.80
Lowest share price (pence)	252.40	253.20	206.60

Comparative tables (continued)

	Class B accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	281.26	259.98	219.24
Return before operating charges*	(5.55)	27.64	46.45
Operating charges	(6.36)	(6.36)	(5.71)
Return after operating charges*	(11.91)	21.28	40.74
Distributions on accumulation shares	(0.57)	(0.06)	(1.44)
Retained distributions on accumulation shares	0.57	0.06	1.44
Closing net asset value per share	269.35	281.26	259.98
* after direct transaction costs of:	-	-	0.01

Performance

Return after charges	(4.23%)	8.19%	18.58%
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Other information

Closing net asset value (£000s)	30,840	34,710	35,398
Closing number of shares	11,449,649	12,340,894	13,615,438
Operating charges	2.31%	2.33%	2.36%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	286.70	285.40	263.00
Lowest share price (pence)	258.00	258.80	209.90

	Class B income		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	274.93	254.19	215.54
Return before operating charges*	(5.42)	27.00	45.66
Operating charges	(6.22)	(6.21)	(5.60)
Return after operating charges*	(11.64)	20.79	40.06
Distributions on income shares	(0.55)	(0.05)	(1.41)
Closing net asset value per share	262.74	274.93	254.19
* after direct transaction costs of:	-	-	0.01

Performance

Return after charges	(4.23%)	8.18%	18.59%
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Other information

Closing net asset value (£000s)	4,016	4,482	4,751
Closing number of shares	1,528,343	1,630,067	1,869,112
Operating charges	2.31%	2.33%	2.36%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	280.20	279.10	258.60
Lowest share price (pence)	252.20	253.00	206.40

Comparative tables (continued)

	Class I accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	146.42	134.24	112.29
Return before operating charges*	(2.89)	14.32	23.87
Operating charges	(2.16)	(2.14)	(1.92)
Return after operating charges*	(5.05)	12.18	21.95
Distributions on accumulation shares	(1.49)	(1.21)	(1.80)
Retained distributions on accumulation shares	1.49	1.21	1.80
Closing net asset value per share	141.37	146.42	134.24
* after direct transaction costs of:	-	-	-

Performance

Return after charges	(3.45%)	9.07%	19.55%
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Other information

Closing net asset value (£000s)	73,476	80,279	77,871
Closing number of shares	51,975,787	54,829,241	58,007,469
Operating charges	1.50%	1.51%	1.54%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	149.90	148.50	135.80
Lowest share price (pence)	135.30	133.60	107.60

	Class Y accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	757.07	696.31	584.26
Return before operating charges*	(14.94)	74.16	124.06
Operating charges	(13.46)	(13.40)	(12.01)
Return after operating charges*	(28.40)	60.76	112.05
Distributions on accumulation shares	(5.41)	(4.02)	(7.25)
Retained distributions on accumulation shares	5.41	4.02	7.25
Closing net asset value per share	728.67	757.07	696.31
* after direct transaction costs of:	0.01	0.01	0.02

Performance

Return after charges	(3.75%)	8.73%	19.18%
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Other information

Closing net asset value (£000s)	17,821	20,260	20,707
Closing number of shares	2,445,784	2,676,144	2,973,866
Operating charges	1.81%	1.83%	1.86%
Direct transaction costs	0.00%	0.00%	0.00%

Prices

Highest share price (pence)	773.60	768.10	704.30
Lowest share price (pence)	697.70	693.10	559.50

Performance values are close of business and on a bid basis and may differ from the performance summary.

Comparative tables (continued)

Operating charges

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

Share class launches and closures

There were no share classes launched or closed in the year.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2019 %	2018 %
Class A	2.31	2.33
Class B	2.31	2.33
Class I	1.50	1.51
Class Y	1.81	1.83

The OCF includes a synthetic element of 0.66% (2018: 0.67%) to incorporate the OCF of underlying funds.

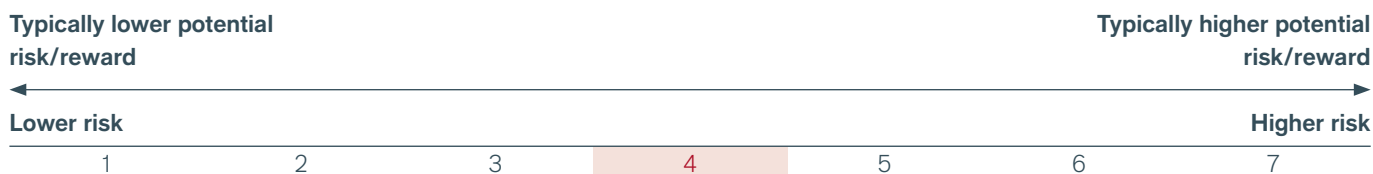
The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

The fund is a non-UCITS fund and we have used this disclosure to enable comparison across our fund range.

Risk and reward profile

The fund currently has 6 types of share: A accumulation, A income, B accumulation, B income, I accumulation and Y accumulation.

The risk and reward profile of each type of share is as follows:



The synthetic risk and reward indicator (SRRI) is calculated based on historical volatility over a rolling 5 year period; it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment in the fund can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The share class appears at 4 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

The full list of the fund's risks are contained in the 'Risk Warnings' section of the fund's prospectus.

There has been no change to the risk ratings in the year.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

This fund is a non-UCITS retail fund and we have adopted this disclosure to enable comparison across fund range.

Portfolio statement as at 31 January 2019

Holding	Investment	Market value £000	Percentage of total net assets %
Alternatives 4.17% (2018: 3.92%)			
5,703,074	Janus Henderson Diversified Alternatives Fund Z Accumulation ¹	7,577	2.11
58,865	MontLake Dunn WMA Institutional UCITS Fund	7,419	2.06
		<u>14,996</u>	<u>4.17</u>
Asia Ex Japan Equity 7.26% (2018: 6.83%)			
6,642,152	Hermes Asia Ex Japan Equity Fund C Accumulation	10,053	2.79
27,575	Schroders International Selection Asian Total Return Fund	9,125	2.54
950,810	Stewart Investors Asia Pacific Leaders Fund	6,926	1.93
		<u>26,104</u>	<u>7.26</u>
Commodities 2.97% (2018: 2.64%)			
111,268	ETFS Physical Gold	10,688	2.97
Emerging Market Bonds 6.05% (2018: 2.43%)			
112,939	BlackRock Emerging Markets Flexi Dynamic Bond Fund	9,802	2.73
145,285	iShares JPMorgan USD Emerging Markets Bond UCITS ETF	11,950	3.32
		<u>21,752</u>	<u>6.05</u>
Europe ex UK Equity 12.64% (2018: 15.19%)			
11,177,158	BlackRock European Dynamic Fund A Accumulation	16,608	4.62
10,038,524	Invesco European Equity Income Fund	12,932	3.60
3,294,914	Janus Henderson European Growth Fund I Accumulation ¹	15,894	4.42
		<u>45,434</u>	<u>12.64</u>
Global Emerging Market Equity 5.67% (2018: 5.44%)			
106,543	iShares Core MSCI EM IMI UCITS ETF	2,273	0.63
846,810	Janus Henderson Emerging Markets Fund R\$ Accumulation ¹	11,486	3.20
8,596,317	JPMorgan UK Emerging Markets Fund Class B Net Income	6,605	1.84
		<u>20,364</u>	<u>5.67</u>
Government Bonds 2.30% (2018: 1.91%)			
2,231,505	iShares \$ TIPS UCITS ETF	8,267	2.30
High Yield Bonds 2.74% (2018: 1.95%)			
10,703,360	AXA US Short Duration High Yield Bond Fund	9,842	2.74
Japan Equity 6.54% (2018: 5.85%)			
867,113	First State Global Japan Equity III	10,659	2.97
7,101,422	MAN GLG Japan Core Alpha Fund	12,825	3.57
		<u>23,484</u>	<u>6.54</u>
North America Equity 13.98% (2018: 11.80%)			
938,536	Fidelity American Special Situations	14,350	3.99
264,380	Findlay Park American Fund	23,044	6.42
69,183	LeggMason ClearBridge US Aggressive Growth Fund	12,842	3.57
		<u>50,236</u>	<u>13.98</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Specialist Equity 0.00% (2018: 2.11%)			
UK Equity 25.54% (2018: 26.01%)			
3,946,851	Artemis Income Fund	8,258	2.30
1,389,461	JO Hambro UK Opportunities Fund B Accumulation	3,702	1.03
4,189,733	Jupiter UK Special Situations Fund I Accumulation	9,798	2.73
6,192,894	LF Gresham House UK Multi Cap Income Fund Class F Income	6,436	1.79
5,681,886	LF Lindsell Train UK Equity Income Fund	16,510	4.59
12,313,251	Majedie UK Equity Fund	21,141	5.89
13,436,000	Old Mutual UK Alpha Fund U1 Accumulation	18,246	5.08
680,866	Polar Capital UK Value Opportunities Fund	7,646	2.13
		91,737	25.54
Derivatives 0.31% (2018: (0.59%))			
Futures 0.02% (2018: (0.06%))			
52	EUX Euro STOXX50 March 2019	55	0.01
20	ICE Long Gilt March 2019	29	0.01
		84	0.02
Forward Foreign Exchange Contracts 0.29% (2018: 0.65%)²			
	Buy GBP 14,959,420 : Sell EUR 16,963,808 February 2019	150	0.04
	Buy GBP 55,957,841 : Sell USD 72,546,423 February 2019	875	0.25
	Buy JPY 124,814 : Sell GBP 882 February 2019 ³	-	-
		1,025	0.29
Investment assets		324,013	90.17
	Other net assets	35,303	9.83
Total net assets		359,316	100.00

¹ Related party to the fund

² Unquoted securities

³ Due to rounding to nearest £1,000

Portfolio statement (continued)

Composition of portfolio

2019	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	289,726	80.63
Total equities	33,178	9.23
Total derivatives	1,109	0.31
Investment assets	324,013	90.17
Other net assets	35,303	9.83
Total net assets	359,316	100.00
2018	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	331,034	81.53
Total equities	18,458	4.55
Total derivatives	2,401	0.59
Investment assets including investment liabilities	351,893	86.67
Other net assets	54,115	13.33
Total net assets	406,008	100.00

The collective investment schemes held are approved regulated collective investment schemes within the meaning of the FCA rules. Exchange traded funds and all other investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Statement of total return for the year ended 31 January 2019

	Note	2019		2018	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(17,163)		31,888
Revenue	3	7,036		6,736	
Expenses	4	(5,620)		(5,954)	
Interest payable and similar charges	5	-		(4)	
Net revenue before taxation		1,416		778	
Taxation	6	-		(6)	
Net revenue after taxation			1,416		772
Total return before distributions			(15,747)		32,660
Distributions	7		(1,473)		(849)
Change in net assets attributable to shareholders from investment activities			(17,220)		31,811

Statement of change in net assets attributable to shareholders

for the year ended 31 January 2019

	2019		2018	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		406,008		402,053
Amounts receivable on issue of shares	1,959		3,696	
Amounts payable on cancellation of shares	(32,886)		(32,399)	
		(30,927)		(28,703)
Change in net assets attributable to shareholders from investment activities		(17,220)		31,811
Retained distributions on accumulation shares		1,455		847
Closing net assets attributable to shareholders		359,316		406,008

Balance sheet as at 31 January 2019

	Note	2019 £000	2018 £000
Assets:			
Investments		324,013	352,377
Current assets:			
Debtors	8	610	756
Cash and bank balances	9	1,322	1,255
Cash equivalents	10	35,464	53,526
Total assets		361,409	407,914
Liabilities:			
Investment liabilities		-	484
Creditors:			
Amounts held at derivative clearing houses and brokers		85	-
Bank overdrafts		1,101	517
Distributions payable		18	2
Other creditors	11	889	903
Total liabilities		2,093	1,906
Net assets attributable to shareholders		359,316	406,008

Notes to the financial statements for the year ended 31 January 2019

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

2 Net capital (losses)/gains

Net capital (losses)/gains on investments during the year comprise:

	2019	2018
	£000	£000
Capital management fee rebates	285	383
Derivative securities*	1,211	(2,359)
Forward currency contracts*	(2,517)	4,887
Non-derivative securities*	(16,267)	29,024
Other currency gains/(losses)	135	(38)
Transaction costs	(10)	(9)
Net capital (losses)/gains	(17,163)	31,888
*The above includes:		
Realised gains	14,695	19,847
Unrealised (losses)/gains	(32,268)	11,705
	(17,573)	31,552

* Where realised gains/(losses) include gains/(losses) arising in previous years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 Revenue

	2019	2018
	£000	£000
Derivative revenue	41	15
Distributions from UK regulated collective investment schemes:		
Franked investment revenue	4,279	4,850
Interest distribution	549	38
Unfranked investment revenue	-	12
Interest on margin	3	-
Management fee rebates	513	561
Overseas dividends*	1,651	1,212
UK REIT revenue - PID	-	48
Total revenue	7,036	6,736

* includes distributions from overseas funds

Notes to the financial statements (continued)

4 Expenses

	2019 £000	2018 £000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	5,084	5,393
GAC*	488	517
	<u>5,572</u>	<u>5,910</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	32	28
Safe custody fees	16	16
	<u>48</u>	<u>44</u>
Total expenses	<u>5,620</u>	<u>5,954</u>

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £10,017 (2018: £9,725).

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2019 £000	2018 £000
Interest payable	-	4
Total interest payable and similar charges	<u>-</u>	<u>4</u>

6 Taxation

a) Analysis of charge in the year

The tax charge comprises:

	2019 £000	2018 £000
Current tax		
UK corporation tax	-	6
Total tax (note 6b)	<u>-</u>	<u>6</u>

Notes to the financial statements (continued)

6 Taxation (continued)

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised open ended investment companies (OEICS) of 20% (2018: 20%). The differences are explained below:

	2019	2018
	£000	£000
Net revenue before taxation	1,416	778
Corporation tax at 20% (2018: 20%)	283	156
Effects of:		
Irrecoverable income tax suffered at source	-	6
Overseas dividends*	(194)	(167)
Tax effect of management fee rebates in capital	57	77
UK dividends**	(856)	(970)
Unused management expenses	710	904
Tax charge for the year (note 6a)	-	6

* Certain overseas dividends are not subject to corporation tax from 1 July 2009 due to changes enacted in the Finance Act 2009.

** As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2018: nil).

d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £5,962,434 (2018: £5,252,245) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

7 Distributions

	2019	2018
	£000	£000
Final income	18	2
Final accumulation	1,455	847
Total distributions	1,473	849
Net revenue after taxation	1,416	772
Tax effect of capitalised management fee rebate	57	77
Total distributions	1,473	849

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

Notes to the financial statements (continued)

8 Debtors

	2019	2018
	£000	£000
Accrued revenue	313	323
Amounts receivable for issue of shares	25	13
Income tax recoverable	2	35
Management fee rebates	270	385
Total debtors	610	756

9 Cash and bank balances

	2019	2018
	£000	£000
Amounts held at derivative clearing houses and brokers	220	869
Cash and bank balances	1,102	386
Total cash and bank balances	1,322	1,255

10 Cash equivalents

	2019	2018
	£000	£000
Short term investments	35,464	53,526
Total cash equivalents	35,464	53,526

11 Other creditors

	2019	2018
	£000	£000
Accrued annual management charge	400	463
Accrued Depositary's fee	5	3
Accrued other expenses	59	46
Amounts payable for cancellation of shares	425	391
Total other creditors	889	903

12 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

Notes to the financial statements (continued)

13 Related party transactions

Henderson Investment Funds Limited as ACD to the fund is deemed to be a related party because it provides key management personnel services to the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 49 and 50 and notes 4, 8, and 11 on pages 52 to 54 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations,
- Annual management charge
- GAC

The ultimate controlling party of Henderson Investment Funds Limited is Janus Henderson Group plc. The transactions associated with Janus Henderson Group plc, its subsidiaries and other funds managed by Henderson Investment Funds Limited are as follows:

- a) The aggregate value of purchases and sales transactions was £2,545,443 (2018: £18,184,424) and the balance outstanding at the year end was nil (2018: nil).
- b) Revenue receivable for the year was £639,050 (2018: £602,082) and the balance outstanding at the year end was nil (2018: nil).
- c) Management fee rebates receivable for the year was £357,099 (2018: £337,333) and the balance outstanding at the year end was £185,109 (2018: £209,772).
- d) The aggregate value of investments held at the year end was £34,957,276 (2018: £40,519,929).

There were no material shareholders at the year end (2018: nil).

14 Shareholders' funds

The fund currently has 4 share classes available; Class Y (Retail with exit charges), Class A (Retail with front-end charges), Class B (Institutional) and Class I (Institutional). The annual management charge on each share class is as follows:

	2019	2018
	%	%
Class A	1.50	1.50
Class B	1.50	1.50
Class I	0.75	0.75
Class Y	1.00	1.00

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 40 to 43. The distribution per share class is given in the distribution tables on page 60. All share classes have the same rights on winding up.

Shares reconciliation as at 31 January 2019

	Class A accumulation	Class A income	Class B accumulation	Class B income
Opening number of shares	92,527,136	1,826,393	12,340,894	1,630,067
Issues during the year	132,500	63,100	6,510	3,325
Cancellations during the year	(6,436,112)	(133,772)	(827,358)	(105,049)
Shares converted during the year	(1,702,972)	-	(70,397)	-
Closing shares in issue	84,520,552	1,755,721	11,449,649	1,528,343
			Class I accumulation	Class Y accumulation
Opening number of shares			54,829,241	2,676,144
Issues during the year			936,952	5,754
Cancellations during the year			(7,373,397)	(199,989)
Shares converted during the year			3,582,991	(36,125)
Closing shares in issue			51,975,787	2,445,784

Notes to the financial statements (continued)

15 Financial derivatives

The fund may use financial derivatives for the purposes of efficient portfolio management.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

The counterparty exposure has been calculated using the positive marked-to-market value of the derivative contract with that counterparty.

There was no collateral pledged or collateral held in respect of derivatives as at 31 January 2019 (2018: nil).

2019

At 31 January 2019 the underlying exposure for each category of derivatives held was as follows:

Counterparty	Forward foreign exchange contracts £000	Futures £000	Total by counterparty £000
BNP Paribas	1,025	-	1,025
UBS	-	84	84
	<u>1,025</u>	<u>84</u>	<u>1,109</u>

2018

At 31 January 2018 the underlying exposure for the derivatives held was as follows:

Counterparty	Forward foreign exchange contracts £000
BNP Paribas	2,819
JP Morgan	66
	<u>2,885</u>

16 Risk

Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principal foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies.

2019	Investment assets £000	Other net assets £000	Total net assets £000
Currency			
Euro	(14,754)	91	(14,663)
Japanese yen	1	-	1
UK sterling	303,527	35,212	338,739
US dollar	35,239	-	35,239
Total	<u>324,013</u>	<u>35,303</u>	<u>359,316</u>
	Investment assets including investment liabilities £000	Other net assets £000	Total net assets £000
2018			
Currency			
Euro	(24,408)	406	(24,002)
Japanese yen	(8,090)	-	(8,090)
UK sterling	356,359	53,709	410,068
US dollar	28,032	-	28,032
Total	<u>351,893</u>	<u>54,115</u>	<u>406,008</u>

Notes to the financial statements (continued)

16 Risk (continued)

Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £20,577,000 (2018: £4,060,000). A 10% increase in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing the return for the year ended 31 January 2019 and the net assets as at 31 January 2019 by £2,057,700 (2018: £406,000). A 10% decrease in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of decreasing the return for the year ended 31 January 2019 and the net assets as at 31 January 2019 by £2,057,700 (2018: £406,000).

Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

Leverage

There have been no breaches of the maximum levels during the year, no changes to the maximum level of leverage employed by the fund or to its right of reuse of collateral or any guarantee granted under the leveraging arrangements.

	Gross method		Commitment method	
	Maximum level	Actual level	Maximum level	Actual level
	%	%	%	%
2019	250	110	175	100
2018	250	112	175	101

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis.

	On demand £000	Within one year £000	Over one year but not more than five years	Over five years
			£000	£000
2019				
Amounts held at derivatives clearing houses and brokers	85	-	-	-
Bank overdrafts	1,101	-	-	-
Distribution payable	-	18	-	-
Other creditors	-	889	-	-
Total	1,186	907	-	-

	On demand £000	Within one year £000	Over one year but not more than five years	Over five years
			£000	£000
2018				
Bank overdrafts	517	-	-	-
Derivative financial liabilities	-	484	-	-
Distribution payable	-	2	-	-
Other creditors	-	903	-	-
Total	517	1,389	-	-

Notes to the financial statements (continued)

17 Fair value disclosure

Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Fair value hierarchy

	2019		2018	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	33,262	-	18,458	218
Level 2	290,751	-	333,919	266
Level 3	-	-	-	-
	324,013	-	352,377	484

18 Direct transaction costs

	Purchases		Sales	
	2019 £000	2018 £000	2019 £000	2018 £000
Trades in the year				
Collective investment schemes	23,772	42,942	53,028	84,879
Equities	24,581	-	9,034	800
Trades in the year before transaction costs	48,353	42,942	62,062	85,679
Transaction costs				
Commissions				
Collective investment schemes	-	-	-	-
Equities	4	-	-	-
Total commissions	4	-	-	-
Taxes				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
Total taxes	-	-	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
Total other expenses	-	-	-	-
Total transaction costs	4	-	-	-
Total net trades in the year after transaction costs	48,357	42,942	62,062	85,679

Notes to the financial statements (continued)

18 Direct transaction costs (continued)

	Purchases		Sales	
	2019 %	2018 %	2019 %	2018 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective investment schemes	-	-	-	-
Equities	0.02	-	-	-
Taxes				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
	2019	2018		
	%	%		
Total transaction costs expressed as a percentage of net asset value				
Commissions	-	-		
Taxes	-	-		
Other expenses	-	-		
Total costs	<u>-</u>	<u>-</u>		

There were no in specie transfers during the year (2018: nil). There were no corporate actions during the year (2018: nil).

There were direct transaction costs associated with derivatives in the year of £2,463 (2018: £4,163) which is 0.00% of the average net asset value of the fund (2018: 0.00%).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The costs of acquiring and disposing of units/shares in other collective investment schemes are included within the expense ratio which is an intrinsic part of the NAV price per unit/share of the underlying fund.

The portfolio dealing spread as at 31 January 2019 was 0.06% (2018: 0.08%). The portfolio dealing spread is calculated at a 12 noon valuation point.

19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Distribution table for the year ended 31 January 2019 (in pence per share)

Final dividend distribution (accounting date 31 January 2019, paid on 31 May 2019)

Group 1 : shares purchased prior to 1 February 2018

Group 2 : shares purchased on or after 1 February 2018

	Distribution per share	Total distribution per share 31/05/19	Total distribution per share 31/05/18
Class A accumulation			
Group 1	0.5722	0.5722	0.0722
Group 2	0.5722	0.5722	0.0722
Class A income			
Group 1	0.5535	0.5535	0.0586
Group 2	0.5535	0.5535	0.0586
Class B accumulation			
Group 1	0.5663	0.5663	0.0625
Group 2	0.5663	0.5663	0.0625
Class B income			
Group 1	0.5549	0.5549	0.0525
Group 2	0.5549	0.5549	0.0525
Class I accumulation			
Group 1	1.4892	1.4892	1.2130
Group 2	1.4892	1.4892	1.2130
Class Y accumulation			
Group 1	5.4052	5.4052	4.0150
Group 2	5.4052	5.4052	4.0150

Janus Henderson Diversified Growth Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Janus Henderson Multi-Asset Team

Investment objective and policy

To achieve long term capital growth with some potential for income returns with lower than equity market volatility. The fund will invest predominantly in regulated collective investment schemes which may in turn invest in transferable securities, money market instruments and deposits. The fund may also invest in unregulated collective investment schemes which may include limited partnerships. Derivatives and forward transactions may be used by the fund for investment purposes to achieve asset allocation and for the purposes of efficient portfolio management. The fund may also invest directly in transferable securities, fixed income securities, money market instruments, deposits, cash and near cash.

Performance summary

	31 Jan 18 - 31 Jan 19	31 Jan 17 - 31 Jan 18	31 Jan 16 - 31 Jan 17	31 Jan 15 - 31 Jan 16	31 Jan 14 - 31 Jan 15
	%	%	%	%	%
Class A accumulation	(2.8)	6.5	9.5	(3.0)	5.7
3 Month Libor	0.7	0.4	0.5	0.6	0.5

Source: Morningstar, Class A, NAV to NAV and net of fees as at 4.00 p.m. valuation point. Benchmark values are at close of business.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Significant portfolio changes for the year ended 31 January 2019

Largest purchases	£000	Largest sales	£000
iShares USD Corporate Bond UCITS ETF	10,495	Absolute Insight Emerging Market Debt Fund Accumulation	8,595
iShares \$ TIPS UCITS ETF	9,182	iShares II USD TIPS UCITS ETF	7,812
iShares JPMorgan USD Emerging Markets Bond UCITS ETF	8,300	UK Treasury 0.125% Index-Linked 22/03/2026	6,352
L & G Longer Dated All Commodities UCITS ETF	7,751	Janus Henderson Secured Loans Fund Class Z Gross Accumulation ¹	6,228
ETFS Metal Securities Australia - Physical Gold	6,233	Source Bloomberg Commodity UCITS ETF	6,114
UK Treasury 0.125% Index-Linked 22/03/2026	6,177	UK Treasury 1.875% Index-Linked 22/11/2022	5,291
iShares Core MSCI EM IMI UCITS ETF	5,421	LF Morant Wright Nippon Yield Fund	3,032
Janus Henderson Horizon Euro High Yield Bond Fund Z2 Accumulation ¹	5,319	Janus Henderson Horizon Global High Yield Bond Fund Z2 Accumulation ¹	2,601
The PRS REIT	3,651	Janus Henderson Fund Emerging Markets Fund R\$ Accumulation ¹	2,583
UK Treasury 1.875% Index-Linked 22/11/2022	3,215	Acadian Emerging Markets Managed Volatility Equity UCITS	2,511
Total purchases	70,472	Total sales	63,910

¹ Related party to the fund

Investment review

The fund fell 2.8% based on Class A accumulation in comparison to the 3 month Libor return of 0.7%, over the year, with a realised volatility (sharper fluctuations in prices) that continued to be significantly below global equities.

The year to the end of January 2019 were characterised by the return of volatility to global financial assets as expectations of moderating growth, rising US interest rates and political tensions created greater uncertainty for investors.

The US continued to drive global growth as it benefited from the effects of fiscal stimulus. Regions with exposure to US-China trade tensions, such as emerging markets, Japan and Europe, saw a negative impact on growth. Europe was further impacted by political risks and uncertainty across the eurozone and the UK. Emerging markets struggled with a strengthening dollar in light of higher US interest rates and associated rising borrowing costs. The change from a supportive environment of quantitative easing (central bank liquidity measures) to one of gradual liquidity withdrawal also influenced both equities and bonds throughout the 12 months, most acutely in February and December. A reversal in tone from the US Federal Reserve helped financial assets to rally strongly in January 2019.

Overall, fund performance was significantly affected by the decline in risk assets over the last quarter of 2018. Equities were therefore the most significant drag on returns. Japanese equities were the most significant detractor, followed by Europe, the UK and emerging market stocks. Hedging of US dollar foreign exchange risk was also a significant detractor, as the dollar remained strong against most major currencies and sterling declined due to uncertainty around the UK's exit from the European Union. Holdings in fixed income positively contributed to returns, largely driven by positions in sovereign bonds. Holdings in US and global equities were also good performers and alternative assets further helped offset some of the losses. BH Macro was the top individual contributor, followed by positions in US inflation-protected Treasuries and global minimum volatility stocks. The largest detractor over the period was a position in the Montlake Dunn WMA Institutional UCITS Fund systematic strategy.

In fixed income, the allocation to corporate bonds was reduced through lower holdings in high yield debt and loans, as concerns increased about future liquidity problems and high valuations in the asset class. Government bonds were switched from nominal to their inflation-protected counterparts due to building inflationary pressures. Duration (a measure of interest rate sensitivity) was also shortened across fixed income holdings to protect against rising interest rates. Emerging market bonds were increased around halfway through the period, as dollar-denominated debt was seen to offer better yields given the credit quality compared to developed market corporate bonds.

The total weight in equities was slightly increased relative to the start of the period. Changes in positioning were driven by the deployment of cash into risk assets as valuations became more attractive following market corrections. Cash had been raised in January 2019 as it was felt that investors had become overly optimistic about future prospects for companies. In the first half of the period, additions were mainly targeted at developed markets, such as the UK and the US, through the use of futures. In the second half of the period, small additions were made to reverse previous withdrawals in European equities, and the allocation to emerging markets was also slightly increased on the back of improving valuations and an improving macroeconomic backdrop for the asset class.

The holdings in alternative assets were slightly up over the period. There was a small increase in broad commodities owing to their diversification benefits against rising inflation. Gold was a significant new addition in the latter half of the period as a hedge against market volatility. Cash was significantly reduced over the period as the return of volatility to the markets provided attractive opportunities to deploy cash in areas that previously had unattractively high valuations.

The bounce in asset prices in January has removed some of the risk premia that had been re-introduced by the market declines in the final quarter of 2018. While the bounce has been good for performance, higher valuations leave less room for future returns, especially when uncertainty remains elevated. We have been looking to lock in the rise in asset prices with the expectation that we will see better opportunities as the year progresses. Investors need to remain nimble in such conditions and look to rotate across the multi-asset spectrum as appropriate. This is, of course, harder than usual with government bond yields so low (prices move inversely to yields), but flexibility should allow the disciplined investor to outperform.

Comparative tables for the year ended 31 January 2019

	Class A accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	63.33	59.60	54.38
Return before operating charges*	(0.41)	4.91	6.30
Operating charges	(1.20)	(1.18)	(1.08)
Return after operating charges*	(1.61)	3.73	5.22
Distributions on accumulation shares	(1.18)	(0.07)	(0.27)
Retained distributions on accumulation shares	1.18	0.07	0.27
Closing net asset value per share	61.72	63.33	59.60
* after direct transaction costs of:	0.01	0.02	0.01
Performance			
Return after charges	(2.54%)	6.26%	9.60%
Other information			
Closing net asset value (£000s)	99	5,295	4,949
Closing number of shares	161,147	8,360,660	8,303,246
Operating charges	1.90%	1.91%	1.88%
Direct transaction costs	0.01%	0.03%	0.02%
Prices			
Highest share price (pence)	64.09	64.05	60.47
Lowest share price (pence)	59.87	59.46	52.88

	Class K accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	1,302.31	1,227.57	1,123.18
Return before operating charges*	(8.92)	101.45	130.39
Operating charges	(21.83)	(21.75)	(20.04)
Operating charges - Performance fees	(0.77)	(4.96)	(5.96)
Return after operating charges*	(31.52)	74.74	104.39
Distributions on accumulation shares	(7.10)	-	(2.46)
Retained distributions on accumulation shares	7.10	-	2.46
Closing net asset value per share	1,270.79	1,302.31	1,227.57
* after direct transaction costs of:	0.12	0.34	0.29
Performance			
Return after charges	(2.42%)	6.09%	9.29%
Other information			
Closing net asset value (£000s)	339	368	318
Closing number of shares	26,653	28,245	25,914
Operating charges	1.70%	1.71%	1.68%
Operating charges - Performance fees	0.06%	0.39%	0.50%
Direct transaction costs	0.01%	0.03%	0.02%
Prices			
Highest share price (pence)	1,318.00	1,315.00	1,244.00
Lowest share price (pence)	1,233.00	1,225.00	1,092.00

Comparative tables (continued)

	Class W accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	121.79	113.67	102.82
Return before operating charges*	(0.97)	9.20	11.81
Operating charges	(1.07)	(1.08)	(0.96)
Return after operating charges*	(2.04)	8.12	10.85
Distributions on accumulation shares	(1.61)	(1.16)	(1.45)
Retained distributions on accumulation shares	1.61	1.16	1.45
Closing net asset value per share	119.75	121.79	113.67
* after direct transaction costs of:	0.01	0.03	0.03

Performance

Return after charges	(1.68%)	7.14%	10.55%
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Other information

Closing net asset value (£000s)	2	2	2
Closing number of shares	1,500	1,500	1,500
Operating charges	0.89%	0.91%	0.88%
Direct transaction costs	0.01%	0.03%	0.02%

Prices

Highest share price (pence)	123.80	123.20	115.30
Lowest share price (pence)	116.10	113.40	100.10

	Class Y accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	134.66	125.67	113.70
Return before operating charges*	(1.20)	10.12	12.97
Operating charges	(1.13)	(1.13)	(1.00)
Return after operating charges*	(2.33)	8.99	11.97
Distributions on accumulation shares	(1.76)	(1.36)	(1.62)
Retained distributions on accumulation shares	1.76	1.36	1.62
Closing net asset value per share	132.33	134.66	125.67
* after direct transaction costs of:	0.01	0.04	0.03

Performance

Return after charges	(1.73%)	7.15%	10.53%
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Other information

Closing net asset value (£000s)	24,619	27,497	29,370
Closing number of shares	18,604,160	20,420,116	23,370,788
Operating charges	0.85%	0.86%	0.83%
Direct transaction costs	0.01%	0.03%	0.02%

Prices

Highest share price (pence)	136.90	136.10	127.50
Lowest share price (pence)	128.30	125.40	110.50

Comparative tables (continued)

	Class Z accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	138.69	128.96	116.26
Return before operating charges*	(1.35)	10.28	13.17
Operating charges	(0.55)	(0.55)	(0.47)
Return after operating charges*	(1.90)	9.73	12.70
Distributions on accumulation shares	(2.33)	(1.81)	(2.21)
Retained distributions on accumulation shares	2.33	1.81	2.21
Closing net asset value per share	136.79	138.69	128.96
* after direct transaction costs of:	0.01	0.04	0.03

Performance

Return after charges	(1.37%)	7.54%	10.92%
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Other information

Closing net asset value (£000s)	185,190	210,553	189,218
Closing number of shares	135,386,297	151,815,016	146,720,836
Operating charges	0.40%	0.41%	0.38%
Direct transaction costs	0.01%	0.03%	0.02%

Prices

Highest share price (pence)	141.20	140.20	130.80
Lowest share price (pence)	132.50	128.70	113.00

Class K Euro hedged accumulation

	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	1,099.43	1,024.01	839.51
Return before operating charges*	(24.70)	96.52	203.36
Operating charges	(18.52)	(18.50)	(16.08)
Operating charges - Performance fees	(0.11)	(2.60)	(2.78)
Return after operating charges*	(43.33)	75.42	184.50
Distributions on accumulation shares	(6.33)	(0.99)	(4.24)
Retained distributions on accumulation shares	6.33	0.99	4.24
Closing net asset value per share	1,056.10	1,099.43	1,024.01
* after direct transaction costs of:	0.10	0.29	0.23

Performance

Return after charges	(3.94%)	7.37%	21.98%
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Other information

Closing net asset value (£000s)	181	190	160
Closing number of shares	17,157	17,252	15,662
Operating charges	1.70%	1.71%	1.68%
Operating charges - Performance fees	0.01%	0.24%	0.29%
Direct transaction costs	0.01%	0.03%	0.02%

Prices

Highest share price (Euro cents)	1,263.51	1,267.51	1,209.55
Lowest share price (Euro cents)	1,176.06	1,189.12	1,070.20

Comparative tables (continued)

	Class K US Dollar hedged accumulation		
	2019	2018	2017
	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share			
Opening net asset value per share	911.63	963.69	780.60
Return before operating charges*	81.56	(29.36)	202.44
Operating charges	(16.46)	(16.59)	(14.71)
Operating charges - Performance fees	(1.45)	(6.11)	(4.64)
Return after operating charges*	63.65	(52.06)	183.09
Distributions on accumulation shares	(4.12)	-	(2.26)
Retained distributions on accumulation shares	4.12	-	2.26
Closing net asset value per share	975.28	911.63	963.69
* after direct transaction costs of:	0.09	0.26	0.21
Performance			
Return after charges	6.98%	(5.40%)	23.46%
Other information			
Closing net asset value (£000s)	257	276	382
Closing number of shares	26,410	30,311	39,675
Operating charges	1.70%	1.71%	1.68%
Operating charges - Performance fees	0.15%	0.63%	0.53%
Direct transaction costs	0.01%	0.03%	0.02%
Prices			
Highest share price (USD cents)	1,320.41	1,308.76	1,228.79
Lowest share price (USD cents)	1,241.69	1,209.36	1,076.05

Performance values are close of business and on a bid basis and may differ from the performance summary.

