



Aberdeen Investment Funds ICVC

Long Form Annual Report
For the year ended 31 July 2015

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Report of the Authorised Corporate Director

For the year ended 31 July 2015

Aberdeen Investment Funds ICVC ('Aberdeen OEIC'/'the Company') is an open-ended investment company with variable capital. The Aberdeen OEIC is registered and authorised in the United Kingdom by the Financial Conduct Authority (the 'FCA') and has UCITS status. The Aberdeen OEIC is structured as an umbrella scheme for the purposes of the Collective Investment Schemes Sourcebook (COLL) and consists of a number of separate sub-funds that are managed with the long-term aim of providing a total return. The term 'total return' means a combination of income and capital growth and no positive return is implied.

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

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

While the provisions of the OEIC Regulations provide for segregated liability between the Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not known how those foreign courts will react to regulations 11A and 11B of the OEIC Regulations.

The shareholders are not liable for the debts of the Aberdeen OEIC.

The following is the report of the Authorised Corporate Director, Aberdeen Fund Managers Limited (hereinafter referred to as the 'ACD'), in respect of the Aberdeen OEIC.

Financial details and fund managers' reviews of the individual sub-funds for the period ended 31 July 2015 are given in the following pages of this report. Where performance comparisons are made, the share valuations used are at close of business of the final day of the period under review.

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

Developments since 31 July 2014

1 February 2015	Aberdeen World Strategic Bond Fund	Renamed	Aberdeen World Opportunistic Bond Fund
19 June 2015	Aberdeen Defensive Gilt Fund (a sub-fund of Aberdeen Investment Funds UK ICVC II)	Merged into a new Fund	Aberdeen Sterling Short Term Government Bond Fund
19 June 2015	Aberdeen Financial Equity Fund (a sub-fund of Aberdeen Investment Funds UK ICVC II)	Merged into a new Fund	Aberdeen Financial Equity Fund
19 June 2015	Aberdeen Global High Yield Bond Fund (a sub-fund of Aberdeen Investment Funds UK ICVC II)	Merged into a new Fund	Aberdeen Global High Yield Bond Fund
19 June 2015	Aberdeen UK Equity Dividend Fund (a sub-fund of Aberdeen Investment Funds UK ICVC II)	Merged with	Aberdeen UK Equity Income Fund
19 June 2015	Aberdeen World Government Bond Fund (a sub-fund of Aberdeen Investment Funds UK ICVC II)	Merged into a new Fund	Aberdeen World Government Bond Fund
1 July 2015	Aberdeen Cash Fund	AMC reduction	The Annual Management Charge was reduced from 0.50% to 0.30% on Class A shares and 0.25% to 0.15% on Class I shares
10 July 2015	Aberdeen European Ex-UK Equity Fund (a sub-fund of Aberdeen Investment Funds UK ICVC III)	Merged with	Aberdeen European Equity Fund
10 July 2015	Aberdeen Global Equity Fund (a sub-fund of Aberdeen Investment Funds UK ICVC III)	Merged with	Aberdeen World Equity Fund
10 July 2015	Aberdeen North American Equity Fund (a sub-fund of Aberdeen Investment Funds UK ICVC III)	Merged with	Aberdeen North American Equity Fund
10 July 2015	Aberdeen Sterling Credit Advantage Fund (a sub-fund of Aberdeen Investment Funds UK ICVC II)	Merged into a new Fund	Aberdeen Sterling Opportunistic Bond Fund
10 July 2015	Aberdeen UK Opportunities Equity Fund (a sub-fund of Aberdeen Investment Funds UK ICVC III)	Merged with	Aberdeen Equity Fund

10 July 2015	Aberdeen UK Small Cap Equity Fund (a sub-fund of Aberdeen Investment Funds UK ICVC III)	Merged with	Aberdeen UK Smaller Companies Fund
17 July 2015	Aberdeen Corporate Bond Fund (a sub-fund of Aberdeen Investment Funds UK ICVC II)	Merged into a new Fund	Aberdeen Corporate Bond Fund
17 July 2015	Aberdeen Sterling Government Bond Fund (a sub-fund of Aberdeen Investment Funds UK ICVC II)	Merged into a new Fund	Aberdeen Sterling Government Bond Fund
17 July 2015	Aberdeen Sterling Bond Fund (a sub-fund of Aberdeen Investment Funds UK ICVC II)	Merged into a new Fund	Aberdeen Sterling Bond Fund
17 July 2015	Aberdeen Sterling Index-Linked Bond Fund (a sub-fund of Aberdeen Investment Funds UK ICVC II)	Merged into a new Fund	Aberdeen Sterling Index-Linked Bond Fund

Global review

Global equity markets managed to eke out gains despite a bumpy ride over the past year. Developed markets generally held up better than their emerging counterparts, which were beset by a slew of challenges, including falling commodity prices, slowing global trade and currency weakness. At the beginning of the year under review, accommodative monetary policy from major central banks buoyed asset prices globally. As the European Central Bank launched its quantitative easing programme, disappointing economic data in China and Japan fuelled hopes of further stimulus. At the same time, weaker-than-expected economic growth in the US pushed back expectations of a Fed interest rate hike.

Expectations of abundant liquidity soon gave way to other concerns, however. Chief among these was a commodity rout. Amid lacklustre demand, a jump in US drilling and OPEC's decision to maintain production, crude oil prices ended 2014 at half their summer levels, and have since remained near multi-year lows. Oversupply concerns were exacerbated by the prospect of a resumption of crude production in Iran following a nuclear deal. Markets heavily exposed to commodities, such as Russia, Brazil and Nigeria, suffered the most. Apart from lower oil prices, Russia was hit by Western sanctions over the conflict in Ukraine, and the rouble's plunge heightened risk aversion across emerging markets. Elsewhere, Brazil was hampered further by a political corruption scandal, and Nigeria battled terrorist insurgents in its northern regions.

China's slowing growth was another worry, especially for its global trade partners, which had relied on its demand for resources to fuel their own economies. For most of the year, Chinese equities were buoyed by prospects of increased fund flows following various initiatives to improve trading links with Hong Kong, as well as a sizzling rally in domestic A-shares. However, stocks later retreated amid a crackdown on margin trading. Despite heavy-handed government intervention, which included cutting interest rates, relaxing margin lending rules, and banning major shareholders from reducing their stakes in listed companies, markets continued to slide. Notably, major indices saw their biggest one-day drop in more than eight years in late July. After the period-end, a surprise devaluation of the yuan roiled stockmarkets and currencies across the region, amid investor concerns of a currency war.

In Europe, manufacturing and services sectors continued to moderate. Over the period, the Greek debt saga dominated headlines, as the nation's Eurozone membership appeared to hang in the balance: at one point, it closed its banks and imposed capital controls after negotiations with its creditors fell apart. At the time of writing, both parties have reached an agreement on the terms of a third bailout, but Eurozone governments must now ratify the deal before the funds can be disbursed.