Operating charges

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

Share class launches and closures

There were no share classes launched or closed in the year.

Hedged share classes

Class K Euro hedged accumulation and Class K US Dollar hedged accumulation are hedged share classes. Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in those classes and Sterling which is the base currency of the fund.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2019 excluding performance fees %	2019 including performance fees %	2018 excluding performance fees %	2018 including performance fees %
Class A	1.90	n/a ¹	1.91	n/a ¹
Class K	1.70	1.76	1.71	2.10
Class W²	0.89	n/a ¹	0.91	n/a ¹
Class Y	0.85	n/a ¹	0.86	n/a ¹
Class Z	0.40	n/a ¹	0.41	n/a ¹
Class K Euro hedged	1.70	1.71	1.71	1.95
Class K US Dollar hedged	1.70	1.85	1.71	2.34

The OCF includes a synthetic element of 0.31% (2018: 0.32%) to incorporate the OCF of underlying funds.

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

The fund is a non-UCITS fund and we have used this disclosure to enable comparison across our fund range.

¹ Class A, Class W, Class Y and Class Z do not incur performance fees.

² The AMC on W accumulation changed from 0.50% to 0.55% on 14 February 2019.

Risk and reward profile

The fund had 7 types of share class in issue during the year: A accumulation, K accumulation, W accumulation, Y accumulation, Z accumulation, K Euro hedged accumulation and K US Dollar hedged accumulation.

The risk and reward profile of each type of share is as follows:



The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5 year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment in the fund can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The share class appears at 3 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

The full list of the fund's risks are contained in the 'Risk Warnings' section of the fund's prospectus.

There has been no changes to the risk ratings in the year.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

The fund is a non-UCITS retail fund and we have adopted this disclosure to enable comparison across fund range.

Portfolio statement as at 31 January 2019

Holding	Investment	Market value £000	Percentage of total net assets %
Alternatives 9.88% (2018: 3.03%)			
70,036	ETFS Metal Securities Australia 0.00% Physical Gold	6,720	3.19
692,965	L & G Longer Dated All Commodities UCITS ETF	7,384	3.51
53,199	MontLake Dunn WMA Institutional UCITS Fund	6,705	3.18
		<u>20,809</u>	<u>9.88</u>
Asia ex Japan Equity 2.60% (2018: 2.47%)			
751,178	Stewart Investors Asia Pacific Leaders Fund	<u>5,472</u>	<u>2.60</u>
Commodities 0.00% (2018: 2.55%)			
Corporate Bonds 19.16% (2018: 14.50%)			
5,114,760	AXA US Short Duration High Yield Bond Fund ZI Gross Accumulation	7,181	3.41
124,150	iShares USD Corporate Bond UCITS ETF	10,562	5.01
2,008,030	Janus Henderson All Stocks Credit Fund Z Accumulation ¹	4,860	2.31
54,818	Janus Henderson Horizon Euro High Yield Bond Fund Z2 Accumulation ¹	5,256	2.49
27,988	Janus Henderson Horizon Global High Yield Bond Fund Z2 Accumulation ¹	3,674	1.74
72,671	Janus Henderson Horizon Total Return Bond Fund Z2 Accumulation ¹	8,852	4.20
		<u>40,385</u>	<u>19.16</u>
Emerging Market Debt 3.34% (2018: 3.12%)			
81,012	BlackRock Emerging Markets Flexi Dynamic Bond Fund	<u>7,031</u>	<u>3.34</u>
Europe ex UK Equity 6.02% (2018: 7.39%)			
416,248	Janus Henderson European Selected Opportunities Fund I Accumulation ¹	7,006	3.32
3,211,878	Montanaro European Income Fund Sterling Distribution	5,688	2.70
		<u>12,694</u>	<u>6.02</u>
Global Emerging Market Equity 9.34% (2018: 8.00%)			
658,856	Acadian Emerging Markets Managed Volatility Equity UCITS	6,782	3.22
238,347	iShares Core MSCI EM IMI UCITS ETF	5,084	2.41
576,390	Janus Henderson Emerging Markets Fund R\$ Accumulation ¹	7,818	3.71
		<u>19,684</u>	<u>9.34</u>
Government Bonds 11.86% (2018: 10.77%)			
2,348,543	iShares \$ TIPS UCITS ETF	8,701	4.13
102,753	iShares JPMorgan USD Emerging Markets Bond UCITS ETF	8,452	4.01
GBP 4,860,234	UK Treasury 1.875% Index-Linked 22/11/2022	7,841	3.72
		<u>24,994</u>	<u>11.86</u>
Japanese Equities 5.01% (2018: 6.10%)			
428,726	First State Global Japan Equity III	5,270	2.50
1,263,835	LF Morant Wright Nippon Yield Fund	5,278	2.51
		<u>10,548</u>	<u>5.01</u>
North America Equity 4.20% (2018: 2.96%)			
227,149	Vanguard S&P 500 ETF	<u>8,849</u>	<u>4.20</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Property 4.68% (2018: 3.07%)		
2,425,275	Janus Henderson UK Property PAIF Z Accumulation ¹	3,080	1.46
6,966,022	The PRS REIT	6,771	3.22
		<u>9,851</u>	<u>4.68</u>
	UK Equities 13.66% (2018: 11.86%)		
238,368	BH Macro	5,876	2.79
232,578	iShares MSCI World Minimum Volatility	7,910	3.76
2,646,614	Janus Henderson Institutional High Alpha UK Equity Fund Z Accumulation ¹	7,168	3.40
696,017	Polar Capital UK Value Opportunities Fund	7,816	3.71
		<u>28,770</u>	<u>13.66</u>
	Derivatives 0.49% (2018: (0.30%))		
	Futures 0.09% (2018: (0.07%))		
41	CME S&P 500 E-mini March 2019	233	0.11
41	OSE TOPIX Index March 2019	(46)	(0.02)
		<u>187</u>	<u>0.09</u>
	Forward Foreign Exchange Contracts 0.40% (2018: 0.37%)²		
	Buy GBP 13,607,969 : Sell EUR 15,431,277 February 2019	137	0.06
	Buy GBP 49,471,826 : Sell USD 64,137,642 February 2019	772	0.36
	Buy JPY 656,028,198 : Sell GBP 4,633,670 February 2019	(48)	(0.02)
		<u>861</u>	<u>0.40</u>
	Forward Foreign Exchange Contracts (Hedged share classes) 0.00% (2018: 0.00%)²		
	Buy EUR 207,522 : Sell GBP 185,286 February 2019	(4)	-
	Buy GBP 1,918 : Sell EUR 2,149 February 2019 ³	-	-
	Buy GBP 5,062 : Sell USD 6,526 February 2019 ³	-	-
	Buy USD 342,010 : Sell GBP 265,295 February 2019	(6)	-
		<u>(10)</u>	<u>-</u>
	Investment assets including investment liabilities	190,125	90.24
	Other net assets	20,562	9.76
	Total net assets	210,687	100.00

¹ Related party to the fund

² Unquoted securities

³ Due to rounding to nearest £1,000

Portfolio statement (continued)

Composition of portfolio

2019	Market value £000	Percentage of total net assets %
Investments		
Total bonds	7,842	3.72
Total collective investment schemes	104,937	49.81
Total equities	76,308	36.22
Total derivatives	1,038	0.49
Investment assets including investment liabilities	190,125	90.24
Other net assets	20,562	9.76
Total net assets	210,687	100.00
2018	Market value £000	Percentage of total net assets %
Investments		
Total bonds	9,890	4.05
Total collective investment schemes	138,927	56.90
Total equities	36,322	14.87
Total derivatives	739	0.30
Investment assets including investment liabilities	185,878	76.12
Other net assets	58,303	23.88
Total net assets	244,181	100.00

The collective investment schemes held are approved regulated collective investment schemes within the meaning of the FCA rules. Exchange traded funds and all other investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Statement of total return for the year ended 31 January 2019

	Note	2019		2018	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(6,772)		14,639
Revenue	3	4,247		3,893	
Expenses	4	(376)		(441)	
Interest payable and similar charges	5	-		(3)	
Net revenue before taxation		3,871		3,449	
Taxation	6	(396)		(423)	
Net revenue after taxation			3,475		3,026
Total return before distributions			(3,297)		17,665
Distributions	7		(3,489)		(3,027)
Change in net assets attributable to shareholders from investment activities			(6,786)		14,638

Statement of change in net assets attributable to shareholders

for the year ended 31 January 2019

	2019		2018	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		244,181		224,399
Amounts receivable on issue of shares	8,321		70,498	
Amounts payable on cancellation of shares	(38,518)		(68,381)	
		(30,197)		2,117
Change in net assets attributable to shareholders from investment activities		(6,786)		14,638
Retained distributions on accumulation shares		3,489		3,027
Closing net assets attributable to shareholders		210,687		244,181

Balance sheet for the year ended 31 January 2019

	Note	2019 £000	2018 £000
Assets:			
Investments		190,229	186,152
Current assets:			
Debtors	8	3,433	5,713
Cash and bank balances	9	3,095	3,849
Cash equivalents	10	21,428	55,016
Total assets		218,185	250,730
Liabilities:			
Investment liabilities		104	274
Creditors:			
Amounts held at derivative clearing houses and brokers		232	153
Bank overdrafts		2,565	3,030
Other creditors	11	4,597	3,092
Total liabilities		7,498	6,549
Net assets attributable to shareholders		210,687	244,181

Notes to the financial statements for the year ended 31 January 2019

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

2 Net capital (losses)/gains

Net capital (losses)/gains on investments during the year comprise:

	2019	2018
	£000	£000
Capital management fee rebates	68	75
Derivative securities*	(590)	3,181
Forward currency contracts*	(1,046)	2,058
Forward currency contracts on hedged share classes*	21	(33)
Non-derivative securities*	(5,165)	9,239
Other currency (losses)/gains	(51)	128
Transaction costs	(9)	(9)
Net capital (losses)/gains	(6,772)	14,639
*The above includes:		
Realised gains	790	14,227
Unrealised (losses)/gains	(7,570)	218
	(6,780)	14,445

* Where realised gains/(losses) include gains/(losses) arising in previous years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 Revenue

	2019	2018
	£000	£000
Bank interest	1	-
Derivative revenue	22	1
Distributions from UK regulated collective investment schemes:		
Franked investment revenue	750	762
Interest distribution	591	739
Interest on debt securities	(17)	106
Interest on margin	4	-
Management fee rebates	238	267
Overseas dividends*	2,159	1,901
UK REIT revenue - PID	197	117
UK REIT revenue - non PID	302	-
Total revenue	4,247	3,893

* includes distributions from overseas funds

Notes to the financial statements (continued)

4 Expenses

	2019 £000	2018 £000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	179	222
GAC*	168	184
Performance fees	1	4
	<u>348</u>	<u>410</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	19	22
Safe custody fees	9	9
	<u>28</u>	<u>31</u>
Total expenses	<u>376</u>	<u>441</u>

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £12,426 (2018: £12,064).

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2019 £000	2018 £000
Interest payable	-	3
Total interest payable and similar charges	<u>-</u>	<u>3</u>

6 Taxation

(a) Analysis of charge in the year

The tax charge comprises:

	2019 £000	2018 £000
Current tax		
UK corporation tax	396	423
Total tax (note 6b)	<u>396</u>	<u>423</u>

Notes to the financial statements (continued)

6 Taxation (continued)

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised open ended investment companies (OEICS) of 20% (2018: 20%). The differences are explained below:

	2019	2018
	£000	£000
Net revenue before taxation	3,871	3,449
Corporation tax at 20% (2018: 20%)	774	690
Effects of:		
Overseas dividends*	(128)	(92)
Relief for indexation movements on index-linked gilts	(54)	(36)
Tax effect of management fee rebates in capital	14	14
UK dividends**	(210)	(153)
Tax charge for the year (note 6a)	396	423

* Certain overseas dividends are not subject to corporation tax from 1 July 2009 due to changes enacted in the Finance Act 2009.

** As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2018: nil).

d) Factors that may affect future tax charges

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

7 Distributions

	2019	2018
	£000	£000
Final accumulation	3,489	3,027
Total distributions	3,489	3,027
Net revenue after taxation	3,475	3,026
Revenue shortfall	-	1
Tax effect of income taken to capital	14	-
Total distributions	3,489	3,027

Details of the distribution per share are set out in the distribution table on page 84.

8 Debtors

	2019	2018
	£000	£000
Accrued revenue	42	53
Currency transactions awaiting settlement	2,124	2,600
Management fee rebates	140	162
Sales awaiting settlement	1,127	2,898
Total debtors	3,433	5,713

Notes to the financial statements (continued)

9 Cash and bank balances

	2019 £000	2018 £000
Amounts held at derivative clearing houses and brokers	529	819
Cash and bank balances	2,566	3,030
Total cash and bank balances	3,095	3,849

10 Cash equivalents

	2019 £000	2018 £000
Short term investments	21,428	55,016
Total cash equivalents	21,428	55,016

11 Other creditors

	2019 £000	2018 £000
Accrued annual management charge	10	18
Accrued Depositary's fee	3	3
Accrued other expenses	29	21
Amounts payable for cancellation of shares	17	243
Corporation tax payable	283	216
Currency transactions awaiting settlement	2,131	2,589
Income tax payable	-	2
Purchases awaiting settlement	2,124	-
Total other creditors	4,597	3,092

12 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

13 Related party transactions

Henderson Investment Funds Limited as ACD to the fund is deemed to be a related party because it provides key management personnel services to the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 72 and 73 and notes 4, 8 and 11 on pages 75 to 77 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations,
- Annual management charge
- GAC

The ultimate controlling party of Henderson Investment Funds Limited is Janus Henderson Group plc. The transactions associated with Janus Henderson Group plc, its subsidiaries and other funds managed by Henderson Investment Funds Limited are as follows:

- The aggregate value of purchases and sales transactions was £23,109,421 (2018: £17,791,035) and the balance outstanding at the year end was nil (2018: nil).
- Revenue receivable for the year was £1,558,102 (2018: £1,332,014) and the balance outstanding at the year end was nil (2018: nil).
- Management fee rebates receivable for the year was £228,904 (2018: £313,118) and the balance outstanding at the year end was £118,181 (2018: £162,036).
- The aggregate value of investments held at the year end was £47,713,154 (2018: £62,330,397).

HSBC Global Custody Nominees (UK) Ltd, as a material shareholder, is a related party holding shares comprising 82.87% of the total net assets of the fund as at the year end (2018: 81.63%).

Notes to the financial statements (continued)

14 Shareholders' funds

The fund currently has 5 share classes available; Class A (Retail with exit charges), Class K, Class Y (Retail with front-end charges), Class W (Institutional) and Class Z (Institutional). The annual management charge on each share class is as follows:

	2019	2018
	%	%
Class A	1.50	1.50
Class K	1.30	1.30
Class W	0.50	0.50
Class Y	0.45	0.45
Class Z*	0.00	0.00

* Charges for managing Z class shares are levied outside the fund and are agreed between the ACD and investors.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 63 to 66. The distribution per share class is given in the distribution table on page 84. All share classes have the same rights on winding up.

Shares reconciliation as at 31 January 2019

	Class A accumulation	Class K accumulation	Class W accumulation	Class Y accumulation
Opening number of shares	8,360,660	28,245	1,500	20,420,116
Issues during the year	176,530	1,489	-	185,946
Cancellations during the year	(8,376,043)	(3,081)	-	(3,779,724)
Shares converted during the year	-	-	-	1,777,822
Closing shares in issue	161,147	26,653	1,500	18,604,160

	Class Z accumulation	Class K Euro hedged accumulation	Class K US Dollar hedged accumulation
Opening number of shares	151,815,016	17,252	30,311
Issues during the year	5,739,071	-	4,583
Cancellations during the year	(20,444,672)	(95)	(8,484)
Shares converted during the year	(1,723,118)	-	-
Closing shares in issue	135,386,297	17,157	26,410

Notes to the financial statements (continued)

15 Financial derivatives

The fund may use financial derivatives for the purposes of efficient portfolio management, hedging and for the purposes of achieving the investment objective of the fund.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

The counterparty exposure has been calculated using the positive marked-to-market value of the derivative contract with that counterparty.

There was no collateral pledged or collateral held in respect of derivatives as at 31 January 2019 (2018: nil).

2019

At 31 January 2019 the underlying exposure for each category of derivatives was as follows:

Counterparty	Forward foreign exchange contracts £000	Futures £000	Total by counterparty £000
BNP Paribas	909	-	909
UBS	-	233	233
	909	233	1,142

2018

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

Counterparty	Forward foreign exchange contracts £000	Futures £000	Total by counterparty £000
BNP Paribas	793	-	793
Goldman Sachs	134	-	134
UBS	-	86	86
	927	86	1,013

16 Risk

Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principal foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies.

	Investment assets including investment liabilities £000	Other net assets £000	Total net assets £000
2019			
Currency			
Euro	(8,035)	-	(8,035)
Japanese yen	4,539	243	4,782
UK sterling	151,270	20,265	171,535
US dollar	42,351	54	42,405
Total	190,125	20,562	210,687

Notes to the financial statements (continued)

16 Risk (continued)

Currency risk (continued)

2018	Investment assets including investment	Other net assets	Total net assets
	liabilities		
Currency	£000	£000	£000
Euro	(4,013)	-	(4,013)
Japanese yen	(2,425)	23	(2,402)
UK sterling	157,671	58,280	215,951
US dollar	34,645	-	34,645
Total	185,878	58,303	244,181

Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £39,152,000 (2018: £28,230,000). A 10% increase in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing the return for the year ended 31 January 2019 and the net assets as at 31 January 2019 by £3,915,000 (2018: £2,823,000). A 10% decrease in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of decreasing the return for the year ended 31 January 2019 and the net assets as at 31 January 2019 by £3,915,000 (2018: £2,823,000).

Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

Leverage

There have been no breaches of the maximum levels during the year, no changes to the maximum level of leverage employed by the fund or to its right of reuse of collateral or any guarantee granted under the leveraging arrangements.

	Gross method		Commitment method	
	Maximum level	Actual level	Maximum level	Actual level
	%	%	%	%
2019	275	128	175	103
2018	275	100	175	103

Notes to the financial statements (continued)

16 Risk (continued)

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis.

2019	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
Amounts held at derivatives clearing houses and brokers	232	-	-	-
Bank overdrafts	2,565	-	-	-
Derivative financial liabilities	-	104	-	-
Other creditors	-	4,597	-	-
Total	2,797	4,701	-	-

2018	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
Amounts held at derivatives clearing houses and brokers	153	-	-	-
Bank overdrafts	3,030	-	-	-
Derivative financial liabilities	-	274	-	-
Other creditors	-	3,092	-	-
Total	3,183	3,366	-	-

17 Fair value disclosure

Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Notes to the financial statements (continued)

17 Fair value disclosure (continued)

Fair value hierarchy

	2019		2018	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	84,383*	46	46,297*	263
Level 2	105,846	58	139,855	11
Level 3	-	-	-	-
	<u>190,229</u>	<u>104</u>	<u>186,152</u>	<u>274</u>

* Debt securities included in the highest fair value hierarchy level, where their valuation is determined to be sufficiently close to a binding quoted price, amount to £7,841,471 for assets as at 31 January 2019 (2018: £9,890,278).

18 Direct transaction costs

	Purchases		Sales	
	2019 £000	2018 £000	2019 £000	2018 £000
Trades in the year				
Collective investment schemes	8,543	52,405	43,050	35,450
Debt securities	9,392	10,106	11,643	8,730
Equities	<u>52,522</u>	<u>34,066</u>	<u>9,219</u>	<u>50,544</u>
Trades in the year before transaction costs	<u>70,457</u>	<u>96,577</u>	<u>63,912</u>	<u>94,724</u>
Transaction costs				
Commissions				
Collective investment schemes	-	5	2	4
Debt securities	-	-	-	-
Equities	<u>13</u>	<u>15</u>	<u>-</u>	<u>28</u>
Total commissions	<u>13</u>	<u>20</u>	<u>2</u>	<u>32</u>
Taxes				
Collective investment schemes	-	-	-	-
Debt securities	-	-	-	-
Equities	<u>2</u>	<u>7</u>	<u>-</u>	<u>-</u>
Total taxes	<u>2</u>	<u>7</u>	<u>-</u>	<u>-</u>
Other expenses				
Collective investment schemes	-	-	-	-
Debt securities	-	-	-	-
Equities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total transaction costs	<u>15</u>	<u>27</u>	<u>2</u>	<u>32</u>
Total net trades in the year after transaction costs	<u>70,472</u>	<u>96,604</u>	<u>63,910</u>	<u>94,692</u>

Notes to the financial statements (continued)

18 Direct transaction costs (continued)

	Purchases		Sales	
	2019 %	2018 %	2019 %	2018 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective investment schemes	-	0.01	-	0.01
Debt securities	-	-	-	-
Equities	0.02	0.04	-	0.06
Taxes				
Collective investment schemes	-	-	-	-
Debt securities	-	-	-	-
Equities	-	0.02	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Debt securities	-	-	-	-
Equities	-	-	-	-
	2019	2018		
	%	%		
Total transaction costs expressed as a percentage of net asset value				
Commissions	0.01	0.03		
Taxes	-	-		
Other expenses	-	-		
Total costs	0.01	0.03		

There were no in specie transfers during the year (2018: nil). There were no corporate actions during the year (2018: nil).

There were direct transaction costs associated with derivatives in the year of £3,322 (2018: £7,243) which is 0.00% of the average net asset value of the fund (2018: 0.00%).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The costs of acquiring and disposing of units/shares in other collective investment schemes are included within the expense ratio which is an intrinsic part of the NAV price per unit/share of the underlying fund.

Direct transaction costs related to bonds are not separately identifiable as with other financial instruments as the costs form part of the dealing spread and therefore are inherent within the purchase and sale prices of the trade.

The portfolio dealing spread as at 31 January 2019 was 0.14% (2018: 0.15%). The portfolio dealing spread is calculated at a 12 noon valuation point.

19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Distribution table for the year ended 31 January 2019 (in pence per share)

Final dividend distribution (accounting date 31 January 2019, paid on 31 May 2019)

Group 1 : shares purchased prior to 1 February 2018

Group 2 : shares purchased on or after 1 February 2018

	Distribution per share	Total distribution per share 31/05/19	Total distribution per share 31/05/18
Class A accumulation			
Group 1	1.1783	1.1783	0.0744
Group 2	1.1783	1.1783	0.0744
Class K accumulation			
Group 1	7.0966	7.0966	-
Group 2	7.0966	7.0966	-
Class W accumulation			
Group 1	1.6073	1.6073	1.1561
Group 2	1.6073	1.6073	1.1561
Class Y accumulation			
Group 1	1.7625	1.7625	1.3563
Group 2	1.7625	1.7625	1.3563
Class Z accumulation			
Group 1	2.3304	2.3304	1.8072
Group 2	2.3304	2.3304	1.8072
Class K Euro hedged accumulation¹			
Group 1	7.2613	7.2613	1.1326
Group 2	7.2613	7.2613	1.1326
Class K US Dollar hedged accumulation²			
Group 1	5.4141	5.4141	-
Group 2	5.4141	5.4141	-

¹ in Euro cents per share

² in USD cents per share

Janus Henderson Diversified Alternatives Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Janus Henderson Multi-Asset Team

Investment objective and policy

To achieve long term capital growth. The fund will seek to achieve its objective by investing globally in a diverse portfolio of investments which gain exposure indirectly to alternative asset classes such as property, commodities and hedge funds. The fund will invest primarily in investment trusts and investment companies. The fund may also invest in collective investment schemes (both regulated and unregulated), exchange traded funds (ETFs), transferable securities, fixed interest securities, money market instruments, deposits, cash and near cash. Derivatives and forward transactions may be used for the purposes of Efficient Portfolio Management (EPM).

Performance summary

	31 Jan 18 - 31 Jan 19	31 Jan 17 - 31 Jan 18	31 Jan 16 - 31 Jan 17	31 Jan 15 - 31 Jan 16	31 Jan 14 - 31 Jan 15
	%	%	%	%	%
Class Y accumulation	6.2	6.4	16.0	(1.2)	6.1
Consumer Price Index +3%	4.8	6.0	4.8	3.3	3.3

Source: Morningstar, Class Y, NAV to NAV and net of fees as at 12 noon valuation point.
Benchmark values are at close of business.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Significant portfolio changes for the year ended 31 January 2019

Largest purchases	£000	Largest sales	£000
3i	2,514	John Laing Environmental Assets	2,631
Biopharma Credit	2,095	LXi REIT	1,717
Henderson Alternative Strategies Trust	1,873	CVC Credit Partners European Opportunities	1,118
Schroder European Real Estate Investment Trust	1,495	Utilico Emerging Markets	995
Triple Point Social Housing REIT	1,261	GCP Student Living	808
International Public Partnerships	1,233	Renewables Infrastructure	678
Merrill Lynch MLCX Commodity Alpha Fund	1,173	International Public Partnerships	678
F&C Global Equity Market Neutral Fund	1,072	HICL Infrastructure	671
3i Infrastructure	994	DW Catalyst Fund Redeemable Shares	666
HICL Infrastructure	984	Greencoat UK Wind	666
Total purchases	26,253	Total sales	15,428

Authorised Corporate Director's (ACD) report (continued)

Investment review

The fund generated a return of 6.2% (Class Y accumulation) during the year ending 31 January 2019. This compared with a return of 4.8% generated by the CPI +3% benchmark.

Global markets managed to eke out a gain in a volatile year that featured both record highs and a dramatic, widespread sell-off in the final quarter of 2018. The MSCI World Index gained 1.6% in sterling terms and fell 6% in US dollar terms. Markets were plagued by escalating fears regarding monetary tightening, ongoing trade disputes and increasingly complicated Brexit dealings. However, a marked upswing was evident in the final weeks of the period under review.

Infrastructure was the most profitable sector during the 12 months, contributing over 2.8% to performance. The sector was negatively affected by political developments at the Labour Party Conference in September 2017 and the subsequent collapse of Carillion in early 2018. We took the opportunity to increase our allocation to the sector and were rewarded, as share prices were driven up by a bid for John Laing Environment Assets from a private consortium. The infrastructure sector therefore proved very resilient through the fourth quarter's volatility (sharper fluctuations in prices).

Renewable energy holdings also generated strong returns, adding 1.7% to the fund's performance. These names re-rated (investors were willing to pay higher prices in anticipation of higher future earnings) as their defensive nature became apparent to the market.

Property also generated strong returns during the period, adding 0.8% to fund performance. All five of the positions held during the period generated positive returns. The strongest returns came from LXi Real Estate Investment Trust (REIT) and GCP Student Living. LXi REIT traded to a strong premium on the back of strong results, and we subsequently sold the position.

Private equity markets improved after the January/February 2018 sell-off. The sector contributed 0.6% to performance. HG Capital Trust and HarbourVest Global Private Equity were the strongest performing positions. Disappointingly, our position in Riverstone Energy detracted 0.5% from performance. We trimmed Riverstone Energy in the fourth quarter.

All of the remaining sectors provided positive contributions to performance. Our position in cash detracted 1.2%. Elsewhere, we had significant overseas currency exposure that we hedged out. Due to the strong appreciation of the US dollar during the period, our hedges of this currency cost the fund 1.5%.

Over the 12 months under review, the overall sector weighting stayed broadly similar. The largest change was our exposure to idiosyncratic assets, which moved from a 4.6% weighting to 8.7%. This was due to increasing our weighting in Henderson Alternative Strategies Trust, as there appear to be various potential catalysts for positive net asset value performance. We contributed to a capital raise by Tufton Oceanic Asset. We also opened a position in Burford Capital. The market sell-off in early October provided a good entry point for us to open a position. Burford Capital suffered in October, as did many small and medium-sized high growth businesses. However, we see litigation finance as an uncorrelated asset class generating high returns, and a very underpenetrated market with significant barriers to entry. Burford Capital is a leading litigation financier, and we were able to open a position at an attractive level as the stock fell 23.5%, peak to trough, in October.

Another change worth noting is that we originally reduced our private equity exposure during the first half of the reporting period to decrease market sensitivity while adding to infrastructure (which is more defensive). We took profits when the infrastructure names re-rated following the John Laing Environment Assets cash bid. The private equity sector as a whole suffered in the fourth quarter, and we added to selected opportunities (such as 3i Group) as we felt valuations had become attractive. Overall, our infrastructure holdings fell by 2.9% to 12.7%, and our private equity exposure ended roughly flat for the year, at 17%.

We also added to less correlated positions, such as the Merrill Lynch MLCX Commodity Alpha Fund, as we believe this provides diversification benefits. This subsequently proved true when the fund returned 8% as the majority of asset classes sold off. This increased our Direct Commodities sector exposure to 7.7% from a 5.9% weight.

The bounce in asset prices in January removed some of the risk premia that had been re-introduced by market declines in the final quarter of 2018. While this has been good for performance, higher valuations leave less room for future returns, especially when uncertainty remains elevated. We have been looking to lock in the rise in asset prices with the expectation that we will see better opportunities as 2019 progresses. Investors need to remain nimble in such conditions. This is, of course, harder than usual with government bond yields so low, but flexibility should allow the disciplined investor to outperform.

Comparative tables for the year ended 31 January 2019

	Class I accumulation 2019 (pence per share)
Change in net assets per share	
Opening net asset value per share	100.10 ¹
Return before operating charges*	2.02
Operating charges	(0.13)
Return after operating charges*	1.89
Distributions on accumulation shares	(0.24)
Retained distributions on accumulation shares	0.24
Closing net asset value per share	101.99
* after direct transaction costs of:	0.01
Performance	
Return after charges	1.89%
Other information	
Closing net asset value (£000s)	9,901
Closing number of shares	9,708,077
Operating charges	0.69%
Direct transaction costs	0.01%
Prices	
Highest share price (pence)	102.30
Lowest share price (pence)	98.52

¹ Class I accumulation launched on 23 November 2018 and this is the first published price.

	Class Y accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	137.99	129.93	111.84
Return before operating charges*	9.04	8.86	18.85
Operating charges	(0.82)	(0.80)	(0.76)
Return after operating charges*	8.22	8.06	18.09
Distributions on accumulation shares	(4.56)	(2.88)	(3.39)
Retained distributions on accumulation shares	4.56	2.88	3.39
Closing net asset value per share	146.21	137.99	129.93
* after direct transaction costs of:	0.02	0.04	0.11
Performance			
Return after charges	5.96%	6.20%	16.17%
Other information			
Closing net asset value (£000s)	56,295	55,495	50,050
Closing number of shares	38,502,872	40,215,857	38,519,659
Operating charges	0.58%	0.59%	0.63%
Direct transaction costs	0.01%	0.03%	0.09%
Prices			
Highest share price (pence)	146.70	139.70	130.00
Lowest share price (pence)	135.80	130.10	111.20

Comparatives table (continued)

	Class Z accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	124.93	117.20	100.44
Return before operating charges*	8.05	7.93	16.98
Operating charges	(0.19)	(0.20)	(0.22)
Return after operating charges*	7.86	7.73	16.76
Distributions on accumulation shares	(4.42)	(3.24)	(3.38)
Retained distributions on accumulation shares	4.42	3.24	3.38
Closing net asset value per share	132.79	124.93	117.20
* after direct transaction costs of:	0.02	0.03	0.09
Performance			
Return after charges	6.29%	6.60%	16.69%
Other information			
Closing net asset value (£000s)	7,576	7,127	6,686
Closing number of shares	5,704,574	5,704,574	5,704,574
Operating charges	0.15%	0.16%	0.20%
Direct transaction costs	0.01%	0.03%	0.09%
Prices			
Highest share price (pence)	133.20	126.50	117.30
Lowest share price (pence)	123.10	117.40	99.93
	Class Z income		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	115.49	111.23	98.22
Return before operating charges*	7.45	7.52	16.68
Operating charges	(0.18)	(0.19)	(0.21)
Return after operating charges*	7.27	7.33	16.47
Distributions on income shares	(4.08)	(3.07)	(3.46)
Closing net asset value per share	118.68	115.49	111.23
* after direct transaction costs of:	0.02	0.03	0.09
Performance			
Return after charges	6.29%	6.59%	16.77%
Other information			
Closing net asset value (£000s)	9,958	9,690	11,471
Closing number of shares	8,390,479	8,390,479	10,313,556
Operating charges	0.15%	0.16%	0.20%
Direct transaction costs	0.01%	0.03%	0.09%
Prices			
Highest share price (pence)	123.20	120.00	114.70
Lowest share price (pence)	113.80	111.40	97.75

Direct transaction costs incurred on securities transactions are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are close of business and on a bid basis and may differ from the performance summary.

Comparatives table (continued)

Operating charges

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

Share class launches and closures

There were no share classes closed in the year. The following share class launched in the year:

Share class	Launch date
Class I accumulation	23 November 2018

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2019 %	2018 %
Class I	0.69 ¹	n/a
Class Y	0.58	0.59
Class Z	0.15	0.16

The OCF includes a synthetic element of 0.09% (2018: 0.10%) to incorporate the OCF of underlying funds.

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

The fund is a non-UCITS fund and we have used this disclosure to enable comparison across our fund range.

¹ Class I accumulation launched on 23 November 2018.

Risk and reward profile

The fund currently has 4 types of share class in issue: I accumulation, Y accumulation, Z accumulation and Z income.

The risk and reward profile of each type of share class is as follows:



The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5* year period; it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment in the fund can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The share class appears at 3 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events which could amplify everyday risk and trigger other risks.

The full list of the fund's risks are contained in the 'Risk Warnings' section of the fund's prospectus.

There has been no change to the risk ratings in the year.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

The fund is a non-UCITS retail fund and we adopted this disclosure to enable comparison across fund range.

* Class I accumulation has not been in existence for 5 years as it only launched on 23 November 2018, as it does not have a 5 year history, a synthetic history has been created using the fund's relevant sector average.

Portfolio statement as at 31 January 2019

Holding	Investment	Market value £000	Percentage of total net assets %
Alternatives 8.75% (2018: 4.65%)			
62,292	Burford Capital	1,144	1.37
777,048	Henderson Alternative Strategies Trust	2,113	2.52
2,000,000	Tufton Oceanic Assets	1,596	1.91
663,923	Tufton Oceanic Assets 'C'	515	0.61
75,543	Worldwide Healthcare Trust	1,957	2.34
		<u>7,325</u>	<u>8.75</u>
Direct Commodities ex Timber 7.68% (2018: 5.93%)			
29,532	Gold Bullion	2,792	3.33
24,605	Merrill Lynch MLCX Commodity Alpha Fund	3,641	4.35
		<u>6,433</u>	<u>7.68</u>
Fixed Interest 9.34% (2018: 9.98%)			
2,622,445	Biopharma Credit	2,093	2.50
895,042	Chenavari Toro Income Fund	601	0.72
778,159	NB Distressed Debt Investment Extended Life Shares Fund	512	0.61
2,227,024	RM Secured Direct Lending	2,227	2.66
2,924,417	UK Mortgages	2,384	2.85
		<u>7,817</u>	<u>9.34</u>
Hedge Funds 20.51% (2018: 19.86%)			
174,149	BH Global	2,656	3.17
139,673	BH Macro	3,442	4.10
142,700	Boussard & Gavaudan	2,091	2.50
4,133,946	F&C Global Equity Market Neutral Fund	2,583	3.09
1,966	Helium Selection S-EUR	2,117	2.53
1,403,417	Highbridge Multi-Strategy Fund	2,954	3.53
122,455	Third Point Offshore Investors	1,331	1.59
		<u>17,174</u>	<u>20.51</u>
Infrastructure 12.76% (2018: 15.98%)			
2,177,897	HICL Infrastructure	3,615	4.32
2,108,669	International Public Partnerships	3,252	3.88
668,028	Sequoia Economic Infrastructure Fund	745	0.89
1,158,263	3i Infrastructure	3,070	3.67
		<u>10,682</u>	<u>12.76</u>
Private Equity 18.95% (2018: 17.66%)			
491,812	Apax Global Alpha	693	0.83
157,742	HarbourVest Global Private Equity	2,249	2.69
82,964	HG Capital Trust	1,651	1.97
233,947	ICG Enterprise Trust	1,923	2.30
101,031	Pantheon International Participations	2,122	2.53
136,795	Princess Private Equity	1,103	1.32
209,636	Riverstone Energy	2,201	2.63
413,424	Standard Life Private Equity Trust	1,385	1.65
299,001	3i	2,541	3.03
		<u>15,868</u>	<u>18.95</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Property 7.40% (2018: 7.54%)			
1,000,815	GCP Student Living	1,507	1.80
1,015,914	Schroder European Real Estate Investment Trust	1,087	1.30
2,394,086	The PRS REIT	2,328	2.78
1,220,488	Triple Point Social Housing REIT	1,275	1.52
		<u>6,197</u>	<u>7.40</u>
Renewable Energy 12.78% (2018: 13.17%)			
1,766,351	Foresight Solar Fund	2,014	2.40
1,256,972	Greencoat UK Wind	1,682	2.01
2,429,862	John Laing Environmental Assets	2,649	3.16
2,106,922	NextEnergy Solar Fund	2,412	2.88
1,650,413	Renewables Infrastructure	1,947	2.33
		<u>10,704</u>	<u>12.78</u>
Derivatives 0.43% (2018: 0.81%)			
Forward Foreign Exchange Contracts 0.43% (2018: 0.81%)¹			
	Buy GBP 11,325,965 : Sell EUR 12,843,512 February 2019	114	0.14
	Buy GBP 15,799,613 : Sell USD 20,483,374 February 2019	247	0.29
		<u>361</u>	<u>0.43</u>
	Investment assets	82,561	98.60
	Other net assets	1,169	1.40
	Total net assets	<u>83,730</u>	<u>100.00</u>

¹ Unquoted securities

Portfolio statement (continued)

Composition of portfolio

2019	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	8,341	9.96
Total equities	73,859	88.21
Total derivatives	361	0.43
Investment assets	82,561	98.60
Other net assets	1,169	1.40
Total net assets	83,730	100.00
2018	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	5,758	7.96
Total equities	62,769	86.81
Total derivatives	588	0.81
Investment assets	69,115	95.58
Other net assets	3,197	4.42
Total net assets	72,312	100.00

The collective investment schemes held are approved regulated collective investment schemes within the meaning of the FCA rules. Exchange traded funds and all other investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Statement of total return for the year ended 31 January 2019

	Note	2019		2018	
		£000	£000	£000	£000
Income					
Net capital gains	2		2,065		2,630
Revenue	3	2,681		1,866	
Expenses	4	<u>(291)</u>		<u>(266)</u>	
Net revenue before taxation		2,390		1,600	
Taxation	5	<u>(16)</u>		<u>-</u>	
Net revenue after taxation			<u>2,374</u>		<u>1,600</u>
Total return before distributions			4,439		4,230
Distributions	6		(2,374)		(1,600)
Change in net assets attributable to shareholders from investment activities			<u>2,065</u>		<u>2,630</u>

Statement of change in net assets attributable to shareholders

for the year ended 31 January 2019

	2019		2018	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		72,312		68,207
Amounts receivable on issue of shares	12,227		4,303	
Amounts payable on cancellation of shares	<u>(4,956)</u>		<u>(4,170)</u>	
		7,271		133
Dilution adjustment		50		-
Change in net assets attributable to shareholders from investment activities		2,065		2,630
Retained distributions on accumulation shares		2,032		1,342
Closing net assets attributable to shareholders		<u>83,730</u>		<u>72,312</u>

Balance sheet as at 31 January 2019

	Note	2019 £000	2018 £000
Assets:			
Investments		82,561	69,115
Current assets:			
Debtors	7	581	514
Cash and bank balances	8	2,078	2,983
Total assets		85,220	72,612
Liabilities:			
Creditors:			
Distributions payable		342	258
Other creditors	9	1,148	42
Total liabilities		1,490	300
Net assets attributable to shareholders		83,730	72,312

Notes to the financial statements for the year ended 31 January 2019

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

2 Net capital gains

Net capital gains on investments during the year comprise:

	2019	2018
	£000	£000
Forward currency contracts*	(833)	931
Non-derivative securities*	2,888	1,699
Other currency gains	13	2
Transaction costs	(3)	(2)
Net capital gains	2,065	2,630
*The above includes:		
Realised gains	1,491	1,276
Unrealised gains	564	1,354
	2,055	2,630

* Where realised gains/(losses) include gains/(losses) arising in previous years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 Revenue

	2019	2018
	£000	£000
Bank interest	10	4
Distributions from UK regulated collective investment schemes:		
Interest distribution	206	1
Management fee rebates	-	5
Overseas dividends*	1,490	1,119
Stock lending revenue	29	12
UK dividends	710	634
UK REIT revenue - PID	116	69
UK REIT revenue - non PID	120	22
Total revenue	2,681	1,866

* includes distributions from overseas funds

Notes to the financial statements (continued)

4 Expenses

	2019 £000	2018 £000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	232	211
GAC*	51	47
	<u>283</u>	<u>258</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	6	6
Safe custody fees	2	2
	<u>8</u>	<u>8</u>
Total expenses	<u>291</u>	<u>266</u>

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £10,017 (2018: £9,442).

5 Taxation

(a) Analysis of charge in the year

The tax charge comprises:

	2019 £000	2018 £000
Current tax		
Corporation tax	16	-
Total tax (note 5b)	<u>16</u>	<u>-</u>

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised open ended investment companies (OEICS) of 20% (2018: 20%). The differences are explained below:

	2019 £000	2018 £000
Net revenue before taxation	<u>2,390</u>	<u>1,600</u>
Corporation tax at 20% (2018: 20%)	478	320
Effects of:		
Overseas dividends*	(282)	(211)
UK dividends**	(166)	(123)
Utilised management expenses	(14)	14
Tax charge for the year (note 5a)	<u>16</u>	<u>-</u>

* Certain overseas dividends are not subject to corporation tax from 1 July 2009 due to changes enacted in the Finance Act 2009.

** As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

Notes to the financial statements (continued)

5 Taxation (continued)

(c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2018: nil).

(d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is no potential deferred tax asset (2018: £14,174) in relation to surplus management expenses.

6 Distributions

	2019	2018
	£000	£000
Final income	342	258
Final accumulation	2,032	1,342
Total distributions	2,374	1,600

Details of the distribution per share are set out in the distribution table on page 106.

7 Debtors

	2019	2018
	£000	£000
Accrued revenue	46	101
Amounts receivable for issue of shares	448	50
Corporation tax recoverable	-	12
Currency transactions awaiting settlement	9	-
Sales awaiting settlement	78	351
Total debtors	581	514

8 Cash and bank balances

	2019	2018
	£000	£000
Cash and bank balances	2,078	2,983
Total cash and bank balances	2,078	2,983

9 Other creditors

	2019	2018
	£000	£000
Accrued annual management charge	23	19
Accrued Depository's fee	1	-
Accrued other expenses	9	4
Amounts payable for cancellation of shares	32	19
Corporation tax payable	16	-
Currency transactions awaiting settlement	9	-
Purchases awaiting settlement	1,058	-
Total other creditors	1,148	42

Notes to the financial statements (continued)

10 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

11 Related party transactions

Henderson Investment Funds Limited as ACD to the fund is deemed to be a related party because it provides key management personnel services to the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 95 and 96 and notes 4 and 9 on pages 98 to 99 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations,
- Annual management charge
- GAC

There were no material shareholders at the year end (2018: nil).

12 Shareholders' funds

The fund currently has 3 share classes available; Class I (Institutional), Class Y (Retail with exit charges) and Class Z (Institutional). The annual management charge on each share class is as follows:

	2019	2018
	%	%
Class I	0.50 ¹	n/a
Class Y	0.40	0.40
Class Z*	0.00	0.00

¹ Class I accumulation launched on 23 November 2018.

* Charges for managing Z class shares are levied outside the fund and are agreed between the ACD and investors.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 87 to 89. The distribution per share class is given in the distribution tables on page 106. All share classes have the same rights on winding up.

Shares reconciliation as at 31 January 2019

	Class I accumulation	Class Y accumulation	Class Z accumulation	Class Z income
Opening number of shares	-	40,215,857	5,704,574	8,390,479
Issues during the year	11,290,954	651,588	-	-
Cancellations during the year	(1,582,877)	(2,364,573)	-	-
Closing shares in issue	9,708,077	38,502,872	5,704,574	8,390,479

13 Financial derivatives

The fund may use financial derivatives for the purposes of efficient portfolio management.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

The counterparty exposure has been calculated using the positive marked-to-market value of the derivative contract with that counterparty.

There was no collateral pledged or collateral held in respect of derivatives as at 31 January 2019 (2018: nil).

Notes to the financial statements (continued)

13 Financial derivatives (continued)

2019

At 31 January 2019 the underlying exposure for the derivatives held was as follows:

Counterparty	Forward foreign exchange contracts £000
BNP Paribas	361
	<u>361</u>

2018

At 31 January 2018 the underlying exposure for the derivatives held was as follows:

Counterparty	Forward foreign exchange contracts £000
BNP Paribas	589
	<u>589</u>

14 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with BNP Paribas acting as the stock lending agent in order to generate additional income.

Stock lending revenue is disclosed under 'Revenue' in the Statement of total return.

Eligible collateral types for Stock Lending and borrowing transactions are approved by the Investment Manager and may consist of securities issued or guaranteed by a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope, generally subject to a minimum long term credit rating of at least A- by one or more major credit rating agency or listed equities on eligible markets. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102.50% to 110.00% of the value of the stock on loan.

2019 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Citigroup	552	614	Equity
HSBC	1,299	1,444	Equity
JP Morgan	605	697	Equity
	<u>2,456</u>	<u>2,755</u>	

Recipient	Relationship	Gross income £000	Direct and indirect expenses £000	Net income £000
BNP Paribas	Stock lending agent	34	5	29

Notes to the financial statements (continued)

14 Stock lending (continued)

2018 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Citigroup	203	229	Equity
JP Morgan	1,364	1,538	Equity
Société Générale	5	6	Equity
	1,572	1,773	

Recipient	Relationship	Gross income £000	Direct and indirect expenses £000	Net income £000
BNP Paribas	Stock lending agent	14	2	12

15 Risk

Currency risk

The exposure to currency risk is considered significant. The following table details the net exposure of the principal foreign currencies the fund is exposed to including any instruments used to hedge foreign currencies.

2019 Currency	Investment assets including investment liabilities £000	Other net assets £000	Total net assets £000
Euro	(5,300)	15	(5,285)
UK sterling	94,575	1,154	95,729
US dollar	(6,714)	-	(6,714)
Total	82,561	1,169	83,730

2018 Currency	Investment assets including investment liabilities £000	Other net assets £000	Total net assets £000
Euro	1,145	14	1,159
UK sterling	73,600	3,128	76,728
US dollar	(5,630)	55	(5,575)
Total	69,115	3,197	72,312

Notes to the financial statements (continued)

15 Risk (continued)

Sensitivity analysis

The net foreign currency liabilities held by the fund at the year end were £11,999,000 (2018: £4,416,000). A 10% increase in the foreign exchange rates applied to the fund's net foreign currency liabilities would have the effect of increasing the return for the year ended 31 January 2019 and the net assets as at 31 January 2019 by £1,199,900 (2018: £441,600). A 10% decrease in the foreign exchange rates applied to the fund's net foreign currency liabilities would have the effect of decreasing the return for the year ended 31 January 2019 and the net assets as at 31 January 2019 by £1,199,900 (2018: £441,600).

Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

Leverage

There have been no breaches of the maximum levels during the year, no changes to the maximum level of leverage employed by the fund or to its right of reuse of collateral or any guarantee granted under the leveraging arrangements.

	Gross method		Commitment method	
	Maximum level %	Actual level %	Maximum level %	Actual level %
2019	200	130	150	101
2018	200	118	150	100

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis.

	On demand £000	Within one year £000	Over one year but not more than five years	Over five years
			£000	£000
2019				
Distribution payable	-	342	-	-
Other creditors	-	1,148	-	-
Total	-	1,490	-	-
			Over one year but not more than five years	Over five years
	On demand £000	Within one year £000	£000	£000
2018				
Distribution payable	-	258	-	-
Other creditors	-	42	-	-
Total	-	300	-	-

Notes to the financial statements (continued)

16 Fair value disclosure

Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Fair value hierarchy

	2019		2018	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	73,859	-	62,768	-
Level 2	8,702	-	6,347	-
Level 3	-	-	-	-
	<u>82,561</u>	<u>-</u>	<u>69,115</u>	<u>-</u>

17 Direct transaction costs

	Purchases		Sales	
	2019 £000	2018 £000	2019 £000	2018 £000
Trades in the year				
Collective investment schemes	2,245	1,761	-	3,248
Equities	23,953	13,594	15,435	8,328
Trades in the year before transaction costs	<u>26,198</u>	<u>15,355</u>	<u>15,435</u>	<u>11,576</u>
Transaction costs				
Commissions				
Collective investment schemes	-	-	-	1
Equities	10	5	7	5
Total commissions	<u>10</u>	<u>5</u>	<u>7</u>	<u>6</u>
Taxes				
Collective investment schemes	-	-	-	-
Equities	45	8	-	-
Total taxes	<u>45</u>	<u>8</u>	<u>-</u>	<u>-</u>
Other expenses				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
Total other expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total transaction costs	<u>55</u>	<u>13</u>	<u>7</u>	<u>6</u>
Total net trades in the year after transaction costs	<u>26,253</u>	<u>15,368</u>	<u>15,428</u>	<u>11,570</u>

Notes to the financial statements (continued)

17 Direct transaction costs (continued)

	Purchases		Sales	
	2019 %	2018 %	2019 %	2018 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective investment schemes	-	-	-	0.03
Equities	0.04	0.04	0.05	0.06
Taxes				
Collective investment schemes	-	-	-	-
Equities	0.19	0.06	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
	2019 %	2018 %		
Total transaction costs expressed as a percentage of net asset value				
Commissions	0.02	0.02		
Taxes	0.06	0.01		
Other expenses	-	-		
Total costs	0.08	0.03		

There were no in specie transfers during the year (2018: nil). There were corporate actions during the year of £82,636 (2018: £462,636).

There were no direct transaction costs associated with derivatives in the year (2018: nil).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The costs of acquiring and disposing of units/shares in other collective investment schemes are included within the expense ratio which is an intrinsic part of the NAV price per unit/share of the underlying fund.

The portfolio dealing spread as at 31 January 2019 was 0.76% (2018: 0.74%). The portfolio dealing spread is calculated at the fund's 12 noon valuation point.

18 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Distribution table for the year ended 31 January 2019 (in pence per share)

Final dividend distribution (accounting date 31 January 2019, paid on 31 May 2019)

Group 1 : shares purchased prior to 1 February 2018

Group 2 : shares purchased on or after 1 February 2018

	Distribution per share	Total distribution per share 31/05/19	Total distribution per share 31/05/18
Class I accumulation¹			
Group 1	0.2367	0.2367	n/a
Group 2	0.2367	0.2367	n/a
Class Y accumulation			
Group 1	4.5624	4.5624	2.8796
Group 2	4.5624	4.5624	2.8796
Class Z accumulation			
Group 1	4.4157	4.4157	3.2369
Group 2	4.4157	4.4157	3.2369
Class Z income			
Group 1	4.0822	4.0822	3.0720
Group 2	4.0822	4.0822	3.0720

¹ Class I accumulation launched on 23 November 2018.

Janus Henderson Core 3 Income Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Janus Henderson Multi-Asset Team

Investment objective and policy

The fund aims to provide a sustainably high income return whilst maintaining a moderately low level of volatility (variation of returns) over the medium to long term. The fund is managed so that it aims not to deviate from predetermined parameters of forecast volatility, as measured by an independent risk rating body, over a medium to long term rolling period of at least 5 years. However, during this period the fund's forecast volatility may be outside of such parameters if the portfolio manager believes it is expedient to do so in order to maintain investment performance. Observing the forecast volatility parameters will be prioritised over the generation of income. The fund will invest in a combination of transferable securities, fixed income securities, investment companies, collective investment schemes, exchange traded funds (ETFs), money market instruments, deposits, cash and near cash. Derivatives and forward transactions may be used by the fund for investment purposes to achieve asset allocation and for the purposes of efficient portfolio management.

Performance summary

	31 Jan 18 - 31 Jan 19	31 Jan 17 - 31 Jan 18	31 Jan 16 - 31 Jan 17	31 Jan 15 - 31 Jan 16	31 Jan 14 - 31 Jan 15
	%	%	%	%	%
Class I income	(0.3)	3.5	10.6	(3.1)	7.8

Source: Morningstar, Class I, NAV to NAV and net of fees as at 12 noon valuation point.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Significant portfolio changes for the year ended 31 January 2019

Largest purchases	£000	Largest sales	£000
iShares USD Corporate Bond UCITS ETF	1,051	SPDR Bloomberg Barclays Capital UK Corporate Bond Fund UCITS ETF	904
Janus Henderson All Stocks Credit Fund I Income ¹	623	SPDR Bloomberg Barclays UK Gilt UCITS ETF	637
SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	515	SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	610
SPDR Bloomberg Barclays UK Gilt UCITS ETF	472	iShares UK Dividend UCITS ETF	491
iShares UK Dividend UCITS ETF	389	iShares JPMorgan EM Local Government Bond UCITS ETF	406
JPMorgan Global Emerging Markets Fund	381	Invesco Income Growth Investment Trust	303
Renewables Infrastructure	379	iShares Euro Dividend UCITS ETF	291
iShares JPMorgan EM Local Government Bond UCITS ETF	346	iShares IV USD Short Duration Corporate Bond UCITS ETF	271
WisdomTree Europe SmallCap Dividend UCITS ETF	307	London (City of) Investment Trust	267
iShares Euro Dividend UCITS ETF	275	Greencoat UK Wind	219
Total purchases	8,884	Total sales	5,911

¹ Related party to the fund

Authorised Corporate Director's (ACD) report^(continued)

Investment review

The fund fell 0.3% based on Class I income over the year under review.

The year under review was a challenging one for risk assets. After a 2017 that saw almost all equity markets rise, 2018 brought renewed volatility (sharper fluctuations in prices) and challenging macroeconomic and geopolitical conditions. As a result, many markets around the world collectively fell.

The portfolio's allocations to UK and European equities struggled the most during the period. Within European ex-UK equities, more cyclical strategies (such as Invesco European Equity Income Fund) underperformed, with a loss of 11.1%, while defensive positions in Nestlé and Novartis were up 12.5% and 11.0%, respectively. A similar picture of lower risk approaches adding value was seen in the UK, as the RWC Enhanced Income Fund gained 6.8% against a backdrop of the FTSE All Share losing 3.8%. Cyclical equity markets also struggled, with the LF Morant Wright Nippon Yield down 8.0%, although stock selection in Asia and emerging market funds helped protect us from the worst of the drawdowns.

Alternative assets proved to be defensive and diversified the returns of the portfolio. Property assets were roughly flat, with the Janus Henderson UK Property PAIF Fund down 0.2% and the UK Commercial Property Trust up 2.7%. Infrastructure benefited from positive sentiment towards its visible and partially inflation-linked revenue streams, which supported the 18.1% return from HICL Infrastructure.

As with risk assets in equities, lower quality bonds struggled and government bond positions (often perceived as safe havens) protected capital. The iShares UK Gilts UCITS ETF climbed 3.6%, and the Janus Henderson All Stocks Credit Fund was nearly flat with a return of 0.2%. Emerging market bonds struggled as trade war worries expanded amid softer economic data. This weak performance was captured by the Blackrock Emerging Markets Flexi Dynamic Bond Fund.

The volatility observed across a range of asset classes in the first quarter of 2018 presented the opportunity for some contrarian, technical investment activity. Equity risk was gradually dialled down through January by selling Euro Stoxx Futures before rebuilding positions at more attractive levels in February and March. Within fixed income, the risk-off mood in markets led to further profit-taking from the iShares USD Corporate Bond UCITS ETF and Janus Henderson Horizon Global High Yield Bond, with proceeds rotated into active strategic bond funds.

Through the summer months, direct positions in Standard Life Aberdeen and Roche Participation Certificates were exited and rotated into Pfizer and CyrusOne, a US-based real estate investment trust (REIT) specialising in data centre properties. iShares Euro Dividend UCITS ETF was also topped up, as this area of the market continued to post positive returns. Within the alternatives space, profits were taken from Picton Property after a period of strong performance, with similar profit-taking in fixed income from the iShares IV USD Short Duration Corporate Bond UCITS ETF.

GlaxoSmithKline was added in the UK and BASF was added in Europe, while top performers (including Microsoft) were trimmed. Exposure to emerging market equities was increased through adding to the JPMorgan Global Emerging Markets Fund as trade concerns softened, while the WisdomTree Europe SmallCap Dividend UCITS ETF was added on weak performance. Profit-taking continued in government bonds, while widening corporate bond spreads presented a chance to top up iShares USD Corporate Bond UCITS ETF.

The final three months saw London (City of) Investment Trust completely sold in favour of a new position in the LF Gresham House UK Multi Cap Income Fund. Exposure to the US was reduced by selling the S&P 500 Future, while cash flows were used to top up exposure to out of favour regions such as emerging markets and Asia. Within the alternatives space there was profit-taking on strong performance from renewables, specifically the Foresight Solar Trust and the Greencoat UK Wind Trust. Proceeds were directed into The PRS REIT and the remainder was put into cash. Instrument selection in structured credit was adjusted after strong performance from closed ended vehicles, with a new holding added in the Neuberger Berman CLO Income Fund.

Comparative tables for the year ended 31 January 2019

	Class A accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	61.89	60.15	54.82
Return before operating charges*	0.46	2.58	6.10
Operating charges	(0.83)	(0.84)	(0.77)
Return after operating charges*	(0.37)	1.74	5.33
Distributions on accumulation shares	(2.20)	(2.11)	(1.98)
Retained distributions on accumulation shares	2.20	2.11	1.98
Closing net asset value per share	61.52	61.89	60.15
* after direct transaction costs of:	0.03	0.12	0.05

Performance

Return after charges	(0.60%)	2.89%	9.72%
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Other information

Closing net asset value (£000s)	357	376	96
Closing number of shares	579,754	608,110	160,097
Operating charges	1.35%	1.35%	1.31%
Direct transaction costs	0.05%	0.20%	0.09%

Prices

Highest share price (pence)	62.44	62.86	60.54
Lowest share price (pence)	60.30	60.18	53.77

	Class A income		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	51.29	51.77	48.99
Return before operating charges*	0.35	2.21	5.37
Operating charges	(0.67)	(0.71)	(0.67)
Return after operating charges*	(0.32)	1.50	4.70
Distributions on income shares	(1.84)	(1.98)	(1.92)
Closing net asset value per share	49.13	51.29	51.77
* after direct transaction costs of:	0.03	0.11	0.05

Performance

Return after charges	(0.62%)	2.90%	9.59%
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Other information

Closing net asset value (£000s)	76	39	23
Closing number of shares	155,010	75,435	43,486
Operating charges	1.35%	1.35%	1.31%
Direct transaction costs	0.05%	0.20%	0.09%

Prices

Highest share price (pence)	51.30	53.03	52.48
Lowest share price (pence)	48.43	51.72	48.05

Comparative tables (continued)

	Class I accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	127.05	122.89	111.45
Return before operating charges*	0.76	5.11	12.29
Operating charges	(0.95)	(0.95)	(0.85)
Return after operating charges*	(0.19)	4.16	11.44
Distributions on accumulation shares	(4.02)	(3.96)	(3.89)
Retained distributions on accumulation shares	4.02	3.96	3.89
Closing net asset value per share	126.86	127.05	122.89
* after direct transaction costs of:	0.07	0.26	0.11

Performance

Return after charges	(0.15%)	3.39%	10.26%
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Other information

Closing net asset value (£000s)	12,138	9,669	3,544
Closing number of shares	9,567,589	7,610,172	2,883,639
Operating charges	0.75%	0.75%	0.71%
Direct transaction costs	0.05%	0.20%	0.09%

Prices

Highest share price (pence)	128.50	129.00	123.70
Lowest share price (pence)	124.00	122.90	109.30

	Class I income		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	105.88	106.05	99.74
Return before operating charges*	0.63	4.39	10.83
Operating charges	(0.78)	(0.81)	(0.74)
Return after operating charges*	(0.15)	3.58	10.09
Distributions on income shares	(3.67)	(3.75)	(3.78)
Closing net asset value per share	102.06	105.88	106.05
* after direct transaction costs of:	0.05	0.22	0.09

Performance

Return after charges	(0.14%)	3.38%	10.12%
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Other information

Closing net asset value (£000s)	7,792	7,388	4,847
Closing number of shares	7,634,932	6,977,227	4,570,834
Operating charges	0.75%	0.75%	0.71%
Direct transaction costs	0.05%	0.20%	0.09%

Prices

Highest share price (pence)	105.90	108.80	107.30
Lowest share price (pence)	100.60	106.10	97.84

Comparative tables (continued)

	Class A EUR Hedged accumulation	
	2019 (pence per share)	2018 (pence per share)
Change in net assets per share		
Opening net asset value per share	86.59	91.95 ¹
Return before operating charges*	(0.79)	(4.86)
Operating charges	(1.16)	(0.50)
Return after operating charges*	(1.95)	(5.36)
Distributions on accumulation shares	(3.06)	(1.09)
Retained distributions on accumulation shares	3.06	1.09
Closing net asset value per share	84.64	86.59
* after direct transaction costs of:	0.04	0.18
Performance		
Return after charges	(2.25%)	(5.83%)
Other information		
Closing net asset value (£000s)	1	1
Closing number of shares	1,545	1,513
Operating charges	1.35%	1.35%
Direct transaction costs	0.05%	0.20%
Prices		
Highest share price (Euro cents)	99.17	100.50
Lowest share price (Euro cents)	95.26	98.73

¹ Class A EUR Hedged accumulation launched on 1 September 2017 and this is the first published price.

	Class I EUR Hedged accumulation	
	2019 (pence per share)	2018 (pence per share)
Change in net assets per share		
Opening net asset value per share	86.75	91.95 ²
Return before operating charges*	(0.89)	(4.93)
Operating charges	(0.65)	(0.27)
Return after operating charges*	(1.54)	(5.20)
Distributions on accumulation shares	(2.99)	(1.05)
Retained distributions on accumulation shares	2.99	1.05
Closing net asset value per share	85.21	86.75
* after direct transaction costs of:	0.05	0.18
Performance		
Return after charges	(1.78%)	(5.66%)
Other information		
Closing net asset value (£000s)	1	1
Closing number of shares	1,535	1,510
Operating charges	0.75%	0.75%
Direct transaction costs	0.05%	0.20%
Prices		
Highest share price (Euro cents)	99.59	100.60
Lowest share price (Euro cents)	95.85	98.76

² Class I EUR Hedged accumulation launched on 1 September 2017 and this is the first published price.

Comparative tables (continued)

Performance values are close of business and on a bid basis and may differ from the performance summary.

Operating charges

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

Share class launches and closures

There were no share classes launched or closed in the year.

Hedged share classes

Class A EUR Hedged accumulation and Class I EUR Hedged accumulation are hedged share classes. Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in those classes and Sterling which is the base currency of the fund.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2019 %	2018 %
Class A	1.35	1.35
Class I	0.75	0.75
Class A EUR Hedged	1.35	1.35 ¹
Class I EUR Hedged	0.75	0.75 ¹

The OCF includes a synthetic element of 0.17% (2018: 0.18%) to incorporate the OCF of underlying funds.

The ACD made a contribution to limit the fund's OCF ratio. This is shown in note 2 of the financial statements.

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

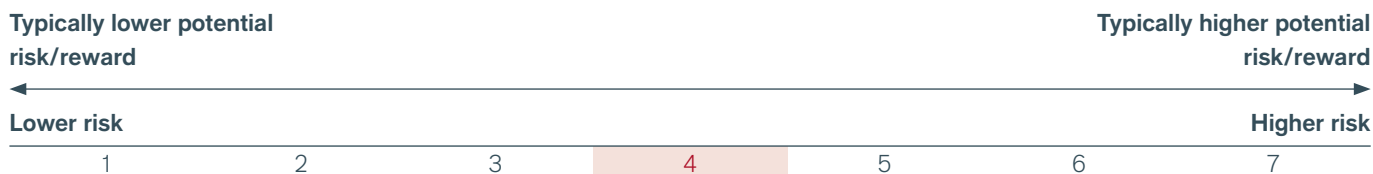
The fund is a non-UCITS fund and we have used this disclosure to enable comparison across our fund range.

¹ Class A EUR Hedged and Class I EUR Hedged launched on 1 September 2017.

Risk and reward profile

The fund currently has 6 types of share in issue: A accumulation, A income, I accumulation, I income, A EUR Hedged accumulation and I EUR Hedged accumulation. The risk and reward profile of each type of share class is as follows:

The risk and reward profile of each type of share class is as follows:



The synthetic risk and reward indicator (SRRI) is calculated based on historical volatility over a rolling 5 year period¹; it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment in the fund can go up or down. When you sell your shares, they may be worth less than you paid for them. The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The share class appears at 4 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The fund targets a risk profile of 3 as calculated by Distribution Technology who is engaged by Henderson as an independent provider of risk profiling tools to funds and investment advisers. Distribution Technology profiles funds using a rating scale of 1-10 and takes into consideration risk targets and other factors as well as past data. Investor should note that the Distribution Technology risk profile is different to the 'Risk and Reward Profile' scale above, which is an industry standard required by the FCA using a scale of 1-7 and which only takes into account past data.

For further information on the Distribution Technology risk profile please contact us or refer to the fund's Prospectus

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events which could amplify everyday risk and trigger other risks.

The full list of the fund's risks are contained in the 'Risk Warnings' section of the fund's prospectus.

There has been no change to the risk ratings in the year.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

¹ Class A EUR Hedged accumulation and Class I EUR Hedged accumulation have not been in existence for 5 years as they were only launched on 1 September 2017, as these shares do not have a 5 year history, a synthetic history have been created using the funds' relevant sector average.

This fund is a non-UCITS retail fund and we have adopted this disclosure to enable comparison across our fund range.

Portfolio statement as at 31 January 2019

Holding	Investment	Market value £000	Percentage of total net assets %
Alternatives 7.61% (2018: 5.86%)			
344,346	HICL Infrastructure	572	2.81
148,744	International Public Partnerships	229	1.13
458,916	Renewables Infrastructure	542	2.66
24,295	3i	206	1.01
		<u>1,549</u>	<u>7.61</u>
Asia Ex Japan Equity 2.69% (2018: 2.63%)			
46,542	Janus Henderson Asian Dividend Income Unit Trust ¹	47	0.23
181,641	Schroder Oriental Income Fund	440	2.16
2,137	Taiwan Semiconductor Manufacturing ADS	61	0.30
		<u>548</u>	<u>2.69</u>
Commodities 3.10% (2018: 3.35%)			
574,619	BlackRock Commodities Income Investment Trust	414	2.03
2,273	ETFS Physical Gold	218	1.07
		<u>632</u>	<u>3.10</u>
Diversified Bonds 6.17% (2018: 7.40%)			
5,914,718	Janus Henderson Fixed Interest Monthly Income Fund I Income ¹	1,256	6.17
Emerging Market Bonds 4.11% (2018: 1.25%)			
1,095	BlackRock Emerging Markets Flexi Dynamic Bond Fund	73	0.36
1,357	iShares JPMorgan EM Local Government Bond UCITS ETF	62	0.31
4,988	iShares JPMorgan USD Emerging Markets Bond UCITS ETF	411	2.01
5,304	SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	291	1.43
		<u>837</u>	<u>4.11</u>
Europe ex UK Equity 7.53% (2018: 7.36%)			
451	BASF	25	0.12
141,420	BlackRock Continental European Income Fund	189	0.93
3,181	Deutsche Post	71	0.35
9,381	ING	84	0.41
88,956	Invesco European Equity Income Fund	115	0.56
17,444	iShares Euro Dividend UCITS ETF	309	1.52
947	Nestlé	63	0.31
1,521	Novartis	101	0.49
3,733	Orange	44	0.22
5,686	RELX	96	0.47
2,808	Swedbank	48	0.24
1,659	Total	69	0.34
23,406	WisdomTree Europe SmallCap Dividend UCITS ETF	319	1.57
		<u>1,533</u>	<u>7.53</u>
Global Emerging Market Equity 2.87% (2018: 1.22%)			
456,540	JPMorgan Global Emerging Markets Fund	584	2.87
Global Equity 1.32% (2018: 0.59%)			
32,345	Chenavari Capital Solutions	25	0.12
2,399	Lyxor SG Global Quality Income NTR Class D Distribution	243	1.20
		<u>268</u>	<u>1.32</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Government Bonds 13.08% (2018: 18.94%)			
10,765	iShares UK Gilts UCITS ETF	142	0.70
8,235	SPDR Bloomberg Barclays US TIPS UCITS ETF	188	0.92
39,151	SPDR Bloomberg Barclays UK Gilt UCITS ETF	2,258	11.08
1,506	SPDR Barclays 1-5 Year Gilt UCITS ETF	77	0.38
		<u>2,665</u>	<u>13.08</u>
High Yield Bonds 7.66% (2018: 11.32%)			
796,119	AXA US Short Duration High Yield Bond Fund	731	3.58
45,448	Blackstone/GSO Loan Financing	30	0.15
603,912	Blackstone/GSO Loan Financing 'C'	258	1.27
95,861	CVC Credit Partners European Opportunities	104	0.51
2,165	iShares USD High Yield Corp Bond UCITS ETF	167	0.82
2,593	Janus Henderson Horizon Global High Yield Bond Z3 Income ¹	270	1.33
		<u>1,560</u>	<u>7.66</u>
Investment Grade Bonds 10.70% (2018: 8.09%)			
13,865	iShares USD Corporate Bond UCITS ETF	1,180	5.79
465,815	Janus Henderson All Stocks Credit Fund I Income ¹	619	3.04
426,439	NB Global Floating Rate Income Fund	381	1.87
		<u>2,180</u>	<u>10.70</u>
Japan Equity 0.23% (2018: 0.30%)			
14,008	LF Morant Wright Nippon Yield	47	0.23
North America Equity 3.03% (2018: 1.59%)			
1,023	Chevron	89	0.44
1,447	CyrusOne	60	0.29
604	Lam Research	78	0.38
1,415	Medtronic	95	0.47
1,442	Microsoft	114	0.56
2,931	Pfizer	95	0.46
2,076	Verizon Communications	87	0.43
		<u>618</u>	<u>3.03</u>
Private Equity 0.32% (2018: 0.41%)			
8,128	Princess Private Equity Holdings	66	0.32
Property 4.78% (2018: 4.37%)			
124,017	Ediston Property Investment	125	0.62
273,798	Janus Henderson UK Property PAIF Z Income ¹	305	1.50
324,656	The PRS REIT	316	1.55
254,707	UK Commercial Property Trust	227	1.11
		<u>973</u>	<u>4.78</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts (continued)			
	Buy EUR 7 : Sell GBP 6 February 2019 ³	-	-
	Buy EUR 7 : Sell GBP 6 February 2019 ³	-	-
	Buy GBP 0 : Sell EUR 0 February 2019 ³	-	-
	Buy GBP 0 : Sell EUR 0 February 2019 ³	-	-
	Buy GBP 0 : Sell EUR 0 February 2019 ³	-	-
	Buy GBP 1 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 1 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 11 : Sell EUR 13 February 2019 ³	-	-
	Buy GBP 11 : Sell EUR 13 February 2019 ³	-	-
	Buy GBP 1,195,201 : Sell EUR 1,355,344 February 2019	12	0.06
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 3 February 2019 ³	-	-
	Buy GBP 2,675,921 : Sell USD 3,469,193 February 2019	42	0.21
	Buy GBP 3 : Sell EUR 3 February 2019 ³	-	-
	Buy GBP 410,000 : Sell EUR 469,542 February 2019 ³	-	-
	Buy GBP 6 : Sell EUR 7 February 2019 ³	-	-
	Buy GBP 6 : Sell EUR 7 February 2019 ³	-	-
	Buy GBP 93,000 : Sell USD 121,991 February 2019 ³	-	-
	Buy JPY 11,384,535 : Sell GBP 80,411 February 2019	(1)	-
		<u>53</u>	<u>0.27</u>
	Investment assets including investment liabilities	17,254	84.72
	Other net assets	3,111	15.28
	Total net assets	<u>20,365</u>	<u>100.00</u>

¹ Related party to the fund

² Unquoted securities

³ Due to rounding to nearest £1,000

Portfolio statement (continued)

Composition of portfolio

2019	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	5,207	25.56
Total equities	12,036	59.10
Total derivatives	11	0.06
Investment assets including investment liabilities	17,254	84.72
Other net assets	3,111	15.28
Total net assets	20,365	100.00
2018	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	3,271	18.72
Total equities	11,717	67.05
Total derivatives	81	0.47
Investment assets including investment liabilities	15,069	86.24
Other net assets	2,405	13.76
Total net assets	17,474	100.00

The collective investment schemes held are approved regulated collective investment schemes within the meaning of the FCA rules. Exchange traded funds and all other investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Statement of total return for the year ended 31 January 2019

	Note	2019		2018	
		£000	£000	£000	£000
Income					
Net capital losses	2		(600)		(47)
Revenue	3	727		417	
Expenses	4	(106)		(65)	
Interest payable and similar charges	5	(5)		(1)	
Net revenue before taxation		616		351	
Taxation	6	(49)		(30)	
Net revenue after taxation			<u>567</u>		<u>321</u>
Total return before distributions			(33)		274
Distributions	7		(673)		(386)
Change in net assets attributable to shareholders from investment activities			<u>(706)</u>		<u>(112)</u>

Statement of change in net assets attributable to shareholders

for the year ended 31 January 2019

	2019		2018	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		17,474		8,510
Amounts receivable on issue of shares	6,362		11,364	
Amounts payable on cancellation of shares	<u>(3,177)</u>		<u>(2,481)</u>	
		3,185		8,883
Change in net assets attributable to shareholders from investment activities		(706)		(112)
Retained distributions on accumulation shares		412		193
Closing net assets attributable to shareholders		<u>20,365</u>		<u>17,474</u>

Balance sheet as at 31 January 2019

	Note	2019 £000	2018 £000
Assets:			
Investments		17,300	15,078
Current assets:			
Debtors	8	108	2,298
Cash and bank balances	9	289	156
Cash equivalents	10	3,336	2,278
Total assets		21,033	19,810
Liabilities:			
Investment liabilities		46	9
Creditors:			
Amounts held at derivative clearing houses and brokers		-	1
Bank overdrafts		74	65
Distributions payable		27	29
Other creditors	11	521	2,232
Total liabilities		668	2,336
Net assets attributable to shareholders		20,365	17,474

Notes to the financial statements for the year ended 31 January 2019

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

2 Net capital losses

Net capital losses on investments during the year comprise:

	2019	2018
	£000	£000
ACD contribution to limit OCF	8	6
Capital management fee rebates	20	17
Derivative securities*	40	(47)
Forward currency contracts*	(126)	147
Non-derivative securities*	(519)	(158)
Other currency losses	(6)	(1)
Transaction costs	(17)	(11)
Net capital losses	(600)	(47)
*The above includes:		
Realised (losses)/gains	(232)	122
Unrealised losses	(373)	(180)
	(605)	(58)

* Where realised gains/(losses) include gains/(losses) arising in previous years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 Revenue

	2019	2018
	£000	£000
Derivative revenue	4	2
Distributions from UK regulated collective investment schemes:		
Franked investment revenue	28	24
Interest distribution	86	61
Management fee rebates	2	-
Overseas dividends*	476	271
UK dividends	105	46
UK REIT revenue - PID	17	13
UK REIT revenue - non PID	9	-
Total revenue	727	417

* includes distributions from overseas funds

Notes to the financial statements (continued)

4 Expenses

	2019 £000	2018 £000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	99	61
GAC*	4	2
	<u>103</u>	<u>63</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	2	1
Safe custody fees	1	1
	<u>3</u>	<u>2</u>
Total expenses	<u>106</u>	<u>65</u>

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £12,426 (2018: £12,064), however, as the GAC charge is lower than the audit fee, the GAC does not fully recompense the ACD for this and certain other expenses charged to the fund.

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2019 £000	2018 £000
Interest payable	5	1
Total interest payable and similar charges	<u>5</u>	<u>1</u>

6 Taxation

(a) Analysis of charge in the year

The tax charge comprises:

	2019 £000	2018 £000
Current tax		
Overseas withholding tax	6	4
UK corporation tax	43	26
Total tax (note 6b)	<u>49</u>	<u>30</u>

Notes to the financial statements (continued)

6 Taxation (continued)

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised open ended investment companies (OEICS) of 20% (2018: 20%). The differences are explained below:

	2019	2018
	£000	£000
Net revenue before taxation	616	351
Corporation tax at 20% (2018: 20%)	123	70
Effects of:		
Irrecoverable overseas tax	6	4
Overseas dividends*	(56)	(33)
Tax effect of management fee rebates in capital	4	3
UK dividends**	(28)	(14)
Tax charge for the year (note 6a)	49	30

*Certain overseas dividends are not subject to corporation tax from 1 July 2009 due to changes enacted in the Finance Act 2009.

**As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2018: nil).

(d) Factors that may affect future tax charges

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

7 Distributions

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

	2019	2018
	£000	£000
Interim income	245	192
Interim accumulation	325	153
Final income	27	29
Final accumulation	87	40
	684	414
Amounts deducted on cancellation of shares	12	7
Amounts received on issue of shares	(23)	(35)
Total distributions	673	386
Net revenue after taxation	567	321
Expenses paid from capital	106	65
Total distributions	673	386

Details of the distribution per share are set out in the distribution tables on pages 131 to 142.

Notes to the financial statements (continued)

8 Debtors

	2019	2018
	£000	£000
Accrued revenue	46	25
ACD contribution to limit OCF	8	6
Amounts receivable for issue of shares	42	68
Management fee rebates	12	10
Overseas withholding tax reclaimable	-	1
Sales awaiting settlement	-	2,188
Total debtors	108	2,298

9 Cash and bank balances

	2019	2018
	£000	£000
Amounts held at derivative clearing houses and brokers	207	80
Cash and bank balances	82	76
Total cash and bank balances	289	156

10 Cash equivalents

	2019	2018
	£000	£000
Short term investments	3,336	2,278
Total cash equivalents	3,336	2,278

11 Other creditors

	2019	2018
	£000	£000
Accrued annual management charge	9	7
Accrued other expenses	14	-
Amounts payable for cancellation of shares	15	5
Corporation tax payable	43	24
Purchases awaiting settlement	440	2,196
Total other creditors	521	2,232

12 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

Notes to the financial statements (continued)

13 Related party transactions

Henderson Investment Funds Limited as ACD to the fund is deemed to be a related party because it provides key management personnel services to the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 120 and 121 and notes 2, 4, 7, 8 and 11 on pages 122 to 125 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- ACD contribution to limit OCF
- All issues and cancellations
- Annual management charge
- GAC and any related charges where the GAC fee was unable to fully recompense the ACD, including the audit fee as outlined in note 4.

The ultimate controlling party of Henderson Investment Funds Limited is Janus Henderson Group plc. The transactions associated with Janus Henderson Group plc, its subsidiaries and other funds managed by Henderson Investment Funds Limited are as follows:

- a) The aggregate value of purchases and sales transactions was £825,141 (2018: £726,161) and the balance outstanding at the year end was nil (2018: nil).
- b) Revenue receivable for the year was £90,402 (2018: £65,670) and the balance outstanding at the year end was £9,594 (2018: nil).
- c) Management fee rebates receivable for the year was £18,596 (2018: £23,700) and the balance outstanding at the year end was £11,663 (2018: £9,336).
- d) The aggregate value of investments held at the year end was £2,611,950 (2018: £1,877,910).

There were no material shareholders at the year end (2018: nil).

14 Shareholders' funds

The fund currently has 4 share classes available; Class A (Retail with front-end charges), Class I (Institutional), Class A EUR hedged and Class I EUR hedged. The annual management charge on each share class is as follows:

	2019	2018
	%	%
Class A	1.10	1.10
Class I	0.50	0.50
Class A EUR Hedged	1.10	1.10 ¹
Class I EUR Hedged	0.50	0.50 ¹

¹ Class A EUR Hedged and Class I EUR Hedged launched on 1 September 2017.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 109 to 112. The distribution per share class is given in the distribution tables on pages 132 to 142. All share classes have the same rights on winding up.

Shares reconciliation as at 31 January 2019

	Class A accumulation	Class A income	Class I accumulation	Class I income
Opening number of shares	608,110	75,435	7,610,172	6,977,227
Issues during the year	69,533	79,575	3,563,915	1,719,331
Cancellations during the year	(97,889)	-	(1,606,498)	(1,061,626)
Closing shares in issue	579,754	155,010	9,567,589	7,634,932
			Class A EUR Hedged accumulation	Class I EUR Hedged accumulation
Opening number of shares			1,513	1,510
Issues during the year			277	272
Cancellations during the year			(245)	(247)
Shares converted during the year			-	-
Closing shares in issue			1,545	1,535

Notes to the financial statements (continued)

15 Financial derivatives

The fund may use financial derivatives for the purposes of efficient portfolio management, hedging and the purposes of achieving the investment objective of the fund.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

The counterparty exposure has been calculated using the positive marked-to-market value of the derivative contract with that counterparty.

There was no collateral pledged or collateral held in respect of derivatives as at 31 January 2019 (2018: nil).

2019

At 31 January 2019 the underlying exposure for each category of derivatives was as follows:

Counterparty	Contracts for difference £000	Forward foreign exchange contracts £000	Total by counterparty £000
BNP Paribas	-	54	54
UBS	3	-	3
	<u>3</u>	<u>54</u>	<u>57</u>

2018

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

Counterparty	Futures £000	Forward foreign exchange contracts £000	Total by counterparty £000
BNP Paribas	-	89	89
UBS Warburg	1	-	1
	<u>1</u>	<u>89</u>	<u>90</u>

16 Risk

Currency risk

The fund's net exposure to currency risk (including any instruments used to hedge foreign currencies) is considered insignificant. This is consistent with the exposure during the prior year.

Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

Leverage

There have been no breaches of the maximum levels during the year, no changes to the maximum level of leverage employed by the fund or to its right of reuse of collateral or any guarantee granted under the leveraging arrangements.

	Gross method		Commitment method	
	Maximum level	Actual level	Maximum level	Actual level
	%	%	%	%
2019	225	111	175	106
2018	225	118	175	117

Notes to the financial statements (continued)

16 Risk (continued)

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis

2019	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
Bank overdrafts	74	-	-	-
Derivative financial liabilities	-	46	-	-
Distribution payable	-	27	-	-
Other creditors	-	521	-	-
Total	74	594	-	-
2018	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
Amounts held at derivatives clearing houses and brokers	1	-	-	-
Bank overdrafts	65	-	-	-
Derivative financial liabilities	-	9	-	-
Distribution payable	-	29	-	-
Other creditors	-	2,232	-	-
Total	66	2,270	-	-

17 Fair value disclosure

Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Notes to the financial statements (continued)

17 Fair value disclosure (continued)

Fair value hierarchy

	2019		2018	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	12,628	45	11,717	2
Level 2	4,672	1	3,361	7
Level 3	-	-	-	-
	<u>17,300</u>	<u>46</u>	<u>15,078</u>	<u>9</u>

18 Direct transaction costs

	Purchases		Sales	
	2019 £000	2018 £000	2019 £000	2018 £000
Trades in the year				
Collective investment schemes	1,034	1,178	-	154
Equities	<u>7,842</u>	<u>13,252</u>	<u>5,913</u>	<u>5,381</u>
Trades in the year before transaction costs	<u>8,876</u>	<u>14,430</u>	<u>5,913</u>	<u>5,535</u>
Transaction costs				
Commissions				
Collective investment schemes	-	-	-	-
Equities	<u>3</u>	<u>6</u>	<u>2</u>	<u>2</u>
Total commissions	<u>3</u>	<u>6</u>	<u>2</u>	<u>2</u>
Taxes				
Collective investment schemes	-	-	-	-
Equities	<u>5</u>	<u>7</u>	<u>-</u>	<u>-</u>
Total taxes	<u>5</u>	<u>7</u>	<u>-</u>	<u>-</u>
Other expenses				
Collective investment schemes	-	-	-	-
Equities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total transaction costs	<u>8</u>	<u>13</u>	<u>2</u>	<u>2</u>
Total net trades in the year after transaction costs	<u>8,884</u>	<u>14,443</u>	<u>5,911</u>	<u>5,533</u>

Notes to the financial statements (continued)

18 Direct transaction costs (continued)

	Purchases		Sales	
	2019 %	2018 %	2019 %	2018 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective investment schemes	-	-	-	-
Equities	0.04	0.04	0.03	0.04
Taxes				
Collective investment schemes	-	-	-	-
Equities	0.06	0.05	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
	2019 %	2018 %		
Total transaction costs expressed as a percentage of net asset value				
Commissions	0.03	0.07		
Taxes	0.03	0.06		
Other expenses	-	-		
Total costs	0.06	0.13		

There were no in specie transfers during the year (2018: nil). There were corporate actions during the year of £189,981 (2018: £98,914).

There were direct transaction costs associated with derivatives in the year of £147 (2018: £222) which is 0.00% of the average net asset value of the fund (2018: 0.00%).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The costs of acquiring and disposing of units/shares in other collective investment schemes are included within the expense ratio which is an intrinsic part of the NAV price per unit/share of the underlying fund.

The portfolio dealing spread as at 31 January 2019 was 0.66% (2018: 0.60%). The portfolio dealing spread is calculated at the fund's 12 noon valuation point.

19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Distribution tables for the year ended 31 January 2019 (in pence per share)

Interim dividend distribution (accounting date 28 February 2018, paid on 29 March 2018)

Group 1: shares purchased prior to 1 February 2018

Group 2: shares purchased on or after 1 February 2018

	Distribution per share	Equalisation	Total distribution per share 29/03/18	Total distribution per share 31/03/17
Class A accumulation				
Group 1	0.1369	-	0.1369	0.1369
Group 2	0.1369	-	0.1369	0.1369
Class A income				
Group 1	0.1178	-	0.1178	0.1178
Group 2	0.1178	-	0.1178	0.1178
Class I accumulation				
Group 1	0.2684	-	0.2684	0.2684
Group 2	-	0.2684	0.2684	0.2684
Class I income				
Group 1	0.2316	-	0.2316	0.2316
Group 2	-	0.2316	0.2316	0.2316
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2136	-	0.2136	n/a
Group 2	0.2136	-	0.2136	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2140	-	0.2140	n/a
Group 2	0.2140	-	0.2140	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 31 March 2018, paid on 30 April 2018)

Group 1: shares purchased prior to 1 March 2018

Group 2: shares purchased on or after 1 March 2018

	Distribution per share	Equalisation	Total distribution per share 30/04/18	Total distribution per share 28/04/17
Class A accumulation				
Group 1	0.1399	-	0.1399	0.1399
Group 2	0.0059	0.1340	0.1399	0.1399
Class A income				
Group 1	0.1358	-	0.1358	0.1358
Group 2	0.1358	-	0.1358	0.1358
Class I accumulation				
Group 1	0.2756	-	0.2756	0.2756
Group 2	-	0.2756	0.2756	0.2756
Class I income				
Group 1	0.2680	-	0.2680	0.2680
Group 2	-	0.2680	0.2680	0.2680
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2187	-	0.2187	n/a
Group 2	0.2187	-	0.2187	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2192	-	0.2192	n/a
Group 2	0.2192	-	0.2192	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 30 April 2018, paid on 31 May 2018)

Group 1: shares purchased prior to 1 April 2018

Group 2: shares purchased on or after 1 April 2018

	Distribution per share	Equalisation	Total distribution per share 31/05/18	Total distribution per share 31/05/17
Class A accumulation				
Group 1	0.1646	-	0.1646	0.1646
Group 2	0.0150	0.1496	0.1646	0.1646
Class A income				
Group 1	0.1598	-	0.1598	0.1598
Group 2	0.1598	-	0.1598	0.1598
Class I accumulation				
Group 1	0.3153	-	0.3153	0.3243
Group 2	-	0.3153	0.3153	0.3243
Class I income				
Group 1	0.3243	-	0.3243	0.3153
Group 2	0.0118	0.3125	0.3243	0.3153
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2569	-	0.2569	n/a
Group 2	0.2569	-	0.2569	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2576	-	0.2576	n/a
Group 2	0.2576	-	0.2576	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 31 May 2018, paid on 29 June 2018)

Group 1: shares purchased prior to 1 May 2018

Group 2: shares purchased on or after 1 May 2018

	Distribution per share	Equalisation	Total distribution per share 29/06/18	Total distribution per share 30/06/17
Class A accumulation				
Group 1	0.1646	-	0.1646	0.1646
Group 2	0.0131	0.1515	0.1646	0.1646
Class A income				
Group 1	0.1598	-	0.1598	0.1598
Group 2	0.1598	-	0.1598	0.1598
Class I accumulation				
Group 1	0.3243	-	0.3243	0.3243
Group 2	-	0.3243	0.3243	0.3243
Class I income				
Group 1	0.3153	-	0.3153	0.3153
Group 2	0.0242	0.2911	0.3153	0.3153
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2566	-	0.2566	n/a
Group 2	0.2566	-	0.2566	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2574	-	0.2574	n/a
Group 2	0.2574	-	0.2574	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 30 June 2018, paid on 31 July 2018)

Group 1: shares purchased prior to 1 June 2018

Group 2: shares purchased on or after 1 June 2018

	Distribution per share	Equalisation	Total distribution per share 31/07/18	Total distribution per share 31/07/17
Class A accumulation				
Group 1	0.1646	-	0.1646	0.1646
Group 2	0.0307	0.1339	0.1646	0.1646
Class A income				
Group 1	0.1598	-	0.1598	0.1598
Group 2	0.1598	-	0.1598	0.1598
Class I accumulation				
Group 1	0.3243	-	0.3243	0.3243
Group 2	-	0.3243	0.3243	0.3243
Class I income				
Group 1	0.3153	-	0.3153	0.3153
Group 2	0.0162	0.2991	0.3153	0.3153
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2566	-	0.2566	n/a
Group 2	0.2566	-	0.2566	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2574	-	0.2574	n/a
Group 2	0.2574	-	0.2574	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 31 July 2018, paid on 31 August 2018)

Group 1: shares purchased prior to 1 July 2018

Group 2: shares purchased on or after 1 July 2018

	Distribution per share	Equalisation	Total distribution per share 31/08/18	Total distribution per share 31/08/17
Class A accumulation				
Group 1	0.1646	-	0.1646	0.1646
Group 2	0.1646	-	0.1646	0.1646
Class A income				
Group 1	0.1598	-	0.1598	0.1598
Group 2	0.0001	0.1597	0.1598	0.1598
Class I accumulation				
Group 1	0.3243	-	0.3243	0.3243
Group 2	-	0.3243	0.3243	0.3243
Class I income				
Group 1	0.3153	-	0.3153	0.3153
Group 2	0.0363	0.2790	0.3153	0.3153
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2566	-	0.2566	n/a
Group 2	0.2566	-	0.2566	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2574	-	0.2574	n/a
Group 2	0.2574	-	0.2574	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 31 August 2018, paid on 28 September 2018)

Group 1: shares purchased prior to 1 August 2018

Group 2: shares purchased on or after 1 August 2018

	Distribution per share	Equalisation	Total distribution per share 28/09/18	Total distribution per share 29/09/17
Class A accumulation				
Group 1	0.1646	-	0.1646	0.1646
Group 2	-	0.1646	0.1646	0.1646
Class A income				
Group 1	0.1598	-	0.1598	0.1598
Group 2	0.1598	-	0.1598	0.1598
Class I accumulation				
Group 1	0.3243	-	0.3243	0.3243
Group 2	-	0.3243	0.3243	0.3243
Class I income				
Group 1	0.3153	-	0.3153	0.3153
Group 2	-	0.3153	0.3153	0.3153
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2566	-	0.2566	n/a
Group 2	0.2566	-	0.2566	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2574	-	0.2574	n/a
Group 2	0.2574	-	0.2574	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 30 September 2018, paid on 31 October 2018)

Group 1: shares purchased prior to 1 September 2018

Group 2: shares purchased on or after 1 September 2018

	Distribution per share	Equalisation	Total distribution per share 31/10/18	Total distribution per share 31/10/17
Class A accumulation				
Group 1	0.1646	-	0.1646	0.1646
Group 2	-	0.1646	0.1646	0.1646
Class A income				
Group 1	0.1598	-	0.1598	0.1598
Group 2	0.1598	-	0.1598	0.1598
Class I accumulation				
Group 1	0.3243	-	0.3243	0.3243
Group 2	-	0.3243	0.3243	0.3243
Class I income				
Group 1	0.3153	-	0.3153	0.3153
Group 2	-	0.3153	0.3153	0.3153
Class A EUR Hedged accumulation¹				
Group 1	0.2566	-	0.2566	-
Group 2	0.2566	-	0.2566	-
Class I EUR Hedged accumulation¹				
Group 1	0.2574	-	0.2574	-
Group 2	0.2574	-	0.2574	-

¹ in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 October 2018, paid on 30 November 2018)

Group 1: shares purchased prior to 1 October 2018

Group 2: shares purchased on or after 1 October 2018

	Distribution per share	Equalisation	Total distribution per share 30/11/18	Total distribution per share 30/11/17
Class A accumulation				
Group 1	0.1646	-	0.1646	0.1646
Group 2	-	0.1646	0.1646	0.1646
Class A income				
Group 1	0.1598	-	0.1598	0.1598
Group 2	0.1598	-	0.1598	0.1598
Class I accumulation				
Group 1	0.3243	-	0.3243	0.3243
Group 2	-	0.3243	0.3243	0.3243
Class I income				
Group 1	0.3153	-	0.3153	0.3153
Group 2	-	0.3153	0.3153	0.3153
Class A EUR Hedged accumulation¹				
Group 1	0.2566	-	0.2566	-
Group 2	0.2566	-	0.2566	-
Class I EUR Hedged accumulation¹				
Group 1	0.2574	-	0.2574	-
Group 2	0.2574	-	0.2574	-

¹ in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 30 November 2018, paid on 31 December 2018)

Group 1: shares purchased prior to 1 November 2018

Group 2: shares purchased on or after 1 November 2018

	Distribution per share	Equalisation	Total distribution per share 31/12/18	Total distribution per share 29/12/17
Class A accumulation				
Group 1	0.1646	-	0.1646	0.1646
Group 2	-	0.1646	0.1646	0.1646
Class A income				
Group 1	0.1594	-	0.1594	0.1598
Group 2	0.1594	-	0.1594	0.1598
Class I accumulation				
Group 1	0.3243	-	0.3243	0.3243
Group 2	-	0.3243	0.3243	0.3243
Class I income				
Group 1	0.3153	-	0.3153	0.3153
Group 2	0.1561	0.1592	0.3153	0.3153
Class A EUR Hedged accumulation¹				
Group 1	0.2566	-	0.2566	0.0026
Group 2	0.2566	-	0.2566	0.0026
Class I EUR Hedged accumulation¹				
Group 1	0.2574	-	0.2574	0.0026
Group 2	0.2574	-	0.2574	0.0026

¹ in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 December 2018, paid on 31 January 2019)

Group 1: shares purchased prior to 1 December 2018

Group 2: shares purchased on or after 1 December 2018

	Distribution per share	Equalisation	Total distribution per share 31/01/19	Total distribution per share 31/01/18
Class A accumulation				
Group 1	0.1646	-	0.1646	0.1646
Group 2	-	0.1646	0.1646	0.1646
Class A income				
Group 1	0.1598	-	0.1598	0.1598
Group 2	0.1598	-	0.1598	0.1598
Class I accumulation				
Group 1	0.3243	-	0.3243	0.3243
Group 2	-	0.3243	0.3243	0.3243
Class I income				
Group 1	0.2913	-	0.2913	0.3153
Group 2	0.1516	0.1397	0.2913	0.3153
Class A EUR Hedged accumulation¹				
Group 1	0.2566	-	0.2566	0.0026
Group 2	0.2566	-	0.2566	0.0026
Class I EUR Hedged accumulation¹				
Group 1	0.2574	-	0.2574	0.0026
Group 2	0.2574	-	0.2574	0.0026

¹ in Euro cents per share

Distribution tables (continued)

Final dividend distribution (accounting date 31 January 2019, paid on 28 February 2019)

Group 1 : shares purchased prior to 1 January 2019

Group 2 : shares purchased on or after 1 January 2019

	Distribution per share	Equalisation	Total distribution per share 28/02/19	Total distribution per share 28/02/18
Class A accumulation				
Group 1	0.4440	-	0.4440	0.3514
Group 2	0.1336	0.3104	0.4440	0.3514
Class A income				
Group 1	0.1522	-	0.1522	0.2929
Group 2	0.1522	-	0.1522	0.2929
Class I accumulation				
Group 1	0.8829	-	0.8829	0.4946
Group 2	0.1512	0.7317	0.8829	0.4946
Class I income				
Group 1	0.3445	-	0.3445	0.4138
Group 2	0.1255	0.2190	0.3445	0.4138
Class A EUR Hedged accumulation¹				
Group 1	0.7235	-	0.7235	1.2371
Group 2	0.7235	-	0.7235	1.2371
Class I EUR Hedged accumulation¹				
Group 1	0.6282	-	0.6282	1.1926
Group 2	0.6282	-	0.6282	1.1926

¹ in Euro cents per share

Janus Henderson Core 4 Income Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Janus Henderson Multi-Asset Team

Investment objective and policy

To provide a sustainably high income return with the prospect for some capital growth whilst maintaining a moderate to moderately low level of volatility (variation of returns) over the medium to long term. The fund is managed so that it aims not to deviate from predetermined parameters of forecast volatility, as measured by an independent risk rating body, over a medium to long term rolling period of at least 5 years. However, during this period the fund's forecast volatility may be outside of such parameters if the portfolio manager believes it is expedient to do so in order to improve investment performance. Observing the forecast volatility parameters will be prioritised over the generation of income. The fund will invest in a combination of transferable securities, fixed income securities, investment companies, collective investment schemes, exchange traded funds (ETFs), money market instruments, deposits, cash and near cash. Derivatives and forward transactions may be used by the fund for investment purposes to achieve asset allocation and for the purposes of efficient portfolio management.

Performance summary

	31 Jan 18 - 31 Jan 19	31 Jan 17 - 31 Jan 18	31 Jan 16 - 31 Jan 17	31 Jan 15 - 31 Jan 16	31 Jan 14 - 31 Jan 15
	%	%	%	%	%
Class I income	(1.0)	4.7	13.7	(4.2)	8.7

Source: Morningstar, Class A and I, NAV to NAV and net of fees as at 12 noon valuation point.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Significant portfolio changes for the year ended 31 January 2019

Largest purchases	£000	Largest sales	£000
iShares UK Dividend UCITS ETF	1,686	SPDR Bloomberg Barclays Capital UK Corporate Bond Fund UCITS ETF	884
SPDR Bloomberg Barclays UK Gilt UCITS ETF	1,223	SPDR S&P UK Dividend Aristocrats UCITS ETF	805
Lyxor SG Global Quality Income NTR Class D Distribution	1,170	SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	780
Renewables Infrastructure	1,117	iShares JPMorgan EM Local Government Bond UCITS ETF	629
Janus Henderson All Stocks Credit Fund C Income ¹	1,087	London (City of) Investment Trust	472
SPDR S&P UK Dividend Aristocrats UCITS ETF	1,064	iShares IV USD Short Duration Corporate Bond UCITS ETF	463
JPMorgan Global Emerging Markets Fund	945	Invesco Income Growth Investment Trust	459
SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	929	SPDR Bloomberg Barclays UK Gilt UCITS ETF	407
WisdomTree Europe SmallCap Dividend UCITS ETF	928	iShares Euro Dividend UCITS ETF	399
HICL Infrastructure	844	iShares UK Dividend UCITS ETF	382
Total purchases	25,445	Total sales	8,966

¹ Related party to the fund

Authorised Corporate Director's (ACD) report (continued)

Investment review

The fund fell 1.0% based on Class I income over the year under review.

The year under review was a challenging one for risk assets. After a 2017 that saw almost all equity markets rise, 2018 brought renewed volatility (sharper fluctuations in prices) and challenging macroeconomic and geopolitical conditions. As a result, many markets around the world collectively fell.

The portfolio's allocations to UK and European equities struggled the most during the period. Within European ex-UK equities, more cyclical strategies (such as Invesco European Equity Income Fund) underperformed, with a loss of 11.1%, while defensive positions in Nestlé and Novartis were up 12.5% and 11.0%, respectively. A similar picture of lower risk approaches adding value was seen in the UK, as the RWC Enhanced Income Fund gained 6.8% against a backdrop of the FTSE All Share losing 3.8%. Cyclical equity markets also struggled, with the LF Morant Wright Nippon Yield down 8.0%, although stock selection in Asia and emerging market funds helped protect us from the worst of the drawdowns.

Alternative assets proved to be defensive and diversified the returns of the portfolio. Property assets were roughly flat, with the Janus Henderson UK Property PAIF Fund down 0.2% and the UK Commercial Property Trust up 2.7%. Infrastructure benefited from positive sentiment towards its visible and partially inflation-linked revenue streams, which supported the 18.1% return from HICL Infrastructure.

As with risk assets in equities, lower quality bonds struggled and government bond positions (often perceived as safe havens) protected capital. The iShares UK Gilt UCITS ETF climbed 3.6% and the Janus Henderson All Stocks Credit Fund was nearly flat, with a return of 0.2%. Emerging market bonds struggled as trade war worries expanded amid softer economic data. This weak performance was captured by the Blackrock Emerging Markets Flexi Dynamic Bond Fund.

The volatility observed across a range of asset classes in the first quarter of 2018 presented the opportunity for some contrarian, technical-driven investment activity. Equity risk was gradually dialled down through January by selling Euro Stoxx Futures before rebuilding positions at more attractive levels in February and March. Within fixed income, the risk off mood in markets saw further profit-taking from the iShares USD Corporate Bond UCITS ETF and Janus Henderson Horizon Global High Yield Bond, with proceeds rotated into active strategic bond funds.

Through the summer months, direct positions in Standard Life Aberdeen and Roche Participation Certificates were exited and rotated into Pfizer and CyrusOne, a US-based real estate investment trust (REIT) specialising in data centre properties. iShares Euro Dividend UCITS ETF was also topped up, as this area of the market continued to post positive returns. Within the alternatives space, profits were taken from Picton Property after a period of strong performance, with similar profit-taking in fixed income from the iShares IV USD Short Duration Corporate Bond UCITS ETF.

GlaxoSmithKline was added in the UK and BASF was added in Europe, while top performers (including Microsoft) were trimmed. Exposure to emerging market equities was increased through adding to the JPMorgan Global Emerging Markets Fund as trade concerns softened, while the WisdomTree Europe SmallCap Dividend UCITS ETF was added on weak performance. Profit-taking continued in government bonds, while widening corporate bond spreads presented a chance to top up iShares USD Corporate Bond UCITS ETF.

The final three months of the year under review saw London (City of) Investment Trust completely sold in favour of a new position in the LF Gresham House UK Multi Cap Income Fund. Exposure to the US was reduced by selling the S&P 500 Future, while cash flows were used to top up exposure to out of favour regions such as emerging markets and Asia. Within the alternatives space, there was profit-taking on strong performance from renewables, specifically the Foresight Solar Trust and the Greencoat UK Wind Trust. Proceeds were directed into The PRS REIT and the remainder was put into cash. Instrument selection in structured credit was adjusted after strong performance from closed ended vehicles, with a new holding added in the Neuberger Berman CLO Income Fund.

Comparative tables for the year ended 31 January 2019

	Class A accumulation	
	2019	2018
	(pence per share)	(pence per share)
Change in net assets per share		
Opening net asset value per share	49.72	50.00 ¹
Return before operating charges*	-	-
Operating charges	(0.66)	(0.28)
Return after operating charges*	(0.66)	(0.28)
Distributions on accumulation shares	(2.03)	(0.71)
Retained distributions on accumulation shares	2.03	0.71
Closing net asset value per share	49.06	49.72
* after direct transaction costs of:	0.04	0.08
Performance		
Return after charges	(1.33%)	(0.56%)
Other information		
Closing net asset value (£000s)	141	1
Closing number of shares	287,268	1,009
Operating charges	1.35%	1.35%
Direct transaction costs	0.09%	0.16%
Prices		
Highest share price (pence)	50.26	50.59
Lowest share price (pence)	47.81	49.28

¹ Class A accumulation launched on 1 September 2017 and this is the first published price.

	Class I accumulation		
	2019	2018	2017
	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share			
Opening net asset value per share	119.90	114.54	101.29
Return before operating charges*	(0.13)	6.25	14.04
Operating charges	(0.89)	(0.89)	(0.79)
Return after operating charges*	(1.02)	5.36	13.25
Distributions on accumulation shares	(4.69)	(4.33)	(4.13)
Retained distributions on accumulation shares	4.69	4.33	4.13
Closing net asset value per share	118.88	119.90	114.54
* after direct transaction costs of:	0.11	0.19	0.11
Performance			
Return after charges	(0.85%)	4.68%	13.08%
Other information			
Closing net asset value (£000s)	25,199	9,733	5,888
Closing number of shares	21,196,354	8,118,015	5,140,819
Operating charges	0.75%	0.75%	0.72%
Direct transaction costs	0.09%	0.16%	0.10%
Prices			
Highest share price (pence)	121.50	122.00	115.60
Lowest share price (pence)	115.80	114.60	98.79

Comparative tables (continued)

	Class I income		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	99.44	98.93	91.22
Return before operating charges*	(0.10)	5.37	12.43
Operating charges	(0.72)	(0.76)	(0.69)
Return after operating charges*	(0.82)	4.61	11.74
Distributions on income shares	(3.95)	(4.10)	(4.03)
Closing net asset value per share	94.67	99.44	98.93
* after direct transaction costs of:	0.09	0.16	0.10
Performance			
Return after charges	(0.82%)	4.66%	12.87%
Other information			
Closing net asset value (£000s)	15,923	13,268	8,675
Closing number of shares	16,819,569	13,342,562	8,768,428
Operating charges	0.75%	0.75%	0.72%
Direct transaction costs	0.09%	0.16%	0.10%
Prices			
Highest share price (pence)	99.53	102.40	100.20
Lowest share price (pence)	92.92	99.01	88.95

Class A EUR Hedged accumulation

	2019 (pence per share)	2018 (pence per share)
Change in net assets per share		
Opening net asset value per share	86.76	91.95 ²
Return before operating charges*	(1.29)	(4.69)
Operating charges	(1.16)	(0.50)
Return after operating charges*	(2.45)	(5.19)
Distributions on accumulation shares	(3.55)	(1.23)
Retained distributions on accumulation shares	3.55	1.23
Closing net asset value per share	84.31	86.76
* after direct transaction costs of:	0.08	0.14
Performance		
Return after charges	(2.82%)	(5.64%)
Other information		
Closing net asset value (£000s)	462	1
Closing number of shares	548,315	1,510
Operating charges	1.35%	1.35%
Direct transaction costs	0.09%	0.16%
Prices		
Highest share price (Euro cents)	99.62	100.90
Lowest share price (Euro cents)	94.32	98.49

² Class A EUR Hedged accumulation launched on 1 September 2017 and this is the first published price.

Comparative tables (continued)

	Class I EUR Hedged accumulation	
	2019	2018
	(pence per share)	(pence per share)
Change in net assets per share		
Opening net asset value per share	86.93	91.95 ³
Return before operating charges*	(1.44)	(4.75)
Operating charges	(0.65)	(0.27)
Return after operating charges*	(2.09)	(5.02)
Distributions on accumulation shares	(3.46)	(1.20)
Retained distributions on accumulation shares	3.46	1.20
Closing net asset value per share	84.84	86.93
* after direct transaction costs of:	0.08	0.14
Performance		
Return after charges	(2.40%)	(5.46%)
Other information		
Closing net asset value (£000s)	36	36
Closing number of shares	41,725	41,692
Operating charges	0.75%	0.75%
Direct transaction costs	0.09%	0.16%
Prices		
Highest share price (Euro cents)	100.00	101.00
Lowest share price (Euro cents)	94.87	98.51

³ Class I EUR Hedged accumulation launched on 1 September 2017 and this is the first published price.

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are close of business and on a bid basis and may differ from the performance summary.

Operating charges

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

Share class launches and closures

There were no share classes launched or closed in the year.

Hedged share classes

Class A EUR Hedged accumulation and Class I EUR Hedged accumulation are hedged share classes. Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in those classes and Sterling which is the base currency of the fund.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2019 %	2018 %
Class A	1.35	1.35 ¹
Class I	0.75	0.75
Class A EUR Hedged	1.35	1.35 ¹
Class I EUR Hedged	0.75	0.75 ¹

The OCF includes a synthetic element of 0.18% (2018: 0.19%) to incorporate the OCF of underlying funds.

The ACD made a contribution to limit the fund's OCF ratio. This is shown in note 2 of the financial statements.

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

The fund is a non-UCITS fund and we have used this disclosure to enable comparison across our fund range.

¹ Class A, Class A EUR Hedged and Class I EUR Hedged launched on 1 September 2017.

Risk and reward profile

The fund currently has 5 types of share class in issue: A accumulation, I accumulation, I income, A EUR Hedged accumulation and I EUR Hedged accumulation.

The risk and reward profile of each type of share class is as follows:



The synthetic risk and reward indicator (SRRRI) is calculated based on historical volatility over a rolling 5 year period¹; it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRRI level. The SRRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment in the fund can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The share class appears at 5 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The fund targets a risk profile of 4 as calculated by Distribution Technology who is engaged by Janus Henderson Investors as an independent provider of risk profiling tools to funds and investment advisers. Distribution Technology profiles funds using a rating scale of 1-10 and takes into consideration risk targets and other factors as well as past data. Investor should note that the Distribution Technology risk profile is different to the 'Risk and Reward Profile' scale above, which is an industry standard required by the FCA using a scale of 1-7 and which only takes into account past data.

For further information on the Distribution Technology risk profile please contact us or refer to the fund's Prospectus.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events. The full list of the fund's risks are contained in the 'Risk Warnings' section of the fund's prospectus.

There has been no change to the risk ratings in the year.

The SRRRI conforms to the ESMA guidelines for the calculation of the SRRRI.

¹ Class A accumulation, Class A EUR Hedged accumulation and Class I EUR Hedged accumulation have not been in existence for 5 years as they launched on 1 September 2017, as these shares do not have a 5 year history, a synthetic history have been created using the fund's relevant sector average.

The fund is a non-UCITS retail fund and we adopted this disclosure to enable comparison across fund range.

Portfolio statement as at 31 January 2019

Holding	Investment	Market value £000	Percentage of total net assets %
	Alternatives 8.18% (2018: 6.09%)		
797,649	HICL Infrastructure	1,324	3.17
184,448	International Public Partnerships	284	0.68
1,175,699	Renewables Infrastructure	1,388	3.32
49,538	3i	421	1.01
		<u>3,417</u>	<u>8.18</u>
	Asia Ex Japan Equity 4.32% (2018: 4.51%)		
419,000	Janus Henderson Asian Dividend Income Unit Trust ¹	422	1.01
485,232	Schroder Oriental Income Fund	1,175	2.81
7,239	Taiwan Semiconductor Manufacturing ADS	207	0.50
		<u>1,804</u>	<u>4.32</u>
	Commodities 2.92% (2018: 3.07%)		
1,008,757	BlackRock Commodities Income Investment Trust	726	1.74
5,132	ETFS Physical Gold	493	1.18
		<u>1,219</u>	<u>2.92</u>
	Diversified Bonds 4.75% (2018: 6.84%)		
9,331,925	Janus Henderson Fixed Interest Monthly Income Fund Income Class ¹	1,982	4.75
90	Janus Henderson Strategic Bond Fund I Income ^{1,2}	-	-
		<u>1,982</u>	<u>4.75</u>
	Emerging Market Bonds 4.70% (2018: 1.97%)		
3,757	BlackRock Emerging Markets Flexi Dynamic Bond Fund	251	0.60
4,604	iShares JPMorgan EM Local Government Bond UCITS ETF	212	0.51
12,568	iShares JPMorgan USD Emerging Markets Bond UCITS ETF	1,034	2.48
8,468	SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	464	1.11
		<u>1,961</u>	<u>4.70</u>
	Europe ex UK Equity 9.61% (2018: 11.86%)		
1,526	BASF	85	0.20
213,702	BlackRock Continental European Income Fund	285	0.68
10,753	Deutsche Post	241	0.58
31,712	ING	285	0.68
161,169	Invesco European Equity Income Fund	208	0.50
30,527	iShares Euro Dividend UCITS ETF	541	1.29
3,202	Nestlé	212	0.51
5,141	Novartis	341	0.82
12,618	Orange	149	0.36
19,221	RELX	324	0.78
9,492	Swedbank	163	0.39
5,607	Total	235	0.56
69,439	WisdomTree Europe SmallCap Dividend Fund UCITS ETF	946	2.26
		<u>4,015</u>	<u>9.61</u>
	Global Emerging Market Equity 3.27% (2018: 1.84%)		
1,067,511	JPMorgan Global Emerging Markets Fund	1,366	3.27

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Global Equity 3.86% (2018: 0.75%)			
64,691	Chenavari Capital Solutions	49	0.12
15,401	Lyxor SG Global Quality Income NTR Class D Distribution	1,562	3.74
		<u>1,611</u>	<u>3.86</u>
Government Bonds 8.00% (2018: 11.65%)			
38,285	iShares UK Gilts UCITS ETF	506	1.21
37,672	SPDR Bloomberg Barclays UK Gilt UCITS ETF	2,173	5.21
17,690	SPDR Bloomberg Barclays US TIPS UCITS ETF	404	0.97
5,016	SPDR Barclays 1-5 Year Gilt UCITS ETF	256	0.61
		<u>3,339</u>	<u>8.00</u>
High Yield Bonds 7.17% (2018: 12.10%)			
1,289,619	AXA US Short Duration High Yield Bond Fund	1,186	2.84
95,361	Blackstone/GSO Loan Financing	62	0.15
1,763,034	Blackstone/GSO Loan Financing 'C'	754	1.80
191,721	CVC Credit Partners European Opportunities	207	0.50
4,203	iShares II USD High Yield Corp Bond UCITS ETF	324	0.78
4,423	Janus Henderson Horizon Global High Yield Bond Z3 Income ¹	461	1.10
		<u>2,994</u>	<u>7.17</u>
Investment Grade Bonds 7.08% (2018: 7.98%)			
12,717	iShares USD Corporate Bond UCITS ETF	1,082	2.59
815,177	Janus Henderson All Stocks Credit Fund I Income ¹	1,083	2.60
884,861	NB Global Floating Rate Income Fund	791	1.89
		<u>2,956</u>	<u>7.08</u>
Japan Equity 0.68% (2018: 1.30%)			
83,948	LF Morant Wright Nippon Yield	282	0.68
North America Equity 5.00% (2018: 3.33%)			
3,459	Chevron	301	0.72
4,891	CyrusOne	202	0.48
2,041	Lam Research	263	0.63
4,789	Medtronic	323	0.77
4,889	Microsoft	388	0.93
9,916	Pfizer	320	0.77
7,014	Verizon Communications	293	0.70
		<u>2,090</u>	<u>5.00</u>
Private Equity 0.30% (2018: 1.09%)			
15,613	Princess Private Equity Holdings	126	0.30
Property 4.90% (2018: 4.87%)			
559,459	Ediston Property Investment	565	1.35
462,198	Janus Henderson UK Property PAIF Z Income ¹	516	1.23
634,983	The PRS REIT	617	1.48
393,134	UK Commercial Property Trust	350	0.84
		<u>2,048</u>	<u>4.90</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Specialist Equity 1.11% (2018: 1.99%)			
39,920	Neuberger Berman CLO Income Fund Class I5 Income	382	0.92
8,500	Tele2 'B'	81	0.19
		<u>463</u>	<u>1.11</u>
UK Equity 11.89% (2018: 12.76%)			
6,823	British American Tobacco	183	0.44
11,149	GlaxoSmithKline	165	0.39
364,121	Investec Funds Series i UK Equity Income Fund	402	0.96
208,844	iShares UK Dividend UCITS ETF	1,656	3.97
103,954	Janus Henderson Institutional High Alpha UK Equity Fund I Income ¹	151	0.36
347,192	LF Gresham House UK Multi Cap Income Fund Class F Income	361	0.86
13,211	Prudential	196	0.47
3,292	Rio Tinto	138	0.33
5,805	RWC Enhanced Income Fund	477	1.14
22,801	SPDR S&P UK Dividend Aristocrats UCITS ETF	250	0.60
1,017,105	UK Mortgages	829	1.98
116,943	Vodafone	162	0.39
		<u>4,970</u>	<u>11.89</u>
Derivatives 0.08% (2018: 0.63%)			
Contracts for Difference 0.03% (2018: (0.05%))³			
Equity Contracts for Difference 0.03% (2018: (0.05%))³			
2,107	Nikkei 225	1	-
353	S&P 500 Index	11	0.03
		<u>12</u>	<u>0.03</u>
Futures (0.17%) (2018: (0.09%))			
(4)	CME S&P 500 E-mini March 2019	(23)	(0.05)
(52)	EUX Euro STOXX50 March 2019	(48)	(0.12)
		<u>(71)</u>	<u>(0.17)</u>
Forward Foreign Exchange Contracts 0.22% (2018: 0.77%)³			
	Buy EUR 0 : Sell GBP 0 February 2019 ²	-	-
	Buy EUR 0 : Sell GBP 0 February 2019 ²	-	-
	Buy EUR 0 : Sell GBP 0 February 2019 ²	-	-
	Buy EUR 0 : Sell GBP 0 February 2019 ²	-	-
	Buy EUR 1 : Sell GBP 1 February 2019 ²	-	-
	Buy EUR 2 : Sell GBP 1 February 2019 ²	-	-
	Buy EUR 2 : Sell GBP 2 February 2019 ²	-	-
	Buy EUR 2 : Sell GBP 2 February 2019 ²	-	-
	Buy EUR 2 : Sell GBP 2 February 2019 ²	-	-
	Buy EUR 2 : Sell GBP 2 February 2019 ²	-	-
	Buy EUR 3 : Sell GBP 2 February 2019 ²	-	-
	Buy EUR 3 : Sell GBP 2 February 2019 ²	-	-
	Buy EUR 3 : Sell GBP 3 February 2019 ²	-	-
	Buy EUR 40,542 : Sell GBP 36,235 February 2019	(1)	-
	Buy EUR 421 : Sell GBP 369 February 2019 ²	-	-
	Buy EUR 479,589 : Sell GBP 428,643 February 2019	(10)	(0.02)
	Buy EUR 49,408 : Sell GBP 43,086 February 2019 ²	-	-
	Buy EUR 5 : Sell GBP 4 February 2019 ²	-	-

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts (continued)			
	Buy EUR 5 : Sell GBP 4 February 2019 ²	-	-
	Buy EUR 5 : Sell GBP 4 February 2019 ²	-	-
	Buy EUR 5 : Sell GBP 4 February 2019 ²	-	-
	Buy EUR 9 : Sell GBP 8 February 2019 ²	-	-
	Buy EUR 9 : Sell GBP 8 February 2019 ²	-	-
	Buy GBP 1 : Sell EUR 1 February 2019 ²	-	-
	Buy GBP 1 : Sell EUR 1 February 2019 ²	-	-
	Buy GBP 1,200,000 : Sell EUR 1,374,262 February 2019 ²	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ²	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ²	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ²	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ²	-	-
	Buy GBP 2 : Sell EUR 3 February 2019 ²	-	-
	Buy GBP 2 : Sell EUR 3 February 2019 ²	-	-
	Buy GBP 220,000 : Sell USD 288,589 February 2019	1	-
	Buy GBP 2,752,859 : Sell EUR 3,121,710 February 2019	28	0.07
	Buy GBP 3 : Sell EUR 3 February 2019 ²	-	-
	Buy GBP 3 : Sell EUR 3 February 2019 ²	-	-
	Buy GBP 3 : Sell EUR 3 February 2019 ²	-	-
	Buy GBP 303 : Sell EUR 339 February 2019 ²	-	-
	Buy GBP 3,585 : Sell EUR 4,011 February 2019 ²	-	-
	Buy GBP 4 : Sell EUR 5 February 2019 ²	-	-
	Buy GBP 4 : Sell EUR 5 February 2019 ²	-	-
	Buy GBP 4,940,422 : Sell USD 6,404,999 February 2019	77	0.18
	Buy GBP 8 : Sell EUR 9 February 2019 ²	-	-
	Buy GBP 8 : Sell EUR 9 February 2019 ²	-	-
	Buy JPY 46,926,941 : Sell GBP 331,455 February 2019	(3)	(0.01)
		<u>92</u>	<u>0.22</u>
	Investment assets including liabilities	36,676	87.82
	Other net assets	5,085	12.18
	Total net assets	41,761	100.00

¹ Related party to the fund

² Due to rounding to nearest £1,000

³ Unquoted securities

Portfolio statement (continued)

Composition of portfolio

2019	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	11,020	26.38
Total equities	25,623	61.36
Total derivatives	33	0.08
Investment assets including investment liabilities	36,676	87.82
Other net assets	5,085	12.18
Total net assets	41,761	100.00
2018	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	5,288	22.95
Total equities	16,369	71.05
Total derivatives	145	0.63
Investment assets including investment liabilities	21,802	94.63
Other net assets	1,237	5.37
Total net assets	23,039	100.00

The collective investment schemes held are approved regulated collective investment schemes within the meaning of the FCA rules. Exchange traded funds and all other investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Statement of total return for the year ended 31 January 2019

	Note	2019		2018	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(1,373)		122
Revenue	3	1,408		751	
Expenses	4	(178)		(98)	
Interest payable and similar charges	5	(15)		(4)	
Net revenue before taxation		1,215		649	
Taxation	6	(79)		(46)	
Net revenue after taxation			1,136		603
Total return before distributions			(237)		725
Distributions	7		(1,314)		(701)
Change in net assets attributable to shareholders from investment activities			(1,551)		24

Statement of change in net assets attributable to shareholders

for the year ended 31 January 2019

	2019		2018	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		23,039		14,563
Amounts receivable on issue of shares	23,494		12,079	
Amounts payable on cancellation of shares	(4,026)		(3,924)	
		19,468		8,155
Dilution adjustment		-		2
Change in net assets attributable to shareholders from investment activities		(1,551)		24
Retained distributions on accumulation shares		805		295
Closing net assets attributable to shareholders		41,761		23,039

Balance sheet as at 31 January 2019

	Note	2019 £000	2018 £000
Assets:			
Investments		36,761	21,840
Current assets:			
Debtors	8	399	1,631
Cash and bank balances	9	584	290
Cash equivalents	10	5,347	986
Total assets		43,091	24,747
Liabilities:			
Investment liabilities		85	38
Creditors:			
Amounts held at derivative clearing houses and brokers		-	1
Bank overdrafts		165	116
Distributions payable		64	71
Other creditors	11	1,016	1,482
Total liabilities		1,330	1,708
Net assets attributable to shareholders		41,761	23,039

Notes to the financial statements for the year ended 31 January 2019

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

2 Net capital (losses)/gains

Net capital (losses)/gains on investments during the year comprise:

	2019	2018
	£000	£000
ACD contribution to limit OCF	4	6
Capital management fee rebates	34	26
Derivative securities*	95	(101)
Forward currency contracts*	(209)	287
Forward currency contracts on hedged share classes*	(9)	-
Non-derivative securities*	(1,267)	(83)
Other currency losses	(4)	(1)
Transaction costs	(17)	(12)
Net capital (losses)/gains	(1,373)	122
*The above includes:		
Realised (losses)/gains	(297)	409
Unrealised losses	(1,093)	(306)
	(1,390)	103

* Where realised gains/(losses) include gains/(losses) arising in previous years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 Revenue

	2019	2018
	£000	£000
Derivative revenue	12	6
Distributions from UK regulated collective investment schemes:		
Franked investment revenue	66	49
Interest distribution	129	82
Unfranked investment revenue	2	-
Management fee rebates	3	-
Overseas dividends*	948	504
Overseas REIT revenue	5	-
UK dividends	190	89
UK REIT revenue - PID	40	21
UK REIT revenue - non PID	13	-
Total revenue	1,408	751

* includes distributions from overseas funds

Notes to the financial statements (continued)

4 Expenses

	2019 £000	2018 £000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	168	92
GAC*	6	3
	<u>174</u>	<u>95</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	3	2
Safe custody fees	1	1
	<u>4</u>	<u>3</u>
Total expenses	<u>178</u>	<u>98</u>

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £12,426 (2018: £12,064), however, as the GAC charge is lower than the audit fee, the GAC does not fully recompense the ACD for this and certain other expenses charged to the fund.

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2019 £000	2018 £000
Interest payable	15	4
Total interest payable and similar charges	<u>15</u>	<u>4</u>

6 Taxation

(a) Analysis of charge in the year

The tax charge comprises:

	2019 £000	2018 £000
Current tax		
Overseas withholding tax	18	7
UK corporation tax	61	39
Total tax (note 6b)	<u>79</u>	<u>46</u>

Notes to the financial statements (continued)

6 Taxation (continued)

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised open ended investment companies (OEICS) of 20% (2018: 20%). The differences are explained below:

	2019	2018
	£000	£000
Net revenue before taxation	1,215	649
Corporation tax at 20% (2018: 20%)	243	130
Effects of:		
Irrecoverable overseas tax	18	7
Overseas dividends*	(135)	(68)
Tax effect of management fee rebates in capital	7	5
UK dividends**	(54)	(28)
Tax charge for the year (note 6a)	79	46

*Certain overseas dividends are not subject to corporation tax from 1 July 2009 due to changes enacted in the Finance Act 2009.

**As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2018: nil).

(d) Factors that may affect future tax charges

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

7 Distributions

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

	2019	2018
	£000	£000
Interim income	544	372
Interim accumulation	585	242
Final income	64	71
Final accumulation	220	53
	1,413	738
Amounts deducted on cancellation of shares	19	13
Amounts received on issue of shares	(118)	(50)
Total distributions	1,314	701
Net revenue after taxation	1,136	603
Expenses paid from capital	178	98
Total distributions	1,314	701

Details of the distribution per share are set out in the distribution tables on pages 166 to 177.

Notes to the financial statements (continued)

8 Debtors

	2019	2018
	£000	£000
Accrued revenue	97	38
ACD contribution to limit OCF	4	6
Amounts receivable for issue of shares	274	130
Management fee rebates	22	15
Overseas withholding tax reclaimable	2	5
Sales awaiting settlement	-	1,437
Total debtors	399	1,631

9 Cash and bank balances

	2019	2018
	£000	£000
Amounts held at derivative clearing houses and brokers	404	162
Cash and bank balances	180	128
Total cash and bank balances	584	290

10 Cash equivalents

	2019	2018
	£000	£000
Short term investments	5,347	986
Total cash equivalents	5,347	986

11 Other creditors

	2019	2018
	£000	£000
Accrued annual management charge	18	10
Accrued Depository's fee	1	-
Accrued other expenses	14	-
Amounts payable for cancellation of shares	51	-
Corporation tax payable	61	33
Income tax payable	-	1
Purchases awaiting settlement	871	1,438
Total other creditors	1,016	1,482

12 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

Notes to the financial statements (continued)

13 Related party transactions

Henderson Investment Funds Limited as ACD to the fund is deemed to be a related party because it provides key management personnel services to the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 155 and 156 and notes 4, 7, 8 and 11 on pages 158 to 160 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- ACD contribution to limit OCF
- All issues and cancellations
- Annual management charge
- GAC and any related charges where the GAC fee was unable to fully recompense the ACD, including the audit fee as outlined in note 4.

The ultimate controlling party of Henderson Investment Funds Limited is Janus Henderson Group plc. The transactions associated with Janus Henderson Group plc, its subsidiaries and other funds managed by Henderson Investment Funds Limited are as follows:

- a) The aggregate value of purchases and sales transactions was £1,895,796 (2018: £834,970) and the balance outstanding at the year end was nil (2018: nil).
- b) Revenue receivable for the year was £153,157 (2018: £115,201) and the balance outstanding at the year end was £15,808 (2018: £9,336).
- c) Management fee rebates receivable for the year was £31,444 (2018: £21,033) and the balance outstanding at the year end was £21,156 (2018: £13,961).
- d) The aggregate value of investments held at the year end was £4,615,645 (2018: £2,873,982).

There were no material shareholders at the year end (2018: nil).

14 Shareholders' funds

The fund currently has 4 share classes available; Class A (Retail with front-end charges), Class I (Institutional), Class A EUR Hedged and Class I EUR Hedged. The annual management charge on each share class is as follows:

	2019	2018
	%	%
Class A	1.10	1.10 ¹
Class I	0.50	0.50
Class A EUR Hedged	1.10	1.10 ¹
Class I EUR Hedged	0.50	0.50 ¹

¹ Class A, Class A EUR Hedged and Class I EUR Hedged launched on 1 September 2017.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 146 to 147. The distribution per share class is given in the distribution tables on pages 166 to 177. All share classes have the same rights on winding up.

Shares reconciliation as at 31 January 2019

	Class A accumulation	Class I accumulation	Class I income
Opening number of shares	1,009	8,118,015	13,342,562
Issues during the year	286,259	15,044,229	5,238,867
Cancellations during the year	-	(1,923,965)	(1,813,756)
Shares converted during the year	-	(41,925)	51,896
Closing shares in issue	287,268	21,196,354	16,819,569
		Class A EUR Hedged accumulation	Class I EUR Hedged accumulation
Opening number of shares		1,510	41,692
Issues during the year		547,127	379
Cancellations during the year		(322)	(346)
Shares converted during the year		-	-
Closing shares in issue		548,315	41,725

Notes to the financial statements (continued)

15 Financial derivatives

The fund may use financial derivatives for the purposes of efficient portfolio management, hedging and the purposes of achieving the investment objective of the fund.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

The counterparty exposure has been calculated using the positive marked-to-market value of the derivative contract with that counterparty.

There was no collateral pledged or collateral held in respect of derivatives as at 31 January 2019 (2018: nil).

2019

At 31 January 2019 the underlying exposure for each category of the derivatives held was as follows:

Counterparty	Contracts for difference £000	Forward foreign exchange contracts £000	Total by counterparty £000
BNP Paribas	-	105	105
UBS	12	1	13
	12	106	118

2018

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

Counterparty	Futures £000	Forward foreign exchange contracts £000	Total by counterparty £000
BNP Paribas	-	182	182
UBS	1	-	1
	1	182	183

16 Risk

Currency risk

The fund's net exposure to currency risk (including any instruments used to hedge foreign currencies) is considered insignificant. This is consistent with the exposure during the prior year.

Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

Leverage

There have been no breaches of the maximum levels during the year, no changes to the maximum level of leverage employed by the fund or to its right of reuse of collateral or any guarantee granted under the leveraging arrangements.

	Gross method		Commitment method	
	Maximum level	Actual level	Maximum level	Actual level
	%	%	%	%
2019	225	119	175	107
2018	225	131	175	119

Notes to the financial statements (continued)

16 Risk (continued)

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis.

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2019				
Bank overdrafts	165	-	-	-
Derivative financial liabilities	-	85	-	-
Distribution payable	-	64	-	-
Other creditors	-	1,016	-	-
Total	165	1,165	-	-
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2018				
Amounts held at derivatives clearing houses and brokers	1	-	-	-
Bank overdrafts	116	-	-	-
Derivative financial liabilities	-	38	-	-
Distribution payable	-	71	-	-
Other creditors	-	1,482	-	-
Total	117	1,591	-	-

17 Fair value disclosure

Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Notes to the financial statements (continued)

17 Fair value disclosure (continued)

Fair value hierarchy

	2019		2018	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	28,192	71	16,453	23
Level 2	8,569	14	5,387	15
Level 3	-	-	-	-
	<u>36,761</u>	<u>85</u>	<u>21,840</u>	<u>38</u>

18 Direct transaction costs

	Purchases		Sales	
	2019 £000	2018 £000	2019 £000	2018 £000
Trades in the year				
Collective investment schemes	3,744	1,580	-	191
Equities	<u>21,675</u>	<u>14,912</u>	<u>8,969</u>	<u>7,033</u>
Trades in the year before transaction costs	<u>25,419</u>	<u>16,492</u>	<u>8,969</u>	<u>7,224</u>
Transaction costs				
Commissions				
Collective investment schemes	-	-	-	-
Equities	<u>8</u>	<u>7</u>	<u>3</u>	<u>3</u>
Total commissions	<u>8</u>	<u>7</u>	<u>3</u>	<u>3</u>
Taxes				
Collective investment schemes	-	-	-	-
Equities	<u>17</u>	<u>10</u>	<u>-</u>	<u>-</u>
Total taxes	<u>17</u>	<u>10</u>	<u>-</u>	<u>-</u>
Other expenses				
Collective investment schemes	-	-	-	-
Equities	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total other expenses	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total transaction costs	<u>26</u>	<u>18</u>	<u>3</u>	<u>3</u>
Total net trades in the year after transaction costs	<u>25,445</u>	<u>16,510</u>	<u>8,966</u>	<u>7,221</u>

Notes to the financial statements (continued)

18 Direct transaction costs (continued)

	Purchases		Sales	
	2019 %	2018 %	2019 %	2018 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective investment schemes	-	-	-	-
Equities	0.04	0.05	-	0.04
Taxes				
Collective investment schemes	-	-	-	-
Equities	0.08	0.07	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Equities	-	0.01	-	-
	2019 %	2018 %		
Total transaction costs expressed as a percentage of net asset value				
Commissions	0.04	0.05		
Taxes	0.05	0.05		
Other expenses	-	0.01		
Total costs	0.09	0.11		

There were no in specie transfers during the year (2018: nil). There were corporate actions during the year of £209,251 (2018: £182,621).

There were direct transaction costs associated with derivatives in the year of £648 (2018: £395) which is 0.00% of the average net asset value of the fund (2018: 0.00%).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The costs of acquiring and disposing of units/shares in other collective investment schemes are included within the expense ratio which is an intrinsic part of the NAV price per unit/share of the underlying fund.

The portfolio dealing spread as at 31 January 2019 was 0.78% (2018: 0.59%). The portfolio dealing spread is calculated at the fund's 12 noon valuation point.

19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Distribution tables for the year ended 31 January 2019 (in pence per share)

Interim dividend distribution (accounting date 28 February 2018, paid on 29 March 2018)

Group 1: shares purchased prior to 1 February 2018

Group 2: shares purchased on or after 1 February 2018

	Distribution per share	Equalisation	Total distribution per share 29/03/18	Total distribution per share 31/03/17
Class A accumulation¹				
Group 1	0.1226	-	0.1226	n/a
Group 2	0.1226	-	0.1226	n/a
Class I accumulation				
Group 1	0.2956	-	0.2956	0.2956
Group 2	-	0.2956	0.2956	0.2956
Class I income				
Group 1	0.2553	-	0.2553	0.2553
Group 2	-	0.2553	0.2553	0.2553
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2441	-	0.2441	n/a
Group 2	0.2441	-	0.2441	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2446	-	0.2446	n/a
Group 2	0.2446	-	0.2446	n/a

¹ Class A accumulation, Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

² in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 March 2018, paid on 30 April 2018)

Group 1: shares purchased prior to 1 March 2018

Group 2: shares purchased on or after 1 March 2018

	Distribution per share	Equalisation	Total distribution per share 30/04/18	Total distribution per share 28/04/17
Class A accumulation¹				
Group 1	0.1213	-	0.1213	n/a
Group 2	0.0311	0.0902	0.1213	n/a
Class I accumulation				
Group 1	0.2927	-	0.2927	0.2927
Group 2	-	0.2927	0.2927	0.2927
Class I income				
Group 1	0.2853	-	0.2853	0.2853
Group 2	-	0.2853	0.2853	0.2853
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2415	-	0.2415	n/a
Group 2	-	0.2415	0.2415	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2421	-	0.2421	n/a
Group 2	0.2421	-	0.2421	n/a

¹ Class A accumulation, Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

² in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 30 April 2018, paid on 31 May 2018)

Group 1: shares purchased prior to 1 April 2018

Group 2: shares purchased on or after 1 April 2018

	Distribution per share	Equalisation	Total distribution per share 31/05/18	Total distribution per share 31/05/17
Class A accumulation¹				
Group 1	0.1426	-	0.1426	n/a
Group 2	0.1426	-	0.1426	n/a
Class I accumulation				
Group 1	0.3443	-	0.3443	0.3443
Group 2	-	0.3443	0.3443	0.3443
Class I income				
Group 1	0.3357	-	0.3357	0.3357
Group 2	0.0422	0.2935	0.3357	0.3357
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2836	-	0.2836	n/a
Group 2	-	0.2836	0.2836	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2844	-	0.2844	n/a
Group 2	0.2844	-	0.2844	n/a

¹ Class A accumulation, Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

² in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 May 2018, paid on 29 June 2018)

Group 1: shares purchased prior to 1 May 2018

Group 2: shares purchased on or after 1 May 2018

	Distribution per share	Equalisation	Total distribution per share 29/06/18	Total distribution per share 30/06/17
Class A accumulation¹				
Group 1	0.1426	-	0.1426	n/a
Group 2	-	0.1426	0.1426	n/a
Class I accumulation				
Group 1	0.3443	-	0.3443	0.3443
Group 2	-	0.3443	0.3443	0.3443
Class I income				
Group 1	0.3357	-	0.3357	0.3357
Group 2	-	0.3357	0.3357	0.3357
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2832	-	0.2832	n/a
Group 2	0.2832	-	0.2832	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2841	-	0.2841	n/a
Group 2	0.2841	-	0.2841	n/a

¹ Class A accumulation, Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

² in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 30 June 2018, paid on 31 July 2018)

Group 1: shares purchased prior to 1 June 2018

Group 2: shares purchased on or after 1 June 2018

	Distribution per share	Equalisation	Total distribution per share 31/07/18	Total distribution per share 31/07/17
Class A accumulation¹				
Group 1	0.1426	-	0.1426	n/a
Group 2	-	0.1426	0.1426	n/a
Class I accumulation				
Group 1	0.3443	-	0.3443	0.3443
Group 2	-	0.3443	0.3443	0.3443
Class I income				
Group 1	0.3357	-	0.3357	0.3357
Group 2	-	0.3357	0.3357	0.3357
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2832	-	0.2832	n/a
Group 2	-	0.2832	0.2832	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2841	-	0.2841	n/a
Group 2	0.2841	-	0.2841	n/a

¹ Class A accumulation, Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

² in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 July 2018, paid on 31 August 2018)

Group 1: shares purchased prior to 1 July 2018

Group 2: shares purchased on or after 1 July 2018

	Distribution per share	Equalisation	Total distribution per share 31/08/18	Total distribution per share 31/08/17
Class A accumulation¹				
Group 1	0.1425	-	0.1425	n/a
Group 2	0.1425	-	0.1425	n/a
Class I accumulation				
Group 1	0.3443	-	0.3443	0.3443
Group 2	-	0.3443	0.3443	0.3443
Class I income				
Group 1	0.3357	-	0.3357	0.3357
Group 2	-	0.3357	0.3357	0.3357
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2832	-	0.2832	n/a
Group 2	0.2832	-	0.2832	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2841	-	0.2841	n/a
Group 2	0.2841	-	0.2841	n/a

¹ Class A accumulation, Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

² in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 August 2018, paid on 28 September 2018)

Group 1: shares purchased prior to 1 August 2018

Group 2: shares purchased on or after 1 August 2018

	Distribution per share	Equalisation	Total distribution per share 28/09/18	Total distribution per share 29/09/17
Class A accumulation¹				
Group 1	0.1425	-	0.1425	n/a
Group 2	0.1425	-	0.1425	n/a
Class I accumulation				
Group 1	0.3443	-	0.3443	0.3443
Group 2	-	0.3443	0.3443	0.3443
Class I income				
Group 1	0.3357	-	0.3357	0.3357
Group 2	-	0.3357	0.3357	0.3357
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2832	-	0.2832	n/a
Group 2	0.2832	-	0.2832	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2841	-	0.2841	n/a
Group 2	0.2841	-	0.2841	n/a

¹ Class A accumulation, Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

² in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 30 September 2018, paid on 31 October 2018)

Group 1: shares purchased prior to 1 September 2018

Group 2: shares purchased on or after 1 September 2018

	Distribution per share	Equalisation	Total distribution per share 31/10/18	Total distribution per share 31/10/17
Class A accumulation¹				
Group 1	0.1425	-	0.1425	-
Group 2	0.1425	-	0.1425	-
Class I accumulation				
Group 1	0.3443	-	0.3443	0.3443
Group 2	-	0.3443	0.3443	0.3443
Class I income				
Group 1	0.3357	-	0.3357	0.3357
Group 2	-	0.3357	0.3357	0.3357
Class A EUR Hedged accumulation¹				
Group 1	0.2832	-	0.2832	-
Group 2	0.2832	-	0.2832	-
Class I EUR Hedged accumulation¹				
Group 1	0.2841	-	0.2841	-
Group 2	0.2841	-	0.2841	-

¹ in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 October 2018, paid on 30 November 2018)

Group 1: shares purchased prior to 1 October 2018

Group 2: shares purchased on or after 1 October 2018

	Distribution per share	Equalisation	Total distribution per share 30/11/18	Total distribution per share 30/11/17
Class A accumulation				
Group 1	0.1425	-	0.1425	-
Group 2	0.1425	-	0.1425	-
Class I accumulation				
Group 1	0.3443	-	0.3443	0.3443
Group 2	-	0.3443	0.3443	0.3443
Class I income				
Group 1	0.3357	-	0.3357	0.3357
Group 2	-	0.3357	0.3357	0.3357
Class A EUR Hedged accumulation¹				
Group 1	0.2832	-	0.2832	-
Group 2	-	0.2832	0.2832	-
Class I EUR Hedged accumulation¹				
Group 1	0.2841	-	0.2841	-
Group 2	0.2841	-	0.2841	-

¹ in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 30 November 2018, paid on 31 December 2018)

Group 1: shares purchased prior to 1 November 2018

Group 2: shares purchased on or after 1 November 2018

	Distribution per share	Equalisation	Total distribution per share 31/12/18	Total distribution per share 29/12/17
Class A accumulation				
Group 1	0.1425	-	0.1425	0.1429
Group 2	0.1425	-	0.1425	0.1429
Class I accumulation				
Group 1	0.3443	-	0.3443	0.3443
Group 2	-	0.3443	0.3443	0.3443
Class I income				
Group 1	0.3357	-	0.3357	0.3357
Group 2	0.0745	0.2612	0.3357	0.3357
Class A EUR Hedged accumulation¹				
Group 1	0.2832	-	0.2832	0.0029
Group 2	0.2832	-	0.2832	0.0029
Class I EUR Hedged accumulation¹				
Group 1	0.2841	-	0.2841	0.0029
Group 2	0.2841	-	0.2841	0.0029

¹ in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 December 2018, paid on 31 January 2019)

Group 1: shares purchased prior to 1 December 2018

Group 2: shares purchased on or after 1 December 2018

	Distribution per share	Equalisation	Total distribution per share 31/01/19	Total distribution per share 31/01/18
Class A accumulation				
Group 1	0.1425	-	0.1425	0.1429
Group 2	0.1425	-	0.1425	0.1429
Class I accumulation				
Group 1	0.3443	-	0.3443	0.3443
Group 2	-	0.3443	0.3443	0.3443
Class I income				
Group 1	0.3357	-	0.3357	0.3357
Group 2	0.1134	0.2223	0.3357	0.3357
Class A EUR Hedged accumulation¹				
Group 1	0.2832	-	0.2832	0.0029
Group 2	0.2832	-	0.2832	0.0029
Class I EUR Hedged accumulation¹				
Group 1	0.2841	-	0.2841	0.0029
Group 2	0.2841	-	0.2841	0.0029

¹ in Euro cents per share

Distribution tables (continued)

Final dividend distribution (accounting date 31 January 2019, paid on 28 February 2019)

Group 1 : shares purchased prior to 1 January 2019

Group 2 : shares purchased on or after 1 January 2019

	Distribution per share	Equalisation	Total distribution per share 28/02/19	Total distribution per share 28/02/18
Class A accumulation				
Group 1	0.5060	-	0.5060	0.4214
Group 2	0.0969	0.4091	0.5060	0.4214
Class I accumulation				
Group 1	1.0053	-	1.0053	0.6420
Group 2	0.1902	0.8151	1.0053	0.6420
Class I income				
Group 1	0.3833	-	0.3833	0.5353
Group 2	0.1345	0.2488	0.3833	0.5353
Class A EUR Hedged accumulation¹				
Group 1	1.0079	-	1.0079	1.4123
Group 2	0.0876	0.9203	1.0079	1.4123
Class I EUR Hedged accumulation¹				
Group 1	0.8958	-	0.8958	1.3696
Group 2	0.8958	-	0.8958	1.3696

¹ in Euro cents per share

Janus Henderson Core 5 Income Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Janus Henderson Multi-Asset Team

Investment objective and policy

The fund aims to provide a sustainably high income return with the prospect for some capital growth whilst maintaining a moderate level of volatility (variation of returns) over the medium to long term. The fund is managed so that it aims not to deviate from predetermined parameters of forecast volatility, as measured by an independent risk rating body, over a medium to long term rolling period of at least 5 years. However, during this period the fund's forecast volatility may be outside of such parameters if the portfolio manager believes it is expedient to do so in order to improve investment performance. Observing the forecast volatility parameters will be prioritised over the generation of income. The fund will invest in a combination of transferable securities, fixed income securities, investment companies, collective investment schemes, exchange traded funds (ETFs), money market instruments, deposits, cash and near cash. Derivatives and forward transactions may be used by the fund for investment purposes to achieve asset allocation and for the purposes of efficient portfolio management.

Performance summary

	31 Jan 18 - 31 Jan 19	31 Jan 17 - 31 Jan 18	31 Jan 16 - 31 Jan 17	31 Jan 15 - 31 Jan 16	31 Jan 14 - 31 Jan 15
	%	%	%	%	%
Class I income	(1.4)	6.0	17.0	(5.2)	10.3

Source: Morningstar, Class A and I, NAV to NAV and net of fees as at 12 noon valuation point.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Significant portfolio changes for the year ended 31 January 2019

Largest purchases	£000	Largest sales	£000
iShares UK Dividend UCITS ETF	1,739	SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	888
SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	1,304	SPDR Bloomberg Barclays Capital UK Corporate Bond UCITS ETF	874
WisdomTree Europe SmallCap Dividend UCITS ETF	1,253	iShares JPMorgan EM Local Government Bond UCITS ETF	749
Lyxor SG Global Quality Income NTR Class D Distribution Renewables Infrastructure	1,108	SPDR S&P UK Dividend Aristocrats UCITS ETF	706
	1,082	Invesco Income Growth Investment Trust	677
SPDR Bloomberg Barclays UK Gilt UCITS ETF	942	NB Private Equity Partners 'A'	515
JPMorgan Global Emerging Markets Fund	939	iShares Euro Dividend UCITS ETF	500
iShares JPMorgan USD Emerging Markets Bond UCITS ETF	878	iShares IV USD Short Duration Corporate Bond UCITS ETF	425
SPDR S&P UK Dividend Aristocrats UCITS ETF	866	iShares UK Gilts UCITS ETF	371
HICL Infrastructure	819	Greencoat UK Wind	360
Total purchases	26,797	Total sales	10,372

Authorised Corporate Director's (ACD) report (continued)

Investment review

The fund fell 1.4% based on Class I income over the year under review.

The year under review was a challenging one for risk assets. After a 2017 that saw almost all equity markets rise, 2018 brought renewed volatility (sharper fluctuations in prices) and challenging macroeconomic and geopolitical conditions. As a result, many markets around the world collectively fell.

The portfolio's allocations to UK and European equities struggled the most during the period. Within European ex-UK equities, more cyclical strategies (such as Invesco European Equity Income Fund) underperformed, with a loss of 11.1%, while defensive positions in Nestlé and Novartis were up 12.5% and 11.0%, respectively. A similar picture of low beta approaches adding value was seen in the UK, as the RWC Enhanced Income Fund gained 6.8% against a backdrop of the FTSE All Share losing 3.8%. Cyclical equity markets also struggled, with the LF Morant Wright Nippon Yield Fund down 8.0%, although stock selection in Asia and emerging market funds helped protect us from the worst of the drawdowns.

Alternative assets proved to be defensive and diversified the returns of the portfolio. Property assets were roughly flat, with the Janus Henderson UK Property PAIF Fund down 0.2% and the UK Commercial Property Trust up 2.7%. Infrastructure benefited from positive sentiment towards its visible and partially inflation-linked revenue streams, which supported the 18.1% return from HICL Infrastructure.

As with risk assets in equities, lower quality bonds struggled and government bond positions (often perceived as safe havens) protected capital. The iShares UK Gilt UCITS ETF climbed 3.6%, and the Janus Henderson All Stocks Credit Fund was nearly flat with a return of 0.2%. Emerging market bonds struggled as trade war worries expanded amid softer economic data. This weak performance was captured by the BlackRock Emerging Markets Flexi Dynamic Bond Fund.

The volatility observed across a range of asset classes in the first quarter of 2018 presented the opportunity for some contrarian, technical-driven investment activity. Equity risk was gradually dialled down through January by selling Euro Stoxx Futures before rebuilding positions at more attractive levels in February and March. Within fixed income, the risk off mood in markets led to further profit taking from the iShares USD Corporate Bond UCITS ETF and Janus Henderson Horizon Global High Yield Bond, with proceeds rotated into active strategic bond funds.

Through the summer months, direct positions in Standard Life Aberdeen and Roche Participation Certificates were exited and rotated into Pfizer and CyrusOne, a US-based real estate investment trust (REIT) specialised in data centre properties. iShares Euro Dividend UCITS ETF was also topped up, as this area of the market continued to post positive returns. Within the alternatives space, profits were taken from Picton Property after a period of strong performance, with similar profit-taking in fixed income from the iShares IV USD Short Duration Corporate Bond UCITS ETF.

GlaxoSmithKline was added in the UK and BASF was added in Europe, while top performers (including Microsoft) were trimmed. Exposure to emerging market equities was increased through adding to the JPMorgan Global Emerging Markets Fund as trade concerns softened, while the WisdomTree Europe SmallCap Dividend UCITS ETF was added on weak performance. Profit-taking continued in government bonds while widening corporate bond spreads presented a chance to top up iShares USD Corporate Bond UCITS ETF.

The final three months saw London (City of) Investment Trust completely sold in favour of a new position in the LF Gresham House UK Multi Cap Income Fund. Exposure to the US was reduced by selling the S&P 500 Future, while cash flows were used to top up exposure to out of favour regions such as emerging markets and Asia. Within the alternatives space, there was profit-taking on strong performance from renewables, specifically the Foresight Solar Trust and the Greencoat UK Wind Trust. Proceeds were directed into The PRS REIT and the remainder was put into cash. Instrument selection in structured credit was adjusted after strong performance from closed ended vehicles, with a new holding added in the Neuberger Berman CLO Income Fund.

Comparative tables for the year ended 31 January 2019

	Class A accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	70.42	66.78	57.77
Return before operating charges*	(0.24)	4.58	9.82
Operating charges	(0.93)	(0.90)	(0.81)
Return after operating charges*	(1.17)	3.64	9.01
Distributions on accumulation shares	(3.07)	(2.61)	(2.46)
Retained distributions on accumulation shares	3.07	2.61	2.46
Closing net asset value per share	69.25	70.42	66.78
* after direct transaction costs of:	0.06	0.10	0.06

Performance

Return after charges	(1.66%)	5.45%	15.60%
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Other information

Closing net asset value (£000s)	1,626	143	161
Closing number of shares	2,348,149	202,746	241,574
Operating charges	1.35%	1.35%	1.31%
Direct transaction costs	0.09%	0.14%	0.09%

Prices

Highest share price (pence)	71.31	71.85	67.67
Lowest share price (pence)	67.23	66.79	55.77

	Class A income		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	56.36	55.77	50.41
Return before operating charges*	(0.19)	3.79	8.44
Operating charges	(0.74)	(0.77)	(0.70)
Return after operating charges*	(0.93)	3.02	7.74
Distributions on income shares	(2.48)	(2.43)	(2.38)
Closing net asset value per share	52.95	56.36	55.77
* after direct transaction costs of:	0.05	0.08	0.05

Performance

Return after charges	(1.65%)	5.42%	15.35%
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Other information

Closing net asset value (£000s)	264	274	256
Closing number of shares	499,064	486,866	458,468
Operating charges	1.35%	1.35%	1.31%
Direct transaction costs	0.09%	0.14%	0.09%

Prices

Highest share price (pence)	56.40	58.07	56.80
Lowest share price (pence)	51.98	55.76	48.67

Comparative tables (continued)

	Class I accumulation		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	144.50	136.35	117.39
Return before operating charges*	(0.67)	9.22	19.89
Operating charges	(1.07)	(1.07)	(0.93)
Return after operating charges*	(1.74)	8.15	18.96
Distributions on accumulation shares	(6.11)	(5.29)	(4.99)
Retained distributions on accumulation shares	6.11	5.29	4.99
Closing net asset value per share	142.76	144.50	136.35
* after direct transaction costs of:	0.13	0.20	0.12

Performance

Return after charges	(1.20%)	5.98%	16.15%
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Other information

Closing net asset value (£000s)	23,514	12,347	9,223
Closing number of shares	16,471,518	8,544,749	6,764,184
Operating charges	0.75%	0.75%	0.72%
Direct transaction costs	0.09%	0.14%	0.09%

Prices

Highest share price (pence)	146.70	147.40	138.10
Lowest share price (pence)	138.50	136.40	113.40

	Class I income		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	115.92	114.08	102.60
Return before operating charges*	(0.54)	7.65	17.08
Operating charges	(0.84)	(0.88)	(0.79)
Return after operating charges*	(1.38)	6.77	16.29
Distributions on income shares	(4.96)	(4.93)	(4.81)
Closing net asset value per share	109.58	115.92	114.08
* after direct transaction costs of:	0.10	0.17	0.10

Performance

Return after charges	(1.19%)	5.93%	15.88%
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Other information

Closing net asset value (£000s)	17,617	13,513	10,982
Closing number of shares	16,075,819	11,656,297	9,626,495
Operating charges	0.75%	0.75%	0.72%
Direct transaction costs	0.09%	0.14%	0.09%

Prices

Highest share price (pence)	116.00	119.10	116.20
Lowest share price (pence)	107.40	114.10	99.08

Comparative tables (continued)

	Class A EUR Hedged accumulation	
	2019 (pence per share)	2018 (pence per share)
Change in net assets per share		
Opening net asset value per share	86.96	91.95 ¹
Return before operating charges*	(1.61)	(4.48)
Operating charges	(1.16)	(0.51)
Return after operating charges*	(2.77)	(4.99)
Distributions on accumulation shares	(3.84)	(1.22)
Retained distributions on accumulation shares	3.84	1.22
Closing net asset value per share	84.19	86.96
* after direct transaction costs of:	0.08	0.13
Performance		
Return after charges	(3.19%)	(5.43%)
Other information		
Closing net asset value (£000s)	255	36
Closing number of shares	303,000	41,189
Operating charges	1.35%	1.35%
Direct transaction costs	0.09%	0.14%
Prices		
Highest share price (Euro cents)	100.00	101.40
Lowest share price (Euro cents)	93.83	98.24

¹ Class A EUR Hedged accumulation launched on 1 September 2017 and this is the first published price.

	Class I EUR Hedged accumulation	
	2019 (pence per share)	2018 (pence per share)
Change in net assets per share		
Opening net asset value per share	87.12	91.95 ²
Return before operating charges*	(1.77)	(4.56)
Operating charges	(0.65)	(0.27)
Return after operating charges*	(2.42)	(4.83)
Distributions on accumulation shares	(3.74)	(1.17)
Retained distributions on accumulation shares	3.74	1.17
Closing net asset value per share	84.70	87.12
* after direct transaction costs of:	0.08	0.13
Performance		
Return after charges	(2.78%)	(5.25%)
Other information		
Closing net asset value (£000s)	1	1
Closing number of shares	1,542	1,503
Operating charges	0.75%	0.75%
Direct transaction costs	0.09%	0.14%
Prices		
Highest share price (Euro cents)	100.40	101.50
Lowest share price (Euro cents)	94.36	98.25

² Class I EUR Hedged accumulation launched on 1 September 2017 and this is the first published price.

Comparative tables (continued)

Direct transaction costs incurred on securities transactions (including derivatives) are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs.

Performance values are close of business and on a bid basis and may differ from the performance summary.

Operating charges

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

Share class launches and closures

There were no share classes launched or closed in the year.

Hedged share classes

Class A EUR Hedged accumulation and Class I EUR Hedged accumulation are hedged share classes. Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in those classes and Sterling which is the base currency of the fund.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2019 %	2018 %
Class A	1.35	1.35
Class I	0.75	0.75
Class A EUR Hedged	1.35	1.35 ¹
Class I EUR Hedged	0.75	0.75 ¹

The OCF includes a synthetic element of 0.18% (2018: 0.20%) to incorporate the OCF of underlying funds.

The ACD made a contribution to limit the fund's OCF ratio. This is shown in note 2 of the financial statements.

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

The fund is a non-UCITS fund and we have used this disclosure to enable comparison across our fund range.

¹ Class A EUR Hedged and Class I EUR Hedged launched on 1 September 2017.

Risk and reward profile

The fund currently has 6 types of share class in issue: A accumulation, A income, I accumulation, I income, A EUR Hedged accumulation and I EUR Hedged accumulation.

The risk and reward profile of each type of share class is as follows:



The synthetic risk and reward indicator (SRRI) is calculated based on historical volatility over a rolling 5 year period; it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment in the fund can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The share class appears at 5 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The fund targets a risk profile of 5 as calculated by Distribution Technology who is engaged by Janus Henderson Investors as an independent provider of risk profiling tools to funds and investment advisers. Distribution Technology profiles funds using a rating scale of 1-10 and takes into consideration risk targets and other factors as well as past data. Investor should note that the Distribution Technology risk profile is different to the 'Risk and Reward Profile' scale above, which is an industry standard required by the FCA using a scale of 1-7 and which only takes into account past data.

For further information on the Distribution Technology risk profile please contact us or refer to the fund's Prospectus.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

The full list of the fund's risks are contained in the 'Risk Warnings' section of the fund's prospectus.

There has been no change to the risk ratings in the year.

The SRRI conforms to the ESMA guidelines for the calculation of the SRRI.

¹ Class A EUR Hedged accumulation and Class I EUR Hedged accumulation have not been in existence for 5 years as they were only launched on 1 September 2017, as these shares do not have a 5 year history, a synthetic history have been created using the funds' relevant sector average.

This fund is a non-UCITS retail fund and we have adopted this disclosure to enable comparison across our fund range.

Portfolio statement as at 31 January 2019

Holding	Investment	Market value £000	Percentage of total net assets %
Alternatives 8.26% (2018: 6.59%)			
863,405	HICL Infrastructure	1,433	3.31
259,192	International Public Partnerships	400	0.92
1,107,517	Renewables Infrastructure	1,307	3.02
51,434	3i	437	1.01
		<u>3,577</u>	<u>8.26</u>
Asia Ex Japan Equity 5.66% (2018: 6.16%)			
824,909	Janus Henderson Asian Dividend Income Unit Trust ¹	832	1.92
556,962	Schroder Oriental Income Fund	1,348	3.11
9,479	Taiwan Semiconductor Manufacturing ADS	271	0.63
		<u>2,451</u>	<u>5.66</u>
Commodities 2.98% (2018: 3.37%)			
1,035,548	BlackRock Commodities Income Investment Trust	745	1.73
5,648	ETFS Physical Gold	543	1.25
		<u>1,288</u>	<u>2.98</u>
Diversified Bonds 4.60% (2018: 6.21%)			
9,377,446	Janus Henderson Fixed Interest Monthly Income Fund I Income ¹	1,992	4.60
Emerging Market Bonds 5.71% (2018: 1.67%)			
2,823	BlackRock Emerging Markets Flexi Dynamic Bond Fund	189	0.44
4,782	iShares JPMorgan EM Local Government Bond UCITS ETF	220	0.51
14,963	iShares JPMorgan USD Emerging Markets Bond UCITS ETF	1,231	2.84
15,204	SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	833	1.92
		<u>2,473</u>	<u>5.71</u>
Europe ex UK Equity 11.91% (2018: 15.33%)			
2,004	BASF	111	0.26
317,410	BlackRock Continental European Income Fund	423	0.98
14,129	Deutsche Post	317	0.73
41,669	ING	375	0.87
266,424	Invesco European Equity Income Fund	343	0.79
24,421	iShares Euro Dividend UCITS ETF	433	1.00
4,207	Nestlé	279	0.64
6,756	Novartis	448	1.04
16,580	Orange	196	0.45
25,256	RELX	426	0.98
12,472	Swedbank	214	0.49
7,367	Total	308	0.71
94,016	WisdomTree Europe SmallCap Dividend UCITS ETF	1,280	2.97
		<u>5,153</u>	<u>11.91</u>
Global Emerging Market Equity 3.77% (2018: 2.73%)			
1,274,262	JPMorgan Global Emerging Markets Fund	1,631	3.77
Global Equity 3.20% (2018: 1.75%)			
64,691	Chenavari Capital Solutions	49	0.11
13,159	Lyxor SG Global Quality Income NTR Class D Distribution	1,335	3.09
		<u>1,384</u>	<u>3.20</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Government Bonds 6.01% (2018: 8.86%)			
32,765	iShares UK Gilts UCITS ETF	433	1.00
31,599	SPDR Bloomberg Barclays UK Gilt UCITS ETF	1,823	4.21
15,168	SPDR Bloomberg Barclays US TIPS UCITS ETF	346	0.80
		<u>2,602</u>	<u>6.01</u>
High Yield Bonds 8.67% (2018: 12.04%)			
1,289,619	AXA US Short Duration High Yield Bond Fund	1,186	2.73
76,581	Blackstone/GSO Loan Financing	50	0.12
1,720,176	Blackstone/GSO Loan Financing 'C'	735	1.70
191,721	CVC Credit Partners European Opportunities	207	0.48
8,399	iShares II USD High Yield Corp Bond UCITS ETF	648	1.50
8,901	Janus Henderson Horizon Global High Yield Bond Z3 Income ¹	927	2.14
		<u>3,753</u>	<u>8.67</u>
Investment Grade Bonds 5.46% (2018: 5.74%)			
10,779	iShares USD Corporate Bond UCITS ETF	917	2.12
583,020	Janus Henderson All Stocks Credit Fund I Income ¹	775	1.79
750,799	NB Global Floating Rate Income Fund	671	1.55
		<u>2,363</u>	<u>5.46</u>
Japan Equity 0.74% (2018: 1.29%)			
94,896	LF Morant Wright Nippon Yield	319	0.74
North America Equity 6.34% (2018: 4.94%)			
4,545	Chevron	396	0.91
6,426	CyrusOne	265	0.61
2,682	Lam Research	346	0.80
6,279	Medtronic	423	0.98
6,421	Microsoft	509	1.18
13,042	Pfizer	421	0.97
9,221	Verizon Communications	386	0.89
		<u>2,746</u>	<u>6.34</u>
Private Equity 0.38% (2018: 1.38%)			
20,319	Princess Private Equity Holdings	164	0.38
Property 5.49% (2018: 5.73%)			
525,346	Ediston Property Investment	531	1.23
613,856	Janus Henderson UK Property PAIF Z Income ¹	685	1.58
738,421	The PRS REIT	717	1.66
498,339	UK Commercial Property Trust	444	1.02
		<u>2,377</u>	<u>5.49</u>
Specialist Equity 1.57% (2018: 1.95%)			
59,880	Neuberger Berman CLO Income Fund Class I5 Income	574	1.32
11,169	Tele2 'B'	106	0.25
		<u>680</u>	<u>1.57</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
UK Equity 13.55% (2018: 13.17%)			
8,966	British American Tobacco	241	0.56
14,649	GlaxoSmithKline	216	0.50
446,215	Investec Funds Series i UK Equity Income Fund	493	1.14
267,594	iShares UK Dividend UCITS ETF	2,121	4.90
93,341	Janus Henderson Institutional High Alpha UK Equity Fund I Income ¹	136	0.31
351,587	LF Gresham House UK Multi Cap Income Fund Class F Income	365	0.84
17,359	Prudential	258	0.60
4,326	Rio Tinto	181	0.42
6,785	RWC Enhanced Income Fund	558	1.29
19,557	SPDR S&P UK Dividend Aristocrats UCITS ETF	214	0.50
1,060,986	UK Mortgages	864	2.00
153,742	Vodafone	213	0.49
		5,860	13.55
Derivatives 0.09% (2018: 0.80%)			
Contracts for Difference 0.06% (2018: 0.15%)²			
Equity contracts for difference 0.06% (0.15%)²			
4,653	Nikkei 225	2	-
751	S&P 500 Index	23	0.06
		25	0.06
Futures (0.21%) (2018: (0.13%))			
(6)	CME S&P 500 E-mini March 2019	(34)	(0.08)
(62)	EUX Euro STOXX50 March 2019	(57)	(0.13)
		(91)	(0.21)
Forward Foreign Exchange Contracts 0.24% (2018: 0.78%)²			
	Buy EUR 0 : Sell GBP 0 February 2019 ³	-	-
	Buy EUR 0 : Sell GBP 0 February 2019 ³	-	-
	Buy EUR 1 : Sell GBP 1 February 2019 ³	-	-
	Buy EUR 1 : Sell GBP 1 February 2019 ³	-	-
	Buy EUR 10 : Sell GBP 9 February 2019 ³	-	-
	Buy EUR 10 : Sell GBP 9 February 2019 ³	-	-
	Buy EUR 1,505 : Sell GBP 1,345 February 2019 ³	-	-
	Buy EUR 18 : Sell GBP 15 February 2019 ³	-	-
	Buy EUR 2 : Sell GBP 1 February 2019 ³	-	-
	Buy EUR 2 : Sell GBP 1 February 2019 ³	-	-
	Buy EUR 2 : Sell GBP 1 February 2019 ³	-	-
	Buy EUR 2 : Sell GBP 2 February 2019 ³	-	-
	Buy EUR 2 : Sell GBP 2 February 2019 ³	-	-
	Buy EUR 2 : Sell GBP 2 February 2019 ³	-	-
	Buy EUR 2 : Sell GBP 2 February 2019 ³	-	-
	Buy EUR 251,512 : Sell GBP 224,794 February 2019	(5)	(0.01)
	Buy EUR 3 : Sell GBP 3 February 2019 ³	-	-
	Buy EUR 3 : Sell GBP 3 February 2019 ³	-	-
	Buy EUR 3,321 : Sell GBP 2,910 February 2019 ³	-	-
	Buy EUR 39,961 : Sell GBP 34,847 February 2019 ³	-	-
	Buy EUR 6 : Sell GBP 5 February 2019 ³	-	-
	Buy EUR 6 : Sell GBP 5 February 2019 ³	-	-
	Buy EUR 6 : Sell GBP 5 February 2019 ³	-	-
	Buy EUR 6 : Sell GBP 5 February 2019 ³	-	-

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts (continued)			
	Buy GBP 1 : Sell EUR 1 February 2019 ³	-	-
	Buy GBP 1 : Sell EUR 1 February 2019 ³	-	-
	Buy GBP 1 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 1 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 11 : Sell EUR 13 February 2019 ³	-	-
	Buy GBP 1,350,000 : Sell EUR 1,546,061 February 2019 ³	-	-
	Buy GBP 1,845 : Sell EUR 2,064 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 3 : Sell EUR 3 February 2019 ³	-	-
	Buy GBP 3 : Sell EUR 3 February 2019 ³	-	-
	Buy GBP 3,305,130 : Sell EUR 3,747,979 February 2019	33	0.08
	Buy GBP 4 : Sell EUR 4 February 2019 ³	-	-
	Buy GBP 4 : Sell EUR 4 February 2019 ³	-	-
	Buy GBP 5 : Sell EUR 6 February 2019 ³	-	-
	Buy GBP 5,157,029 : Sell USD 6,685,819 February 2019	81	0.19
	Buy GBP 525,000 : Sell USD 688,671 February 2019	2	-
	Buy GBP 6 : Sell EUR 6 February 2019 ³	-	-
	Buy GBP 9 : Sell EUR 10 February 2019 ³	-	-
	Buy GBP 9 : Sell EUR 10 February 2019 ³	-	-
	Buy JPY 103,601,876 : Sell GBP 731,763 February 2019	(8)	(0.02)
		<u>103</u>	<u>0.24</u>
	Investment assets including liabilities	40,850	94.39
	Other net assets	2,427	5.61
	Net assets	43,277	100.00

¹ Related party to the fund

² Unquoted securities

³ Due to rounding to nearest £1,000

Portfolio statement (continued)

Composition of portfolio

2019	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	12,460	28.79
Total equities	28,353	65.51
Total derivatives	37	0.09
Investment assets including investment liabilities	40,850	94.39
Other net assets	2,427	5.61
Total net assets	43,277	100.00
2018	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	6,858	26.06
Total equities	19,169	72.85
Total derivatives	211	0.80
Investment assets including investment liabilities	26,238	99.71
Other net assets	76	0.29
Total net assets	26,314	100.00

The collective investment schemes held are approved regulated collective investment schemes within the meaning of the FCA rules.

Exchange traded funds and all other investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Statement of total return for the year ended 31 January 2019

	Note	2019		2018	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(1,654)		489
Revenue	3	1,622		1,066	
Expenses	4	(195)		(137)	
Interest payable and similar charges	5	(23)		(8)	
Net revenue before taxation		1,404		921	
Taxation	6	(92)		(61)	
Net revenue after taxation			1,312		860
Total return before distributions			(342)		1,349
Distributions	7		(1,507)		(997)
Change in net assets attributable to shareholders from investment activities			(1,849)		352

Statement of change in net assets attributable to shareholders

for the year ended 31 January 2019

	2019		2018	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		26,314		20,622
Amounts receivable on issue of shares	21,567		9,113	
Amounts payable on cancellation of shares	(3,674)		(4,223)	
		17,893		4,890
Dilution adjustment		-		2
Change in net assets attributable to shareholders from investment activities		(1,849)		352
Retained distributions on accumulation shares		919		448
Closing net assets attributable to shareholders		43,277		26,314

Balance sheet as at 31 January 2019

	Note	2019 £000	2018 £000
Assets:			
Investments		40,954	26,295
Current assets:			
Debtors	8	648	2,151
Cash and bank balances	9	619	577
Cash equivalents	10	2,776	1
Total assets		44,997	29,024
Liabilities:			
Investment liabilities		104	57
Creditors:			
Amounts held at derivative clearing houses and brokers		-	1
Bank overdrafts		277	1,004
Distributions payable		117	81
Other creditors	11	1,222	1,567
Total liabilities		1,720	2,710
Net assets attributable to shareholders		43,277	26,314

Notes to the financial statements for the year ended 31 January 2019

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

2 Net capital (losses)/gains

Net capital (losses)/gains on investments during the year comprise:

	2019	2018
	£000	£000
ACD contribution to limit OCF	4	6
Capital management fee rebates	40	40
Derivative securities*	59	(143)
Forward currency contracts*	(207)	328
Forward currency contracts on hedged share classes*	(4)	(1)
Non-derivative securities*	(1,523)	280
Other currency losses	(6)	(11)
Transaction costs	(17)	(10)
Net capital (losses)/gains	(1,654)	489
*The above includes:		
Realised (losses)/gains	(212)	581
Unrealised losses	(1,463)	(117)
	(1,675)	464

* Where realised gains/(losses) include gains/(losses) arising in previous years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 Revenue

	2019	2018
	£000	£000
Derivative revenue	19	14
Distributions from UK regulated collective investment schemes:		
Franked investment revenue	98	103
Interest distribution	131	100
Unfranked investment revenue	4	1
Management fee rebates	2	1
Overseas dividends*	1,070	700
Overseas REIT revenue	6	-
UK dividends	232	122
UK REIT revenue - PID	42	25
UK REIT revenue - non PID	18	-
Total revenue	1,622	1,066

* includes distributions from overseas funds

Notes to the financial statements (continued)

4 Expenses

	2019 £000	2018 £000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	184	129
GAC*	7	5
	<u>191</u>	<u>134</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	3	2
Safe custody fees	1	1
	<u>4</u>	<u>3</u>
Total expenses	<u>195</u>	<u>137</u>

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £12,426 (2018: £12,064), however, as the GAC charge is lower than the audit fee, the GAC does not fully recompense the ACD for this and certain other expenses charged to the fund.

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2019 £000	2018 £000
Interest payable	23	-
Dividends payable on CFD contracts	-	8
Total interest payable and similar charges	<u>23</u>	<u>8</u>

6 Taxation

(a) Analysis of charge in the year

The tax charge comprises:

	2019 £000	2018 £000
Current tax		
Double tax relief	(1)	-
Overseas withholding tax	29	15
UK corporation tax	64	46
Total tax (note 6b)	<u>92</u>	<u>61</u>

Notes to the financial statements (continued)

6 Taxation (continued)

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised open ended investment companies (OEICS) of 20% (2018: 20%). The differences are explained below:

	2019	2018
	£000	£000
Net revenue before taxation	1,404	921
Corporation tax at 20% (2018: 20%)	281	184
Effects of:		
Double tax relief	(1)	-
Irrecoverable overseas tax	29	15
Overseas dividends*	(155)	(101)
Tax effect of management fee rebates in capital	8	8
UK dividends**	(70)	(45)
Tax charge for the year (note 6a)	92	61

*Certain overseas dividends are not subject to corporation tax from 1 July 2009 due to changes enacted in the Finance Act 2009.

**As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2018: nil).

(d) Factors that may affect future tax charges

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

7 Distributions

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

	2019	2018
	£000	£000
Interim income	590	484
Interim accumulation	620	374
Final income	117	81
Final accumulation	299	74
	1,626	1,013
Amounts deducted on cancellation of shares	23	21
Amounts received on issue of shares	(142)	(37)
Total distributions	1,507	997
Net revenue after taxation	1,312	860
Expenses paid from capital	195	137
Total distributions	1,507	997

Details of the distribution per share are set out in the distribution tables on pages 202 to 213.

Notes to the financial statements (continued)

8 Debtors

	2019	2018
	£000	£000
Accrued revenue	100	38
ACD contribution to limit OCF	4	6
Amounts receivable for issue of shares	147	328
Income tax recoverable	1	-
Management fee rebates	23	22
Overseas withholding tax reclaimable	2	9
Sales awaiting settlement	371	1,748
Total debtors	648	2,151

9 Cash and bank balances

	2019	2018
	£000	£000
Amounts held at derivative clearing houses and brokers	319	410
Cash and bank balances	300	167
Total cash and bank balances	619	577

10 Cash equivalents

	2019	2018
	£000	£000
Short term investments	2,776	1
Total cash equivalents	2,776	1

11 Other creditors

	2019	2018
	£000	£000
Accrued annual management charge	19	12
Accrued Depository's fee	1	-
Accrued other expenses	15	-
Amounts payable for cancellation of shares	2	64
Corporation tax payable	63	40
Income tax payable	-	1
Purchases awaiting settlement	1,122	1,450
Total other creditors	1,222	1,567

12 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

Notes to the financial statements (continued)

13 Related party transactions

Henderson Investment Funds Limited as ACD to the fund is deemed to be a related party because it provides key management personnel services to the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 191 and 192 and notes 3, 4, 7, 8 and 11 on pages 193 to 196 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- ACD contribution to limit OCF
- All issues and cancellations
- Annual management charge
- GAC and any related charges where the GAC fee was unable to fully recompense the ACD, including the audit fee as outlined in note 4.

The ultimate controlling party of Henderson Investment Funds Limited is Janus Henderson Group plc. The transactions associated with Janus Henderson Group plc, its subsidiaries and other funds managed by Henderson Investment Funds Limited are as follows:

- a) The aggregate value of purchases and sales transactions was £2,062,034 (2018: £1,215,586) and the balance outstanding at the year end was nil (2018: £286,461).
- b) Revenue receivable for the year was £187,743 (2018: £182,757) and the balance outstanding at the year end was £16,309 (2018: nil).
- c) Management fee rebates receivable for the year was £35,022 (2018: £31,553) and the balance outstanding at the year end was £22,752 (2018: £19,956).
- d) The aggregate value of investments held at the year end was £5,346,103 (2018: £3,672,315).

There were no material shareholders at the year end (2018: nil).

14 Shareholders' funds

The fund currently has 2 share classes available; Class A (Retail with front-end charges) and Class I (Institutional). The annual management charge on each share class is as follows:

	2019	2018
	%	%
Class A	1.10	1.10
Class I	0.50	0.50
Class A EUR Hedged	1.10	1.10 ¹
Class I EUR Hedged	0.50	0.50 ¹

¹ Class A EUR Hedged and Class I EUR Hedged launched on 1 September 2017.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 180 to 183. The distribution per share class is given in the distribution tables on pages 202 to 213. All share classes have the same rights on winding up.

Shares reconciliation as at 31 January 2019

	Class A accumulation	Class A income	Class I accumulation	Class I income
Opening number of shares	202,746	486,866	8,544,749	11,656,297
Issues during the year	2,219,187	15,850	9,363,875	5,816,510
Cancellations during the year	(73,784)	(3,652)	(1,441,578)	(1,391,410)
Shares converted during the year	-	-	4,472	(5,578)
Closing shares in issue	2,348,149	499,064	16,471,518	16,075,819
			Class A EUR Hedged accumulation	Class I EUR Hedged accumulation
Opening number of shares			41,189	1,503
Issues during the year			262,198	449
Cancellations during the year			(387)	(410)
Shares converted during the year			-	-
Closing shares in issue			303,000	1,542

Notes to the financial statements (continued)

15 Financial derivatives

The fund may use financial derivatives for the purposes of efficient portfolio management, hedging and the purposes of achieving the investment objective of the fund.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

The counterparty exposure has been calculated using the positive marked-to-market value of the derivative contract with that counterparty.

There was no collateral pledged or collateral held in respect of derivatives as at 31 January 2019 (2018: nil).

2019

At 31 January 2019 the underlying exposure for each category of derivatives was as follows:

Counterparty	Contracts for difference £000	Forward foreign exchange contracts £000	Total by counterparty £000
Barclays	-	2	2
BNP Paribas	-	114	114
UBS	25	-	25
	25	116	141

2018

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

Counterparty	Contracts for difference £000	Forward foreign exchange contracts £000	Futures £000	Total by counterparty £000
BNP Paribas	-	218	-	218
UBS	49	-	1	50
	49	218	1	268

16 Risk

Currency risk

The fund's net exposure to currency risk (including any instruments used to hedge foreign currencies) is considered insignificant. This is consistent with the exposure during the prior year.

Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

Leverage

There have been no breaches of the maximum levels during the year, no changes to the maximum level of leverage employed by the fund or to its right of reuse of collateral or any guarantee granted under the leveraging arrangements.

	Gross method		Commitment method	
	Maximum level %	Actual level %	Maximum level %	Actual level %
2019	225	132	175	109
2018	225	142	175	119

Notes to the financial statements (continued)

16 Risk (continued)

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis.

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2019				
Bank overdrafts	277	-	-	-
Derivative financial liabilities	-	104	-	-
Distribution payable	-	117	-	-
Other creditors	-	1,222	-	-
Total	277	1,443	-	-
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2018				
Amounts held at derivatives clearing houses and brokers	1	-	-	-
Bank overdrafts	1,004	-	-	-
Derivative financial liabilities	-	57	-	-
Distribution payable	-	81	-	-
Other creditors	-	1,567	-	-
Total	1,005	1,705	-	-

17 Fair value disclosure

Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Notes to the financial statements (continued)

17 Fair value disclosure (continued)

Fair value hierarchy

	2019		2018	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	31,016	91	19,300	36
Level 2	9,938	13	6,995	21
Level 3	-	-	-	-
	<u>40,954</u>	<u>104</u>	<u>26,295</u>	<u>57</u>

18 Direct transaction costs

	Purchases		Sales	
	2019 £000	2018 £000	2019 £000	2018 £000
Trades in the year				
Collective investment schemes	6,387	1,544	477	1,007
Equities	<u>20,384</u>	<u>16,419</u>	<u>9,898</u>	<u>9,020</u>
Trades in the year before transaction costs	<u>26,771</u>	<u>17,963</u>	<u>10,375</u>	<u>10,027</u>
Transaction costs				
Commissions				
Collective investment schemes	1	-	-	-
Equities	<u>7</u>	<u>9</u>	<u>3</u>	<u>4</u>
Total commissions	<u>8</u>	<u>9</u>	<u>3</u>	<u>4</u>
Taxes				
Collective investment schemes	-	-	-	-
Equities	<u>17</u>	<u>12</u>	<u>-</u>	<u>-</u>
Total taxes	<u>17</u>	<u>12</u>	<u>-</u>	<u>-</u>
Other expenses				
Collective investment schemes	-	-	-	-
Equities	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total other expenses	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total transaction costs	<u>26</u>	<u>22</u>	<u>3</u>	<u>4</u>
Total net trades in the year after transaction costs	<u>26,797</u>	<u>17,985</u>	<u>10,372</u>	<u>10,023</u>

Notes to the financial statements (continued)

18 Direct transaction costs (continued)

	Purchases		Sales	
	2019 %	2018 %	2019 %	2018 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective investment schemes	0.02	-	-	-
Equities	0.03	0.05	0.03	0.04
Taxes				
Collective investment schemes	-	-	-	-
Equities	0.08	0.07	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Equities	-	0.01	-	-
	2019	2018		
	%	%		
Total transaction costs expressed as a percentage of net asset value				
Commissions	0.03	0.06		
Taxes	0.05	0.03		
Other expenses	-	-		
Total costs	0.08	0.09		

There were no in specie transfers during the year (2018: nil). There were corporate actions during the year of £101,819 (2018: £169,877).

There were direct transaction costs associated with derivatives in the year of £1,137 (2018: £627) which is 0.00% of the average net asset value of the fund (2018: 0.00%).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The costs of acquiring and disposing of units/shares in other collective investment schemes are included within the expense ratio which is an intrinsic part of the NAV price per unit/share of the underlying fund.

The portfolio dealing spread as at 31 January 2019 was 0.74% (2018: 0.59%). The portfolio dealing spread is calculated at the fund's 12 noon valuation point.

19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Distribution tables for the year ended 31 January 2019 (in pence per share)

Interim dividend distribution (accounting date 28 February 2018, paid on 29 March 2018)

Group 1: shares purchased prior to 1 February 2018

Group 2: shares purchased on or after 1 February 2018

	Distribution per share	Equalisation	Total distribution per share 29/03/18	Total distribution per share 31/03/17
Class A accumulation				
Group 1	0.1785	-	0.1785	0.1785
Group 2	-	0.1785	0.1785	0.1785
Class A income				
Group 1	0.1491	-	0.1491	0.1491
Group 2	0.1491	-	0.1491	0.1491
Class I accumulation				
Group 1	0.3495	-	0.3495	0.3495
Group 2	-	0.3495	0.3495	0.3495
Class I income				
Group 1	0.2924	-	0.2924	0.2924
Group 2	-	0.2924	0.2924	0.2924
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2251	-	0.2251	n/a
Group 2	-	0.2251	0.2251	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2255	-	0.2255	n/a
Group 2	0.2255	-	0.2255	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 31 March 2018, paid on 30 April 2018)

Group 1: shares purchased prior to 1 March 2018

Group 2: shares purchased on or after 1 March 2018

	Distribution per share	Equalisation	Total distribution per share 30/04/18	Total distribution per share 28/04/17
Class A accumulation				
Group 1	0.1742	-	0.1742	0.1742
Group 2	-	0.1742	0.1742	0.1742
Class A income				
Group 1	0.1683	-	0.1683	0.1683
Group 2	0.1683	-	0.1683	0.1683
Class I accumulation				
Group 1	0.3533	-	0.3533	0.3533
Group 2	-	0.3533	0.3533	0.3533
Class I income				
Group 1	0.3409	-	0.3409	0.3409
Group 2	-	0.3409	0.3409	0.3409
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2439	-	0.2439	n/a
Group 2	-	0.2439	0.2439	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2445	-	0.2445	n/a
Group 2	0.2445	-	0.2445	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 30 April 2018, paid on 31 May 2018)

Group 1: shares purchased prior to 1 April 2018

Group 2: shares purchased on or after 1 April 2018

	Distribution per share	Equalisation	Total distribution per share 31/05/18	Total distribution per share 31/05/17
Class A accumulation				
Group 1	0.2050	-	0.2050	0.2050
Group 2	-	0.2050	0.2050	0.2050
Class A income				
Group 1	0.1980	-	0.1980	0.1980
Group 2	0.1980	-	0.1980	0.1980
Class I accumulation				
Group 1	0.4156	-	0.4156	0.4156
Group 2	-	0.4156	0.4156	0.4156
Class I income				
Group 1	0.4011	-	0.4011	0.4011
Group 2	-	0.4011	0.4011	0.4011
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2866	-	0.2866	n/a
Group 2	-	0.2866	0.2866	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2874	-	0.2874	n/a
Group 2	0.2874	-	0.2874	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 31 May 2018, paid on 29 June 2018)

Group 1: shares purchased prior to 1 May 2018

Group 2: shares purchased on or after 1 May 2018

	Distribution per share	Equalisation	Total distribution per share 29/06/18	Total distribution per share 30/06/17
Class A accumulation				
Group 1	0.2050	-	0.2050	0.2050
Group 2	-	0.2050	0.2050	0.2050
Class A income				
Group 1	0.1980	-	0.1980	0.1980
Group 2	0.1980	-	0.1980	0.1980
Class I accumulation				
Group 1	0.4156	-	0.4156	0.4156
Group 2	-	0.4156	0.4156	0.4156
Class I income				
Group 1	0.4011	-	0.4011	0.4011
Group 2	-	0.4011	0.4011	0.4011
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2862	-	0.2862	n/a
Group 2	0.2862	-	0.2862	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2871	-	0.2871	n/a
Group 2	0.2871	-	0.2871	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 30 June 2018, paid on 31 July 2018)

Group 1: shares purchased prior to 1 June 2018

Group 2: shares purchased on or after 1 June 2018

	Distribution per share	Equalisation	Total distribution per share 31/07/18	Total distribution per share 31/07/17
Class A accumulation				
Group 1	0.2050	-	0.2050	0.2050
Group 2	-	0.2050	0.2050	0.2050
Class A income				
Group 1	0.1980	-	0.1980	0.1980
Group 2	-	0.1980	0.1980	0.1980
Class I accumulation				
Group 1	0.4156	-	0.4156	0.4156
Group 2	-	0.4156	0.4156	0.4156
Class I income				
Group 1	0.4011	-	0.4011	0.4011
Group 2	-	0.4011	0.4011	0.4011
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2862	-	0.2862	n/a
Group 2	-	0.2862	0.2862	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2871	-	0.2871	n/a
Group 2	0.2871	-	0.2871	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 31 July 2018, paid on 31 August 2018)

Group 1: shares purchased prior to 1 July 2018

Group 2: shares purchased on or after 1 July 2018

	Distribution per share	Equalisation	Total distribution per share 31/08/18	Total distribution per share 31/08/17
Class A accumulation				
Group 1	0.2050	-	0.2050	0.2050
Group 2	-	0.2050	0.2050	0.2050
Class A income				
Group 1	0.1980	-	0.1980	0.1980
Group 2	-	0.1980	0.1980	0.1980
Class I accumulation				
Group 1	0.4156	-	0.4156	0.4156
Group 2	-	0.4156	0.4156	0.4156
Class I income				
Group 1	0.4011	-	0.4011	0.4011
Group 2	-	0.4011	0.4011	0.4011
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2862	-	0.2862	n/a
Group 2	0.2862	-	0.2862	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2871	-	0.2871	n/a
Group 2	0.2871	-	0.2871	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 31 August 2018, paid on 28 September 2018)

Group 1: shares purchased prior to 1 August 2018

Group 2: shares purchased on or after 1 August 2018

	Distribution per share	Equalisation	Total distribution per share 28/09/18	Total distribution per share 29/09/17
Class A accumulation				
Group 1	0.2050	-	0.2050	0.2050
Group 2	-	0.2050	0.2050	0.2050
Class A income				
Group 1	0.1980	-	0.1980	0.1980
Group 2	-	0.1980	0.1980	0.1980
Class I accumulation				
Group 1	0.4156	-	0.4156	0.4156
Group 2	-	0.4156	0.4156	0.4156
Class I income				
Group 1	0.4011	-	0.4011	0.4011
Group 2	-	0.4011	0.4011	0.4011
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.2862	-	0.2862	n/a
Group 2	0.2862	-	0.2862	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.2871	-	0.2871	n/a
Group 2	0.2871	-	0.2871	n/a

¹ in Euro cents per share

² Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

Distribution tables (continued)

Interim dividend distribution (accounting date 30 September 2018, paid on 31 October 2018)

Group 1: shares purchased prior to 1 September 2018

Group 2: shares purchased on or after 1 September 2018

	Distribution per share	Equalisation	Total distribution per share 31/10/18	Total distribution per share 31/10/17
Class A accumulation				
Group 1	0.2050	-	0.2050	0.2050
Group 2	-	0.2050	0.2050	0.2050
Class A income				
Group 1	0.1980	-	0.1980	0.1980
Group 2	-	0.1980	0.1980	0.1980
Class I accumulation				
Group 1	0.4156	-	0.4156	0.4156
Group 2	-	0.4156	0.4156	0.4156
Class I income				
Group 1	0.4011	-	0.4011	0.4011
Group 2	-	0.4011	0.4011	0.4011
Class A EUR Hedged accumulation¹				
Group 1	0.2862	-	0.2862	-
Group 2	0.2862	-	0.2862	-
Class I EUR Hedged accumulation¹				
Group 1	0.2871	-	0.2871	-
Group 2	0.2871	-	0.2871	-

¹ in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 October 2018, paid on 30 November 2018)

Group 1: shares purchased prior to 1 October 2018

Group 2: shares purchased on or after 1 October 2018

	Distribution per share	Equalisation	Total distribution per share 30/11/18	Total distribution per share 30/11/17
Class A accumulation				
Group 1	0.2050	-	0.2050	0.2050
Group 2	-	0.2050	0.2050	0.2050
Class A income				
Group 1	0.1980	-	0.1980	0.1980
Group 2	-	0.1980	0.1980	0.1980
Class I accumulation				
Group 1	0.4156	-	0.4156	0.4156
Group 2	-	0.4156	0.4156	0.4156
Class I income				
Group 1	0.4011	-	0.4011	0.4011
Group 2	-	0.4011	0.4011	0.4011
Class A EUR Hedged accumulation¹				
Group 1	0.2862	-	0.2862	-
Group 2	0.2862	-	0.2862	-
Class I EUR Hedged accumulation¹				
Group 1	0.2871	-	0.2871	-
Group 2	0.2871	-	0.2871	-

¹ in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 30 November 2018, paid on 31 December 2018)

Group 1: shares purchased prior to 1 November 2018

Group 2: shares purchased on or after 1 November 2018

	Distribution per share	Equalisation	Total distribution per share 31/12/18	Total distribution per share 29/12/17
Class A accumulation				
Group 1	0.2050	-	0.2050	0.2050
Group 2	-	0.2050	0.2050	0.2050
Class A income				
Group 1	0.1980	-	0.1980	0.1980
Group 2	-	0.1980	0.1980	0.1980
Class I accumulation				
Group 1	0.4156	-	0.4156	0.4156
Group 2	-	0.4156	0.4156	0.4156
Class I income				
Group 1	0.4011	-	0.4011	0.4011
Group 2	-	0.4011	0.4011	0.4011
Class A EUR Hedged accumulation¹				
Group 1	0.2862	-	0.2862	0.0029
Group 2	0.2862	-	0.2862	0.0029
Class I EUR Hedged accumulation¹				
Group 1	0.2871	-	0.2871	0.0029
Group 2	0.2871	-	0.2871	0.0029

¹ in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 December 2018, paid on 31 January 2019)

Group 1: shares purchased prior to 1 December 2018

Group 2: shares purchased on or after 1 December 2018

	Distribution per share	Equalisation	Total distribution per share 31/01/19	Total distribution per share 31/01/18
Class A accumulation				
Group 1	0.2050	-	0.2050	0.2050
Group 2	-	0.2050	0.2050	0.2050
Class A income				
Group 1	0.1980	-	0.1980	0.1980
Group 2	-	0.1980	0.1980	0.1980
Class I accumulation				
Group 1	0.4156	-	0.4156	0.4156
Group 2	-	0.4156	0.4156	0.4156
Class I income				
Group 1	0.4011	-	0.4011	0.4011
Group 2	-	0.4011	0.4011	0.4011
Class A EUR Hedged accumulation¹				
Group 1	0.2862	-	0.2862	0.0029
Group 2	-	0.2862	0.2862	0.0029
Class I EUR Hedged accumulation¹				
Group 1	0.2871	-	0.2871	0.0029
Group 2	0.2871	-	0.2871	0.0029

¹ in Euro cents per share

Distribution tables (continued)

Final dividend distribution (accounting date 31 January 2019, paid on 28 February 2019)

Group 1 : shares purchased prior to 1 January 2018

Group 2 : shares purchased on or after 1 January 2018

	Distribution per share	Equalisation	Total distribution per share 28/02/19	Total distribution per share 28/02/18
Class A accumulation				
Group 1	0.8714	-	0.8714	0.4163
Group 2	0.0895	0.7819	0.8714	0.4163
Class A income				
Group 1	0.3838	-	0.3838	0.3352
Group 2	0.0472	0.3366	0.3838	0.3352
Class I accumulation				
Group 1	1.6674	-	1.6674	0.8465
Group 2	0.1901	1.4773	1.6674	0.8465
Class I income				
Group 1	0.7161	-	0.7161	0.6830
Group 2	0.1804	0.5357	0.7161	0.6830
Class A EUR Hedged accumulation¹				
Group 1	1.3052	-	1.3052	1.3849
Group 2	0.1075	1.1977	1.3052	1.3849
Class I EUR Hedged accumulation¹				
Group 1	1.1832	-	1.1832	1.3296
Group 2	1.1832	-	1.1832	1.3296

¹ in Euro cents per share

Janus Henderson Core 6 Income & Growth Fund

Authorised Corporate Director's (ACD) report

Investment Fund Managers

Janus Henderson Multi-Asset Team

Investment objective and policy

To provide a sustainable income return with the prospect for capital growth whilst maintaining a moderately high level of volatility (variation of returns) over the medium to long term. The fund is managed so that it aims not to deviate from predetermined parameters of forecast volatility, as measured by an independent risk rating body, over a medium to long term rolling period of at least 5 years. However, during this period the fund's forecast volatility may be outside of such parameters if the portfolio manager believes it is expedient to do so in order to improve investment performance. Observing the forecast volatility parameters will be prioritised over the generation of income and capital growth. The fund will invest in a combination of transferable securities, fixed income securities, investment companies, collective investment schemes, exchange traded funds (ETFs), money market instruments, deposits, cash and near cash. Derivatives and forward transactions may be used by the fund for investment purposes to achieve asset allocation and for the purposes of efficient portfolio management.

Performance summary

	31 Jan 18 - 31 Jan 19	31 Jan 17 - 31 Jan 18	31 Jan 16 - 31 Jan 17	31 Jan 15 - 31 Jan 16	31 Jan 14 - 31 Jan 15
	%	%	%	%	%
Class I income	(1.9)	8.0	20.3	(5.7)	11.3

Source: Morningstar, Class I, NAV to NAV and net of fees as at 12 noon valuation point.
Benchmark values are at close of business.

Please remember that past performance is not a guide to future performance. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Significant portfolio changes for the year ended 31 January 2019

Largest purchases	£000	Largest sales	£000
iShares UK Dividend UCITS ETF	753	SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	301
Lyxor SG Global Quality Income NTR Class D Distribution	438	iShares JPMorgan EM Local Government Bond UCITS ETF	274
WisdomTree Europe SmallCap Dividend UCITS ETF	431	SPDR S&P UK Dividend Aristocrats UCITS ETF	261
SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	394	Greencoat UK Wind	206
SPDR S&P UK Dividend Aristocrats UCITS ETF	341	Invesco Income Growth Investment Trust	196
SPDR Bloomberg Barclays UK Gilt UCITS ETF	325	SPDR Bloomberg Barclays Capital UK Corporate Bond Fund UCITS ETF	175
JPMorgan Global Emerging Markets Fund	305	NB Private Equity Partners 'A'	155
iShares JPMorgan USD Emerging Markets Bond UCITS ETF	290	iShares Euro Dividend UCITS ETF	130
iShares JPMorgan EM Local Government Bond UCITS ETF	289	SPDR Bloomberg Barclays UK Gilt UCITS ETF	124
Renewables Infrastructure	285	iShares IV USD Short Duration Corporate Bond UCITS ETF	122
Total purchases	8,917	Total sales	3,326

Authorised Corporate Director's (ACD) report (continued)

Investment review

The fund fell 1.9% based on Class I income over the year under review.

The year under review was a challenging one for risk assets. After a 2017 that saw almost all equity markets rise, 2018 brought renewed volatility (sharper fluctuations in prices) and challenging macroeconomic and geopolitical conditions. As a result, many markets around the world collectively fell.

The portfolio's allocations to UK and European equities struggled the most during the period. Within European ex-UK equities, more cyclical strategies (such as Invesco European Equity Income Fund) underperformed, with a loss of 11.1%, while defensive positions in Nestlé and Novartis were up 12.5% and 11.0%, respectively. A similar picture of lower risk approaches adding value was seen in the UK, as the RWC Enhanced Income Fund gained 6.8% against a backdrop of the FTSE All Share losing 3.8%. Cyclical equity markets also struggled, with the LF Morant Wright Nippon Yield Fund down 8.0%, although stock selection in Asia and emerging market funds protected from the worst of the drawdowns.

Alternative assets proved to be defensive and diversified the returns of the portfolio. Property assets were roughly flat, with the Janus Henderson UK Property PAIF Fund down 0.2% and the UK Commercial Property Trust up 2.7%. Infrastructure benefited from positive sentiment towards its visible and partially inflation-linked revenue streams, which supported the 18.1% return from HICL Infrastructure.

As with risk assets in equities, lower quality bonds struggled and government bond positions (often perceived as safe havens) protected capital. The iShares UK Gilt UCITS ETF climbed 3.6%, and the Janus Henderson All Stocks Credit Fund was nearly flat, with a return of 0.2%. Emerging market bonds struggled as trade war worries expanded amid softer economic data. This weak performance was captured by the BlackRock Emerging Markets Flexi Dynamic Bond Fund.

The volatility observed across a range of asset classes in the first quarter of 2018 presented the opportunity for some contrarian, technical-driven investment activity. Equity risk was gradually dialled down through January by selling Euro Stoxx Futures before rebuilding positions at more attractive levels in February and March. Within fixed income, the risk off mood in markets led to further profit-taking from the iShares USD Corporate Bond UCITS ETF and Janus Henderson Horizon Global High Yield Bond Fund, with proceeds rotated into active strategic bond funds.

Through the summer months, direct positions in Standard Life Aberdeen and Roche Participation Certificates were exited and rotated into Pfizer and CyrusOne, a US-based real estate investment trust (REIT) specialised in data centre properties. iShares Euro Dividend ETF was also topped up, as this area of the market continues to post positive returns. Within the alternatives space, profits were taken from Picton Property after a period of strong performance, with similar profit-taking in fixed income from the iShares IV USD Short Duration Corporate Bond UCITS ETF.

GlaxoSmithKline was added in the UK and BASF was added in Europe, while top performers (including Microsoft) were trimmed. Exposure to emerging market equities was increased through adding to the JPMorgan Global Emerging Markets Fund as trade concerns softened, while the WisdomTree Europe SmallCap Dividend UCITS ETF was added on weak performance. Profit-taking continued in government bonds, while widening corporate bond spreads presented a chance to top up iShares USD Corporate Bond UCITS ETF.

The final three months saw London (City of) Investment Trust completely sold in favour of a new position in the LF Gresham House UK Multi Cap Income Fund. Exposure to the US was reduced by selling the S&P 500 Future, while cash flows were used to top up exposure to out of favour regions such as emerging markets and Asia. Within the alternatives space, there was profit-taking on strong performance from renewables, specifically the Foresight Solar Trust and the Greencoat UK Wind Trust. Proceeds were directed into The PRS REIT and the remainder was put into cash. Instrument selection in structured credit was adjusted after strong performance from closed ended vehicles, with a new holding added in the Neuberger Berman CLO Income Fund.

Comparative tables for the year ended 31 January 2019

	Class A accumulation	
	2019	2018
	(pence per share)	(pence per share)
Change in net assets per share		
Opening net asset value per share	50.16	50.00 ¹
Return before operating charges*	(0.35)	0.45
Operating charges	(0.67)	(0.29)
Return after operating charges*	(1.02)	0.16
Distributions on accumulation shares	(1.83)	(0.54)
Retained distributions on accumulation shares	1.83	0.54
Closing net asset value per share	49.14	50.16
* after direct transaction costs of:	0.05	0.07
Performance		
Return after charges	(2.03%)	0.32%
Other information		
Closing net asset value (£000s)	102	41
Closing number of shares	208,427	81,235
Operating charges	1.35%	1.35%
Direct transaction costs	0.09%	0.14%
Prices		
Highest share price (pence)	51.18	51.24
Lowest share price (pence)	47.44	48.96

¹ Class A accumulation launched on 1 September 2017 and this is the first published price.

	Class I accumulation		
	2019	2018	2017
	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share			
Opening net asset value per share	132.98	123.13	103.44
Return before operating charges*	(1.08)	10.83	20.51
Operating charges	(0.98)	(0.98)	(0.82)
Return after operating charges*	(2.06)	9.85	19.69
Distributions on accumulation shares	(5.09)	(4.60)	(4.28)
Retained distributions on accumulation shares	5.09	4.60	4.28
Closing net asset value per share	130.92	132.98	123.13
* after direct transaction costs of:	0.12	0.18	0.09
Performance			
Return after charges	(1.55%)	8.00%	19.04%
Other information			
Closing net asset value (£000s)	10,117	6,142	4,156
Closing number of shares	7,727,185	4,618,489	3,374,864
Operating charges	0.75%	0.75%	0.72%
Direct transaction costs	0.09%	0.14%	0.08%
Prices			
Highest share price (pence)	136.00	135.80	125.20
Lowest share price (pence)	126.30	123.10	99.25

Comparative tables (continued)

	Class I income		
	2019 (pence per share)	2018 (pence per share)	2017 (pence per share)
Change in net assets per share			
Opening net asset value per share	112.65	108.28	94.53
Return before operating charges*	(0.89)	9.45	18.57
Operating charges	(0.82)	(0.85)	(0.74)
Return after operating charges*	(1.71)	8.60	17.83
Distributions on income shares	(4.36)	(4.23)	(4.08)
Closing net asset value per share	106.58	112.65	108.28
* after direct transaction costs of:	0.10	0.16	0.08
Performance			
Return after charges	(0.02)	7.94%	18.86%
Other information			
Closing net asset value (£000s)	3,505	2,105	1,366
Closing number of shares	3,288,539	1,869,002	1,261,895
Operating charges	0.75%	0.75%	0.72%
Direct transaction costs	0.09%	0.14%	0.08%
Prices			
Highest share price (pence)	113.60	116.40	111.80
Lowest share price (pence)	104.20	108.30	90.69

Class A EUR Hedged accumulation

	2019 (pence per share)	2018 (pence per share)
Change in net assets per share		
Opening net asset value per share	87.51	100.00 ²
Return before operating charges*	(1.98)	(11.98)
Operating charges	(1.17)	(0.51)
Return after operating charges*	(3.15)	(12.49)
Distributions on accumulation shares	(3.37)	(0.99)
Retained distributions on accumulation shares	3.37	0.99
Closing net asset value per share	84.36	87.51
* after direct transaction costs of:	0.08	0.12
Performance		
Return after charges	(3.60%)	(12.49%)
Other information		
Closing net asset value (£000s)	152	19
Closing number of shares	179,681	21,648
Operating charges	1.35%	1.35%
Direct transaction costs	0.09%	0.14%
Prices		
Highest share price (Euro cent)	101.40	102.10
Lowest share price (Euro cent)	93.48	97.85

² Class A EUR Hedged accumulation launched on 1 September 2017 and this is the first published price.

Comparative tables (continued)

	Class I EUR Hedged accumulation	
	2019	2018
	(pence per share)	(pence per share)
Change in net assets per share		
Opening net asset value per share	87.62	100.00 ³
Return before operating charges*	(2.16)	(12.10)
Operating charges	(0.65)	(0.28)
Return after operating charges*	(2.81)	(12.38)
Distributions on accumulation shares	(3.21)	(1.05)
Retained distributions on accumulation shares	3.21	1.05
Closing net asset value per share	84.81	87.62
* after direct transaction costs of:	0.08	0.12
Performance		
Return after charges	(3.21%)	(12.38%)
Other information		
Closing net asset value (£000s)	1	1
Closing number of shares	1,542	1,494
Operating charges	0.75%	0.75%
Direct transaction costs	0.09%	0.14%
Prices		
Highest share price (Euro cent)	101.70	102.20
Lowest share price (Euro cent)	93.94	97.86

³ Class I EUR Hedged accumulation launched on 1 September 2017 and this is the first published price.

Performance values are close of business and on a bid basis and may differ from the performance summary.

Operating charges

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

Share class launches and closures

There were no share classes launched or closed in the year.

Hedged share classes

Class A EUR Hedged accumulation and Class I EUR Hedged accumulation are hedged share classes. Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of fluctuations in the rate of exchange between the currency of shares in those classes and Sterling which is the base currency of the fund.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the fund is calculated as the ratio of the total ongoing charges to the average net asset value for twelve months. Ongoing charges are all expenses deducted from the assets of the fund during the year, except for expenses that are explicitly excluded by regulation.

	2019 %	2018 %
Class A	1.35	1.35 ¹
Class I	0.75	0.75
Class A EUR Hedged	1.35	1.35 ¹
Class I EUR Hedged	0.75	0.75 ¹

The OCF includes a synthetic element of 0.21% (2018: 0.21%) to incorporate the OCF of underlying funds.

The ACD made a contribution to limit the fund's OCF ratio. This is shown in note 2 of the financial statements.

The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

The fund is a non-UCITS fund and we have used this disclosure to enable comparison across our fund range.

¹ Class A, Class A EUR Hedged and Class I EUR Hedged launched on 1 September 2017.

Risk and reward profile

The fund currently has 5 types of share class in issue: A accumulation, I accumulation, I income, A EUR Hedged accumulation and I EUR Hedged accumulation.

The risk and reward profile of each type of share class is as follows:



The synthetic risk and reward indicator (SRR) is calculated based on historical volatility over a rolling 5 year period¹; it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRR level. The SRR is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment in the fund can go up or down. When you sell your shares, they may be worth less than you paid for them.

The risk/reward rating above is based on medium-term volatility. In the future, the fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The share class appears at 6 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in share price in the past 5 years than those in lower categories. The lowest category does not mean risk free.

The fund targets a risk profile of 6 as calculated by Distribution Technology who is engaged by Janus Henderson as an independent provider of risk profiling tools to funds and investment advisers. Distribution Technology profiles funds using a rating scale of 1-10 and takes into consideration risk targets and other factors as well as past data. Investor should note that the Distribution Technology risk profile is different to the 'Risk and Reward Profile' scale above, which is an industry standard required by the FCA using a scale of 1-7 and which only takes into account past data.

For further information on the Distribution Technology risk profile please contact us or refer to the fund's Prospectus.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

The full list of the fund's risks are contained in the 'Risk Warnings' section of the fund's prospectus.

There has been no change to the risk ratings in the year.

The SRR conforms to the ESMA guidelines for the calculation of the SRR.

¹ Class A accumulation, Class A EUR Hedged accumulation and Class I EUR Hedged accumulation have not been in existence for 5 years as they were only launched on 1 September 2017, as these shares do not have a 5 year history, a synthetic history have been created using the fund's relevant sector average.

This fund is a non-UCITS retail fund and we have adopted this disclosure to enable comparison across our fund range.

Portfolio statement as at 31 January 2019

Holding	Investment	Market value £000	Percentage of total net assets %
Alternatives 7.35% (2018: 6.02%)			
255,400	HICL Infrastructure	424	3.06
71,544	International Public Partnerships	110	0.79
293,706	Renewables Infrastructure	347	2.50
16,355	3i	139	1.00
		<u>1,020</u>	<u>7.35</u>
Asia Ex Japan Equity 8.10% (2018: 9.12%)			
541,940	Janus Henderson Asian Dividend Income Unit Trust Income ¹	547	3.93
203,734	Schroder Oriental Income Fund	493	3.55
3,014	Taiwan Semiconductor Manufacturing ADS	86	0.62
		<u>1,126</u>	<u>8.10</u>
Commodities 3.20% (2018: 3.44%)			
380,235	BlackRock Commodities Income Investment Trust	274	1.97
1,770	ETFS Physical Gold	170	1.23
		<u>444</u>	<u>3.20</u>
Diversified Bonds 1.28% (2018: 0.00%)			
834,204	Janus Henderson Fixed Interest Monthly Income Fund I Income ¹	177	1.28
Emerging Market Bonds 6.00% (2018: 1.66%)			
784	BlackRock Emerging Markets Flexi Dynamic Bond Fund	52	0.38
1,824	iShares JPMorgan EM Local Government Bond UCITS ETF	84	0.61
5,085	iShares JPMorgan USD Emerging Markets Bond UCITS ETF	419	3.01
5,062	SPDR Bloomberg Barclays Emerging Markets Local Bond UCITS ETF	277	2.00
		<u>832</u>	<u>6.00</u>
Europe ex UK Equity 13.79% (2018: 16.97%)			
637	BASF	35	0.26
93,536	BlackRock Continental European Income Fund	125	0.90
4,488	Deutsche Post	101	0.73
13,144	ING	118	0.85
129,129	Invesco European Equity Income Fund	166	1.20
13,664	iShares Euro Dividend UCITS ETF	242	1.74
1,336	Nestlé	88	0.64
2,146	Novartis	142	1.02
5,267	Orange	62	0.45
8,023	RELX	135	0.97
3,962	Swedbank	68	0.49
2,340	Total	98	0.71
39,104	WisdomTree Europe SmallCap Dividend UCITS ETF	534	3.83
		<u>1,914</u>	<u>13.79</u>
Global Emerging Market Equity 3.97% (2018: 3.11%)			
430,380	JPMorgan Global Emerging Markets Fund	551	3.97

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Global Equity 5.86% (2018: 3.51%)			
28,926	Chenavari Capital Solutions	22	0.16
56,620	Janus Henderson Global Equity Fund I Accumulation ¹	148	1.07
6,336	Lyxor SG Global Quality Income NTR Class D Distribution	643	4.63
		<u>813</u>	<u>5.86</u>
Government Bonds 3.41% (2018: 6.67%)			
7,584	iShares UK Gilts UCITS ETF	100	0.72
6,473	SPDR Bloomberg Barclays UK Gilt UCITS ETF	374	2.69
		<u>474</u>	<u>3.41</u>
High Yield Bonds 5.51% (2018: 7.34%)			
242,446	AXA US Short Duration High Yield Bond Fund	223	1.61
251,176	Blackstone/GSO Loan Financing 'C'	107	0.77
2,291	iShares II USD High Yield Corp Bond UCITS ETF	177	1.27
2,473	Janus Henderson Horizon Global High Yield Bond Fund Z3 Income ¹	258	1.86
		<u>765</u>	<u>5.51</u>
Investment Grade Bonds 3.85% (2018: 5.17%)			
3,206	iShares USD Corporate Bond UCITS ETF	273	1.97
153,492	Janus Henderson All Stocks Credit Fund I Income ¹	204	1.47
64,034	NB Global Floating Rate Income Fund	57	0.41
		<u>534</u>	<u>3.85</u>
Japan Equity 1.12% (2018: 1.57%)			
46,090	LF Morant Wright Nippon Yield	155	1.12
North America Equity 6.28% (2018: 4.36%)			
1,444	Chevron	126	0.91
2,041	CyrusOne	84	0.61
852	Lam Research	110	0.79
1,999	Medtronic	135	0.97
2,029	Microsoft	160	1.16
4,141	Pfizer	134	0.96
2,929	Verizon Communications	123	0.88
		<u>872</u>	<u>6.28</u>
Private Equity 0.53% (2018: 1.84%)			
9,090	Princess Private Equity Holdings	73	0.53
Property 5.04% (2018: 5.46%)			
117,051	Ediston Property Investment	118	0.85
203,114	Janus Henderson UK Property PAIF Z Income ¹	227	1.63
243,016	The PRS REIT	236	1.71
132,890	UK Commercial Property Trust	118	0.85
		<u>699</u>	<u>5.04</u>
Specialist Equity 1.28% (2018: 2.73%)			
14,970	Neuberger Berman CLO Income Fund Class I5 Income	143	1.04
3,548	Tele2 'B'	34	0.24
		<u>177</u>	<u>1.28</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
UK Equity 15.61% (2018: 14.01%)			
2,848	British American Tobacco	77	0.55
4,653	GlaxoSmithKline	69	0.50
199,203	Investec Funds Series i UK Equity Income Fund	219	1.58
100,348	iShares UK Dividend UCITS ETF	795	5.72
75,916	Janus Henderson Institutional High Alpha UK Equity Fund I Income ¹	110	0.80
105,476	LF Gresham House UK Multi Cap Income Fund Class F Income	110	0.79
5,514	Prudential	82	0.59
1,374	Rio Tinto	58	0.41
2,446	RWC Enhanced Income Fund	201	1.45
12,049	SPDR S&P UK Dividend Aristocrats UCITS ETF	132	0.95
302,748	UK Mortgages	246	1.78
48,837	Vodafone	68	0.49
		2,167	15.61
Derivatives 0.12% (2018: 0.31%)			
Contracts for Difference 0.09% (2018: (0.12%))²			
1,753	Nikkei 225	1	-
390	S&P 500 Index	12	0.09
		13	0.09
Futures (0.16%) (2018: (0.09%))			
(2)	CME S&P 500 E-mini March 2019	(11)	(0.08)
(12)	EUX Euro STOXX50 March 2019	(11)	(0.08)
		(22)	(0.16)
Forward Foreign Exchange Contracts 0.19% (2018: 0.52%)²			
	Buy EUR 0 : Sell GBP 0 February 2019 ³	-	-
	Buy EUR 1 : Sell GBP 1 February 2019 ³	-	-
	Buy EUR 11 : Sell GBP 10 February 2019 ³	-	-
	Buy EUR 11 : Sell GBP 10 February 2019 ³	-	-
	Buy EUR 1,503 : Sell GBP 1,343 February 2019 ³	-	-
	Buy EUR 172,967 : Sell GBP 154,592 February 2019	(4)	(0.03)
	Buy EUR 2 : Sell GBP 1 February 2019 ³	-	-
	Buy EUR 2 : Sell GBP 1 February 2019 ³	-	-
	Buy EUR 2 : Sell GBP 2 February 2019 ³	-	-
	Buy EUR 2 : Sell GBP 2 February 2019 ³	-	-
	Buy EUR 2 : Sell GBP 2 February 2019 ³	-	-
	Buy EUR 2 : Sell GBP 2 February 2019 ³	-	-
	Buy EUR 20 : Sell GBP 18 February 2019 ³	-	-
	Buy EUR 2,254 : Sell GBP 1,975 February 2019 ³	-	-
	Buy EUR 3 : Sell GBP 2 February 2019 ³	-	-
	Buy EUR 3 : Sell GBP 2 February 2019 ³	-	-
	Buy EUR 3 : Sell GBP 3 February 2019 ³	-	-
	Buy EUR 4 : Sell GBP 3 February 2019 ³	-	-
	Buy EUR 8 : Sell GBP 7 February 2019 ³	-	-
	Buy EUR 8 : Sell GBP 7 February 2019 ³	-	-
	Buy EUR 8 : Sell GBP 7 February 2019 ³	-	-
	Buy EUR 8 : Sell GBP 7 February 2019 ³	-	-
	Buy GBP 1 : Sell EUR 1 February 2019 ³	-	-

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts (continued)			
	Buy GBP 1 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 10 : Sell EUR 11 February 2019 ³	-	-
	Buy GBP 10 : Sell EUR 11 February 2019 ³	-	-
	Buy GBP 1,030,470 : Sell EUR 1,168,541 February 2019	10	0.08
	Buy GBP 11 : Sell EUR 13 February 2019 ³	-	-
	Buy GBP 1,272 : Sell EUR 1,423 February 2019 ³	-	-
	Buy GBP 1,285,772 : Sell USD 1,666,936 February 2019	20	0.15
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 2 : Sell EUR 2 February 2019 ³	-	-
	Buy GBP 3 : Sell EUR 3 February 2019 ³	-	-
	Buy GBP 3 : Sell EUR 4 February 2019 ³	-	-
	Buy GBP 308,000 : Sell EUR 352,727 February 2019 ³	-	-
	Buy GBP 425,000 : Sell USD 557,493 February 2019	2	0.01
	Buy GBP 5 : Sell EUR 5 February 2019 ³	-	-
	Buy GBP 5 : Sell EUR 6 February 2019 ³	-	-
	Buy GBP 7 : Sell EUR 8 February 2019 ³	-	-
	Buy GBP 7 : Sell EUR 8 February 2019 ³	-	-
	Buy JPY 39,076,059 : Sell GBP 276,003 February 2019	(3)	(0.02)
		<u>25</u>	<u>0.19</u>
	Investment assets including investment liabilities	12,809	92.30
	Other net assets	1,068	7.70
	Total net assets	13,877	100.00

¹ Related party to the fund

² Unquoted securities

³ Due to rounding to nearest £1,000

Portfolio statement (continued)

Composition of portfolio

2019	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	4,241	30.55
Total equities	8,552	61.63
Total derivatives	16	0.12
Investment assets including investment liabilities	12,809	92.30
Other net assets	1,068	7.70
Total net assets	13,877	100.00
2018	Market value £000	Percentage of total net assets %
Investments		
Total collective investment schemes	2,083	25.07
Total equities	5,642	67.91
Total derivatives	26	0.31
Investment assets including investment liabilities	7,751	93.29
Other net assets	557	6.71
Total net assets	8,308	100.00

The collective investment schemes held are approved regulated collective investment schemes within the meaning of the FCA rules. Exchange traded funds and all other investments are listed on recognised stock exchanges and are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Statement of total return for the year ended 31 January 2019

	Note	2019		2018	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(538)		266
Revenue	3	501		292	
Expenses	4	(61)		(38)	
Interest payable and similar charges	5	(14)		(5)	
Net revenue before taxation		426		249	
Taxation	6	(21)		(12)	
Net revenue after taxation			<u>405</u>		<u>237</u>
Total return before distributions			(133)		503
Distributions	7		(434)		(255)
Change in net assets attributable to shareholders from investment activities			<u>(567)</u>		<u>248</u>

Statement of change in net assets attributable to shareholders

for the year ended 31 January 2019

	2019		2018	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		8,308		5,522
Amounts receivable on issue of shares	7,028		3,156	
Amounts payable on cancellation of shares	(1,256)		(813)	
		5,772		2,343
Change in net assets attributable to shareholders from investment activities		(567)		248
Retained distributions on accumulation shares		364		195
Closing net assets attributable to shareholders		<u>13,877</u>		<u>8,308</u>

Balance sheet as at 31 January 2019

	Note	2019 £000	2018 £000
Assets:			
Investments		12,838	7,771
Current assets:			
Debtors	8	283	301
Cash and bank balances	9	443	200
Cash equivalents	10	1,051	358
Total assets		14,615	8,630
Liabilities:			
Investment liabilities		29	20
Creditors:			
Amounts held at derivative clearing houses and brokers		98	-
Bank overdrafts		244	97
Distributions payable		48	25
Other creditors	11	319	180
Total liabilities		738	322
Net assets attributable to shareholders		13,877	8,308

Notes to the financial statements for the year ended 31 January 2019

1 Accounting policies

The accounting policies, distribution policy and potential risks are set out in notes 1 to 3 of the funds' aggregated notes to the financial statements.

2 Net capital (losses)/gains

Net capital (losses)/gains on investments during the year comprise:

	2019	2018
	£000	£000
ACD contribution to limit OCF	14	8
Capital management fee rebates	10	7
Derivative securities*	(16)	18
Forward currency contracts*	(29)	61
Forward currency contracts on hedged share classes*	(3)	-
Non-derivative securities*	(494)	185
Other currency losses	(5)	(4)
Transaction costs	(15)	(9)
Net capital (losses)/gains	(538)	266
*The above includes:		
Realised (losses)/gains	(70)	271
Unrealised losses	(472)	(7)
	(542)	264

* Where realised gains/(losses) include gains/(losses) arising in previous years, a corresponding gain/(loss) is included in unrealised gains/(losses).

3 Revenue

	2019	2018
	£000	£000
Derivative revenue	11	7
Distributions from UK regulated collective investment schemes:		
Franked investment revenue	52	39
Interest distribution	15	5
Unfranked investment revenue	2	-
Interest on debt securities	84	-
Management fee rebates	2	1
Overseas dividends*	243	193
UK dividends	76	38
UK REIT revenue - PID	10	9
UK REIT revenue - non PID	6	-
Total revenue	501	292

* includes distributions from overseas funds

Notes to the financial statements (continued)

4 Expenses

	2019 £000	2018 £000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	57	36
GAC*	2	1
	<u>59</u>	<u>37</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	1	1
Safe custody fees	1	-
	<u>2</u>	<u>1</u>
Total expenses	<u>61</u>	<u>38</u>

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £12,426 (2018: £9,725), however, as the GAC charge is lower than the audit fee, the GAC does not fully recompense the ACD for this and certain other expenses charged to the fund.

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2019 £000	2018 £000
Interest payable	14	5
Total interest payable and similar charges	<u>14</u>	<u>5</u>

6 Taxation

(a) Analysis of charge in the year

The tax charge comprises:

	2019 £000	2018 £000
Current tax		
Overseas withholding tax	9	5
UK corporation tax	12	7
Total tax (note 6b)	<u>21</u>	<u>12</u>

Notes to the financial statements (continued)

6 Taxation (continued)

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised open ended investment companies (OEICS) of 20% (2018: 20%). The differences are explained below:

	2019	2018
	£000	£000
Net revenue before taxation	426	249
Corporation tax at 20% (2018: 20%)	85	50
Effects of:		
Irrecoverable overseas tax	9	5
Overseas dividends*	(48)	(29)
Tax effect of management fee rebates in capital	2	1
UK dividends**	(27)	(15)
Tax charge for the year (note 6a)	21	12

*Certain overseas dividends are not subject to corporation tax from 1 July 2009 due to changes enacted in the Finance Act 2009.

**As an OEIC this item is not subject to corporation tax.

OEICs are exempt from tax on capital gains made in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2018: nil).

(d) Factors that may affect future tax charges

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

7 Distributions

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

	2019	2018
	£000	£000
Interim income	72	49
Interim accumulation	202	123
Final income	48	25
Final accumulation	162	72
	484	269
Amounts deducted on cancellation of shares	10	6
Amounts received on issue of shares	(60)	(20)
Total distributions	434	255
Net revenue after taxation	405	237
Annual management charge borne by the capital account	29	18
Total distributions	434	255

Details of the distribution per share are set out in the distribution tables on pages 237 to 240.

Notes to the financial statements (continued)

8 Debtors

	2019	2018
	£000	£000
Accrued revenue	22	10
ACD contribution to limit OCF	14	8
Amounts receivable for issue of shares	182	104
Income tax recoverable	-	1
Management fee rebates	7	5
Overseas withholding tax reclaimable	-	3
Sales awaiting settlement	58	170
Total debtors	283	301

9 Cash and bank balances

	2019	2018
	£000	£000
Amounts held at derivative clearing houses and brokers	192	62
Cash and bank balances	251	138
Total cash and bank balances	443	200

10 Cash equivalents

	2019	2018
	£000	£000
Short term investments	1,051	358
Total cash equivalents	1,051	358

11 Other creditors

	2019	2018
	£000	£000
Accrued annual management charge	6	4
Accrued other expenses	12	-
Amounts payable for cancellation of shares	-	2
Corporation tax payable	11	7
Purchases awaiting settlement	290	167
Total other creditors	319	180

12 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

Notes to the financial statements (continued)

13 Related party transactions

Henderson Investment Funds Limited as ACD to the fund is deemed to be a related party because it provides key management personnel services to the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 226 and 227 and notes 2, 4, 7, 8 and 11 on pages 228 to 231 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- ACD contribution to limit OCF
- All issues and cancellations
- Annual management charge
- GAC and any related charges where the GAC fee was unable to fully recompense the ACD, including the audit fee as outlined in note 4.

The ultimate controlling party of Henderson Investment Funds Limited is Janus Henderson Group plc. The transactions associated with Janus Henderson Group plc, its subsidiaries and other funds managed by Henderson Investment Funds Limited are as follows:

- a) The aggregate value of purchases and sales transactions was £712,645 (2018: £346,844) and the balance outstanding at the year end was nil (2018: nil).
- b) Revenue receivable for the year was £56,142 (2018: £37,425) and the balance outstanding at the year end was £3,410 (2018: nil).
- c) Management fee rebates receivable for the year was £3,104 (2018: £11,732) and the balance outstanding at the year end was £6,380 (2018: £3,964).
- d) The aggregate value of investments held at the year end was £1,670,523 (2018: £1,011,929).

There were no material shareholders at the year end (2018: nil).

14 Shareholders' funds

The fund currently has 4 share classes available; Class A (Retail with front-end charges), Class I (Institutional), Class A EUR Hedged accumulation and Class I EUR Hedged accumulation. The annual management charge on each share class is as follows:

	2019	2018
	%	%
Class A	1.10	1.10 ¹
Class I	0.50	0.50
Class A EUR Hedged	1.10	1.10 ¹
Class I EUR Hedged	0.50	0.50 ¹

¹ Class A, Class A EUR Hedged and Class I EUR Hedged launched on 1 September 2017.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative tables on pages 216 to 218. The distribution per share class is given in the distribution tables on pages 237 to 240. All share classes have the same rights on winding up.

Shares reconciliation as at 31 January 2019

	Class A accumulation	Class I accumulation	Class I income	Class A EUR Hedged accumulation
Opening number of shares	81,235	4,618,489	1,869,002	21,648
Issues during the year	127,192	3,869,091	1,655,840	160,376
Cancellations during the year	-	(760,395)	(236,303)	(2,343)
Shares converted during the year	-	-	-	-
Closing shares in issue	208,427	7,727,185	3,288,539	179,681
				Class I EUR Hedged accumulation
Opening number of shares				1,494
Issues during the year				577
Cancellations during the year				(529)
Shares converted during the year				-
Closing shares in issue				1,542

Notes to the financial statements (continued)

15 Financial derivatives

The fund may use financial derivatives for the purposes of efficient portfolio management, hedging and the purposes of achieving the investment objectives of the fund.

Eligible collateral types are approved by the Investment Manager and are agreed with the relevant counterparty.

The counterparty exposure has been calculated using the positive marked-to-market value of the derivative contract with that counterparty.

There was no collateral pledged or collateral held in respect of derivatives as at 31 January 2019 (2018: nil).

2019

At 31 January 2019 the underlying exposure for each category of derivatives held was as follows:

Counterparty	Contracts for difference £000	Forward foreign exchange contracts £000	Total by counterparty £000
BNP Paribas	-	30	30
UBS	13	2	15
	<u>13</u>	<u>32</u>	<u>45</u>

2018

At 31 January 2018 the underlying exposure for the derivatives held was as follows:

Counterparty	Forward foreign exchange contracts £000
BNP Paribas	46
	<u>46</u>

16 Risk

Currency risk

The fund's net exposure to currency risk (including any instruments used to hedge foreign currencies) is considered insignificant. This is consistent with the exposure during the prior year.

Interest rate risk

The fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

Other price risk

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the fund.

Leverage

There have been no breaches of the maximum levels during the year, no charges to the maximum level of leverage employed by the fund or to its right of reuse of collateral or any guarantee granted under the leveraging arrangements.

	Gross method		Commitment method	
	Maximum level	Actual level	Maximum level	Actual level
	%	%	%	%
2019	225	130	175	108
2018	225	125	175	109

Notes to the financial statements (continued)

16 Risk (continued)

Liquidity risk

The following table provides a maturity analysis of the fund's financial liabilities showing the remaining contractual maturities on an undiscounted basis.

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2019				
Amounts held at derivatives clearing houses and brokers	98	-	-	-
Bank overdrafts	244	-	-	-
Derivative financial liabilities	-	29	-	-
Distribution payable	-	48	-	-
Other creditors	-	319	-	-
Total	342	396	-	-
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2018				
Bank overdrafts	97	-	-	-
Derivative financial liabilities	-	20	-	-
Distribution payable	-	25	-	-
Other creditors	-	180	-	-
Total	97	225	-	-

17 Fair value disclosure

Fair value measurement

The intention of a fair value measurement is to estimate the price at which an asset or a liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS 102 the fund classifies fair value measurement under the following levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within level 1 that are either observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Notes to the financial statements (continued)

17 Fair value disclosure (continued)

Fair value hierarchy

	2019		2018	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	9,726	22	5,795	8
Level 2	3,112	7	1,976	12
Level 3	-	-	-	-
	<u>12,838</u>	<u>29</u>	<u>7,771</u>	<u>20</u>

18 Direct transaction costs

	Purchases		Sales	
	2019 £000	2018 £000	2019 £000	2018 £000
Trades in the year				
Collective investment schemes	2,175	606	85	184
Equities	<u>6,733</u>	<u>4,395</u>	<u>3,242</u>	<u>1,997</u>
Trades in the year before transaction costs	<u>8,908</u>	<u>5,001</u>	<u>3,327</u>	<u>2,181</u>
Transaction costs				
Commissions				
Collective investment schemes	-	-	-	-
Equities	<u>3</u>	<u>2</u>	<u>1</u>	<u>1</u>
Total commissions	<u>3</u>	<u>2</u>	<u>1</u>	<u>1</u>
Taxes				
Collective investment schemes	-	-	-	-
Equities	<u>6</u>	<u>3</u>	-	-
Total taxes	<u>6</u>	<u>3</u>	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Equities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total transaction costs	<u>9</u>	<u>5</u>	<u>1</u>	<u>1</u>
Total net trades in the year after transaction costs	<u>8,917</u>	<u>5,006</u>	<u>3,326</u>	<u>2,180</u>

Notes to the financial statements (continued)

18 Direct transaction costs (continued)

	Purchases		Sales	
	2019 %	2018 %	2019 %	2018 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective investment schemes	-	-	-	-
Equities	0.04	0.05	-	0.05
Taxes				
Collective investment schemes	-	-	-	-
Equities	0.09	0.07	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Equities	-	-	-	-
	2019 %	2018 %		
Total transaction costs expressed as a percentage of net asset value				
Commissions	0.04	0.05		
Taxes	0.05	0.04		
Other expenses	-	-		
Total costs	0.09	0.09		

There were no in specie transfers during the year (2018: nil). There were corporate actions during the year of £25,286 (2018: £47,888).

There were direct transaction costs associated with derivatives in the year of £395 (2018: £130) which is 0.00% of the average net asset value of the fund (2018: 0.00%).

Direct transaction costs are fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the fund. These exclude any differences between quoted bid and offer prices or internal administrative or holding costs.

The costs of acquiring and disposing of units/shares in other collective investment schemes are included within the expense ratio which is an intrinsic part of the NAV price per unit/share of the underlying fund.

The portfolio dealing spread as at 31 January 2019 was 0.67% (2018: 0.56%). The portfolio dealing spread is calculated at the fund's 12 noon valuation point.

19 Events after the Balance sheet date

There were no material post Balance sheet events which require disclosure within these financial statements.

Distribution tables for the year ended 31 January 2019 (in pence per share)

Interim dividend distribution (accounting date 30 April 2018, paid on 29 June 2018)

Group 1: shares purchased prior to 1 February 2018

Group 2: shares purchased on or after 1 February 2018

	Distribution per share	Equalisation	Total distribution per share 29/06/18	Total distribution per share 30/06/17
Class A accumulation¹				
Group 1	0.3425	-	0.3425	n/a
Group 2	0.0257	0.3168	0.3425	n/a
Class I accumulation				
Group 1	0.9090	-	0.9090	0.9090
Group 2	0.2705	0.6385	0.9090	0.9090
Class I income				
Group 1	0.8665	-	0.8665	0.8665
Group 2	0.2402	0.6263	0.8665	0.8665
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.6806	-	0.6806	n/a
Group 2	-	0.6806	0.6806	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.6822	-	0.6822	n/a
Group 2	0.6822	-	0.6822	n/a

¹ Class A accumulation, Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

² in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 July 2018, paid on 28 September 2018)

Group 1: shares purchased prior to 1 May 2018

Group 2: shares purchased on or after 1 May 2018

	Distribution per share	Equalisation	Total distribution per share 28/09/18	Total distribution per share 29/09/17
Class A accumulation¹				
Group 1	0.4026	-	0.4026	n/a
Group 2	0.4026	-	0.4026	n/a
Class I accumulation				
Group 1	1.0694	-	1.0694	1.0694
Group 2	-	1.0694	1.0694	1.0694
Class I income				
Group 1	1.0194	-	1.0194	1.0194
Group 2	0.1969	0.8225	1.0194	1.0194
Class A EUR Hedged accumulation^{1,2}				
Group 1	0.7975	-	0.7975	n/a
Group 2	0.7975	-	0.7975	n/a
Class I EUR Hedged accumulation^{1,2}				
Group 1	0.8007	-	0.8007	n/a
Group 2	0.8007	-	0.8007	n/a

¹ Class A accumulation, Class A EUR Hedged accumulation and Class I EUR Hedged accumulation launched on 1 September 2017.

² in Euro cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 October 2018, paid on 31 December 2018)

Group 1: shares purchased prior to 1 August 2018

Group 2: shares purchased on or after 1 August 2018

	Distribution per share	Equalisation	Total distribution per share 31/12/18	Total distribution per share 29/12/17
Class A accumulation				
Group 1	0.4026	-	0.4026	-
Group 2	-	0.4026	0.4026	-
Class I accumulation				
Group 1	1.0694	-	1.0694	1.0694
Group 2	-	1.0694	1.0694	1.0694
Class I income				
Group 1	1.0194	-	1.0194	1.0194
Group 2	-	1.0194	1.0194	1.0194
Class A EUR Hedged accumulation¹				
Group 1	0.7975	-	0.7975	-
Group 2	-	0.7975	0.7975	-
Class I EUR Hedged accumulation¹				
Group 1	0.8007	-	0.8007	-
Group 2	0.8007	-	0.8007	-

¹ in Euro cents per share

Distribution tables (continued)

Final dividend distribution (accounting date 31 January 2019, paid on 29 March 2019)

Group 1 : shares purchased prior to 1 November 2018

Group 2 : shares purchased on or after 1 November 2018

	Distribution per share	Equalisation	Total distribution per share 29/03/19	Total distribution per share 29/03/18
Class A accumulation				
Group 1	0.6830	-	0.6830	0.5446
Group 2	0.0594	0.6236	0.6830	0.5446
Class I accumulation				
Group 1	2.0455	-	2.0455	1.5501
Group 2	0.5300	1.5155	2.0455	1.5501
Class I income				
Group 1	1.4581	-	1.4581	1.3285
Group 2	0.5660	0.8921	1.4581	1.3285
Class A EUR Hedged accumulation¹				
Group 1	1.3646	-	1.3646	1.1339
Group 2	0.1154	1.2492	1.3646	1.1339
Class I EUR Hedged accumulation¹				
Group 1	1.5429	-	1.5429	1.1999
Group 2	1.5429	-	1.5429	1.1999

¹ in Euro cents per share

Appendix - additional information (unaudited)

This unaudited additional information section has been prepared by and is the responsibility of Henderson Investment Funds Limited (HIFL), as Alternative Investment Fund Manager (AIFM) to the Janus Henderson Multi-Manager Investment OEIC (the 'Company'), to meet the periodic disclosure requirements of the Alternative Investment Fund Manager's Directive (AIFMD). This information does not form part of the audited financial statements of the Company, but does reference some sections therein and should be read in conjunction with the audited financial statements and the Prospectus. Please note the reporting period for this section covers the year ended 31 January 2019.

Risk profile

Investment objective and policy

The Investment objective and policy which outlines the investment approach for each fund is stated above within the relevant fund's ACD Report and in more detail in the Prospectus within the section headed 'Fund Specific Details'.

Janus Henderson Multi-Manager Active Fund

To achieve capital growth by investing in markets in both the UK and overseas.

Janus Henderson Diversified Growth Fund

To achieve long term capital growth with some potential for income returns with lower than equity market volatility.

Janus Henderson Multi-Manager Managed Fund

To achieve capital growth through exposure to UK and overseas equities and fixed interest securities.

Janus Henderson Diversified Alternatives Fund

To achieve long term capital growth.

Janus Henderson Core 3 Income Fund

The fund aims to provide a sustainably high income return whilst maintaining a moderately low level of volatility (variation of returns) over the medium to long term.

Janus Henderson Core 4 Income Fund

To provide a sustainably high income return with the prospect for some capital growth whilst maintaining a moderate to moderately low level of volatility (variation of returns) over the medium to long term.

Janus Henderson Core 5 Income Fund

The fund aims to provide a sustainably high income return with the prospect for some capital growth whilst maintaining a moderate level of volatility (variation of returns) over the medium to long term.

Janus Henderson Core 6 Income & Growth Fund

To provide a sustainable income return with the prospect for capital growth whilst maintaining a moderately high level of volatility (variation of returns) over the medium to long term.

Volatility parameters

Each of Janus Henderson Core 3 Income Fund, Janus Henderson Core 4 Income Fund, Janus Henderson Core 5 Income Fund and Janus Henderson Core 6 Income & Growth Fund aims to provide its investment objective within stated forecast volatility parameters. The funds are each designed to be used with a risk profiling tool which advisers can use to match investors' attitude to risk with a volatility range.

Volatility measurement

In investments, volatility is a measure of the variation of the return of an investment(s) over a period of time.

There are a number of ways in which volatility can be measured or calculated. One method 'Realised Volatility', measures the variation of actual returns over a particular period of time. 'Forecast Volatility', which can be calculated in different ways, is calculated using models with assumptions to forecast the possible variation of returns of an investment(s) for a specific future time period. Forecast volatility is useful for day to day management and is used for these funds.

Models and techniques provided by an independent risk rating body to analyse a fund's volatility profile will be used to review the fund's volatility profile. The third party risk rating provider's methodology details upper and lower parameters for each volatility profile (i.e. Profile 3, 4, 5 or 6 as relevant for each respective fund) based on the historic price movements of assets similar to those of each fund. Regular periodic reviews monitor any differences between forecast and realised volatility.

Further details of the volatility parameters and measurement process can be obtained from the ACD.

Appendix - additional information (unaudited) (continued)

Risk profile (continued)

Basis of valuation

The ACD have appointed the Investment Manager to perform the valuation of the assets of each fund in accordance with its responsibilities under the AIFMD Rules. As required under the AIFMD Rules, the Investment Manager has adopted a written valuation policy, which may be modified from time to time, which is consistent with the prospectus.

The fair value of financial assets and liabilities traded in active markets (such as publicly-traded derivatives and securities) is based on quoted market prices at the close of trading on the reporting date. Listed investments are valued at fair value which is generally deemed to be the bid price, excluding any accrued interest in the case of fixed interest securities.

All investment funds are valued at cancellation price. Where a price is unavailable or the price provided is not thought to a fair reflection of the current market value of the asset, the Investment Manager, may permit some other method of valuation to be used if they consider that it better reflects value and is in accordance with good accounting practice. The Janus Henderson EMEA Pricing Committee of the Investment Manager is responsible for determining or approving these fair values, which are reported to the ACD, at each board meeting.

The Janus Henderson EMEA Pricing Committee provides an appropriate level of supervision and oversight to ensure the effective application of fair value pricing in the Fund. Where deemed necessary the Janus Henderson EMEA Pricing Committee will seek ratification of decisions from the Janus Henderson Risk Forum. The Janus Henderson EMEA Pricing Committee meets on a monthly basis and consists of representatives from various parts of the Janus Henderson business who act as an independent party, segregated from the fund management function, to review and approve fair value pricing decisions and pricing models on a regular basis.

Risk types

The investments of each fund are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in the value of investments will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount they invest in a fund. There is no certainty that the investment objective of any fund will actually be achieved and no warranty or representation is given to this effect.

Past performance is not necessarily a guide to future performance.

The main categories of risk to which each fund is or might reasonably be expected to be exposed include:

- a) Market risk;
- b) Credit and counterparty risk;
- c) Liquidity risk

Whose impact on the funds is detailed in aggregated note 3 to the Financial Statements covering Risk.

The funds are also subject to operational risk, being the risk of loss resulting from inadequate internal processes and failures in relation to people and systems or from external events; this includes risk resulting from the trading, settlement, safe-keeping and valuation procedures operated on behalf of the funds. The valuation and fair value measurement process are detailed in notes to the financial statements covering Accounting Policies and Fair Value Measurement respectively.

Appendix - additional information (unaudited) (continued)

Risk profile (continued)

Additional risks

In addition to the above, the Prospectus includes the following risks for the funds within the section headed 'Risk Warnings':

Effect of Initial Charge or Redemption Charge;
Charges taken from Income;
Suspension of Dealings in Shares;
Emerging Markets – Fraudulent Securities; Lack of Liquidity; Currency Fluctuations; Settlement and Custody Risks; Investment and Remittance Restrictions; and Accounting;
Equity Investments;
Smaller Companies;
Technology (including healthcare and telecommunications);
Insufficient Fund Property to Meet Liabilities;
Derivatives;
Efficient Portfolio Management;
Stock Lending;
Collateral Management;
Warrants;
Unregulated Collective Investment Schemes;
Exchange Rates;
Currency Class Shares;
Hedged Share Classes;
Inflation;
Past Performance;
Regular Savings Plan;
Cancellation Rights;
Charges to capital; and
EMIR (European Union Regulation on OTC derivatives, central counterparties and trade repositories).

For a detailed explanation of the above and further risks involved in investing in the fund reference should be made to the Prospectus; investors and prospective investors are recommended to discuss all potential conflicts of interest and risks with their own legal, tax and financial advisors.

Risk controls and limits

The risk management policy and process for the fund is designed to satisfy the requirements of the AIFM Directive; associated ESMA regulatory technical standards and guidelines; and local regulations. The framework for risk controls and limits for the fund is documented within Henderson Investment Funds Limited's (HIFL) Risk Management Policy and Process document which outlines for each main risk category above the controls and risk measures in place including stress-tests for assessing sensitivity to the most relevant risks. This risk framework includes setting of limits and monitoring against those limits.

There have been no breaches of risk limits set for the funds in the year under review and there are no such breaches anticipated.

Risk management systems

Straight-through processing via a deal order and management system ("OMS") is utilised for listed securities, exchange-traded derivatives and OTC derivatives contracts with connectivity to third-party affirmation and trade repository services.

Portfolio modelling and investment management functions (including order-raising, dealing and trade execution) are performed using one of or a combination of the following third-party software applications: Charles River system's OMS and/or Imagine.

IT tools and third-party software utilised for independent investment risk measurement and monitoring, operational risk and other activities in support of HIFL include:

- Charles River system's Compliance module for investment restrictions monitoring;
- Nasdaq BWISE operational risk database;
- RiskMetrics; UBS Delta, Style Research, Cognition and Barra for market risk measurement; and
- Bloomberg for market data and price-checking.

These are supplemented by an inhouse bespoke application, the Janus Henderson Derivatives Risk and Compliance database. There have been no changes in the main features of the risk management systems for the fund in the year under review.

Liquidity management

There have been no changes to the arrangements for managing the liquidity of the funds during the year and none of the funds' assets are subject to special arrangements arising from their illiquid nature.

Appendix - additional information (unaudited) (continued)

Securities financing transactions

The Janus Henderson Diversified Alternatives Fund engages in securities financing transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the funds' involvement in and exposures related to securities lending for the year ended 31 January 2019 are detailed below.

Global Data

The table lists the amount of securities on loan as a proportion of total lendable assets and the funds' assets under management (AUM) as at 31 January 2019:

Fund	Market value of securities on loan £000	% of lendable assets	% of AUM
Janus Henderson Diversified Alternatives Fund	2,456	2.99%	2.93%

Concentration Data

The following table lists the ten largest collateral issuers by value of collateral received (across all SFTs) for the fund as at 31 January 2019:

Issuer	Market value of collateral received £000
Janus Henderson Diversified Alternatives Fund	
Intesa Sanpaolo	245
Telefonica	153
Atlantia	144
CRH	144
Experian	144
Aena	144
Lloyds Banking	143
Melrose Industries	143
Covestro	112
Hong Kong Exchanges & Clearing	90

The following table details the top ten counterparties of each type of SFTs (based on gross volume of outstanding transactions), for the fund as at 31 January 2019:

Counterparty	Market value of securities on loan £000	Settlement basis
Janus Henderson Diversified Alternatives Fund		
HSBC	1,299	Triparty
JP Morgan	605	Triparty
Citigroup	552	Triparty
	2,456	

All counterparties have been included

Appendix - additional information (unaudited) (continued)

Securities financing transactions (continued)

Aggregate transaction data

The following tables provide an analysis of the collateral received by the fund in respect of each type of SFTs as at 31 January 2019:

Counterparty	Counterparty country of origin	Type	Quality	Collateral Currency	Settlement basis	Custodian	Market value of collateral received £000
Janus Henderson Diversified Alternatives Fund							
Citigroup	United States	Equity	Main market listing	AUD	Triparty	BNP Paribas	7
Citigroup	United States	Equity	Main market listing	CHF	Triparty	BNP Paribas	1
Citigroup	United States	Equity	Main market listing	EUR	Triparty	BNP Paribas	444
Citigroup	United States	Equity	Main market listing	GBP	Triparty	BNP Paribas	136
Citigroup	United States	Equity	Main market listing	JPY	Triparty	BNP Paribas	1
Citigroup	United States	Equity	Main market listing	NOK	Triparty	BNP Paribas	4
Citigroup	United States	Equity	Main market listing	USD	Triparty	BNP Paribas	21
HSBC	United Kingdom	Equity	Main market listing	EUR	Triparty	BNP Paribas	688
HSBC	United Kingdom	Equity	Main market listing	GBP	Triparty	BNP Paribas	661
HSBC	United Kingdom	Equity	Main market listing	HKD	Triparty	BNP Paribas	90
HSBC	United Kingdom	Equity	Main market listing	JPY	Triparty	BNP Paribas	4
HSBC	United Kingdom	Equity	Main market listing	USD	Triparty	BNP Paribas	1
JP Morgan	United States	Equity	Main market listing	EUR	Triparty	BNP Paribas	215
JP Morgan	United States	Equity	Main market listing	GBP	Triparty	BNP Paribas	31
JP Morgan	United States	Equity	Main market listing	HKD	Triparty	BNP Paribas	317
JP Morgan	United States	Equity	Main market listing	JPY	Triparty	BNP Paribas	70
JP Morgan	United States	Equity	Main market listing	NOK	Triparty	BNP Paribas	50
JP Morgan	United States	Equity	Main market listing	USD	Triparty	BNP Paribas	14
							2,755

All collateral is held in segregated account.

The lending and collateral transactions are on an open basis and can be recalled on demand.

Re-use of collateral

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

Return and cost on securities lending activities

The following table details the funds' return and costs for each type of SFTs for the year ended 31 January 2019:

Fund	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000	% return of the securities lending agent	% return of the fund
Janus Henderson Diversified Alternatives Fund	34	5	29	15%	85%

Appendix - additional information (unaudited) (continued)

Remuneration policy

The Authorised Corporate Director (ACD), Henderson Investment Funds Limited (HIFL), is authorised as an Alternatives Investment Fund Manager (AIFM), and appointed as such, with effect from 22 July 2014.

The FCA's general guidance on the AIFMD remuneration Code (SYSC 19B) was published in January 2014. Under the Code, the Compensation Committee of Janus Henderson Group PLC in its oversight of HIFL must make relevant remuneration disclosures no later than 6 months following the end of the relevant financial year, splitting remuneration into fixed and variable remuneration and breaking down remuneration for categories of AIFMD Code Staff which is defined as all staff whose professional activities have a material impact on the risk profiles of the AIFM or of the AIFs it manages.

The Compensation Committee approves the list of AIFMD Code Staff annually. In addition, identified AIFMD Code Staff are notified of their status and the associated implications annually.

Janus Henderson Multi-Manager Investment OEIC is managed by HIFL, which is a subsidiary of Janus Henderson Group PLC.

The Compensation Committee of Janus Henderson Group PLC has established a Remuneration Policy, one of the guiding principles of which is to ensure that the remuneration of its employees is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of each AIFM and the AIFs they manage. This policy applies to HIFL and Janus Henderson Multi-Manager Investment OEIC.

Further information with respect to the Janus Henderson Group PLC Remuneration Policy is available in Janus Henderson Group plc's annual report as at 31 December 2017.

	Headcount (1)	Total Remuneration (£000s) (2,3)
Janus Henderson Multi-Manager Active Fund	1,943	290
of which		
Fixed Remuneration	1,943	166
Variable Remuneration	1,933	124
Carried Interest	n/a	-
Janus Henderson Multi-Manager Active Fund Remuneration Code Staff	174	253
of which		
Senior Management (4)	27	31
Other Code Staff (5)	147	222
Janus Henderson Multi-Manager Managed Fund	1,943	836
of which		
Fixed Remuneration	1,943	358
Variable Remuneration	1,933	478
Carried Interest	n/a	-
Janus Henderson Multi-Manager Managed Fund Remuneration Code Staff	176	775
of which		
Senior Management (4)	27	52
Other Code Staff (5)	149	723
Janus Henderson Diversified Growth Fund	1,943	244
of which		
Fixed Remuneration	1,943	113
Variable Remuneration	1,933	131
Carried Interest	n/a	-
Janus Henderson Diversified Growth Fund Remuneration Code Staff	176	220
of which		
Senior Management (4)	27	21
Other Code Staff (5)	149	199

Appendix - additional information (unaudited) (continued)

Remuneration policy (continued)

	Headcount (1)	Total Remuneration (£000s) (2,3)
Janus Henderson Diversified Alternatives Fund	1,943	170
of which		
Fixed Remuneration	1,943	92
Variable Remuneration	1,933	78
Carried Interest	n/a	-
Janus Henderson Diversified Alternatives Fund Remuneration Code Staff	175	157
of which		
Senior Management (4)	27	11
Other Code Staff (5)	148	146
Janus Henderson Core 3 Income Fund	1,943	47
of which		
Fixed Remuneration	1,943	19
Variable Remuneration	1,933	28
Carried Interest	n/a	-
Janus Henderson Core 3 Income Fund Remuneration Code Staff	176	44
of which		
Senior Management (4)	27	2
Other Code Staff (5)	149	42
Janus Henderson Core 4 Income Fund	1,943	75
of which		
Fixed Remuneration	1,943	32
Variable Remuneration	1,933	43
Carried Interest	n/a	-
Janus Henderson Core 4 Income Fund Remuneration Code Staff	176	70
of which		
Senior Management (4)	27	5
Other Code Staff (5)	149	65
Janus Henderson Core 5 Income Fund	1,943	77
of which		
Fixed Remuneration	1,943	33
Variable Remuneration	1,933	44
Carried Interest	n/a	-
Janus Henderson Core 5 Income Fund Remuneration Code Staff	176	71
of which		
Senior Management (4)	27	5
Other Code Staff (5)	149	66
Janus Henderson Core 6 Income & Growth Fund	1,943	25
of which		
Fixed Remuneration	1,943	10
Variable Remuneration	1,933	15
Carried Interest	n/a	-
Janus Henderson Core 6 Income & Growth Fund Remuneration Code Staff	176	23
of which		
Senior Management (4)	27	1
Other Code Staff (5)	149	22

Appendix - additional information (unaudited) (continued)

Remuneration policy (continued)

1. This is the actual number of employees who are fully or partly involved in the activities of the each funds within the Janus Henderson Multi-Manager Investment OEIC – no attempt has been made to apportion the time spent specifically in support of each fund within the Janus Henderson Multi-Manager Investment OEIC as this data is not captured as part of the Company's normal processes.
2. Please note that due to the employment structure and resourcing of the Janus Henderson Group, the staff indicated in this table may provide services to other companies in the Janus Henderson Group PLC.
3. The remuneration disclosed is only in respect of the provision of services to each of the funds within Janus Henderson Multi-Manager Investment OEIC for the year, rather than the total remuneration for the year – for this purpose, remuneration has been apportioned between the provision of services to each of the funds within the Janus Henderson Multi-Manager Investment OEC and to other entities in the Janus Henderson Group PLC, as follows: in respect of performance fee incentives, 100% of any direct allocations of performance fees generated within each of the funds; in respect of fixed pay and annual/long term incentive bonuses: where fixed pay is directly attributable to each of the funds within the Janus Henderson Multi-Manager Investment OEIC (for example, fees for the Board of Directors), 100% of those fees; for Investment Fund Managers, pro-rated using the average AUM of each of the funds within the Janus Henderson Multi-Manager Investment OEIC managed by the relevant Investment Fund Manager (as a proportion of the total AUM managed by that individual) as a proxy; for other individuals, pro-rated using the average AUM of each of the funds within the Janus Henderson Multi-Manager Investment OEIC (as a proportion of the aggregate average AUM of Janus Henderson Group PLC) as a proxy.
4. Senior Management includes the Henderson Executive Committee and other Group Board members and HIFL board of directors.
5. Other Code Staff includes all other AIFMD Code Staff not covered by the above, including Investment Fund Managers who manage AUM within each of the funds within the Janus Henderson Multi-Manager Investment OEIC.

Further information

Shareholder enquiries

If you have any queries about your fund holding, either contact your professional adviser or telephone us on one of the numbers below:

For dealing enquiries including buying and selling shares please telephone at local rate: **0845 608 8703**

The following line is also available:

Client Services: **0800 832 832**

or you can contact us via e-mail at **support@janushenderson.com**

We may record telephone calls for our mutual protection and to improve customer service.

Important Information

Janus Henderson Investors is the name under which investment products and services are provided by Janus Capital International Limited (reg no. 3594615), Henderson Global Investors Limited (reg. no. 906355), Henderson Investment Funds Limited (reg. no. 2678531), AlphaGen Capital Limited (reg. no. 962757), Henderson Equity Partners Limited (reg. no.2606646), (each registered in England and Wales at 201 Bishopsgate, London EC2M 3AE and regulated by the Financial Conduct Authority) and Henderson Management S.A. (reg no. B22848 at 2 Rue de Bitbourg, L-1273, Luxembourg an regulated by the Commission de Surveillance du Secteur Financier).

We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.

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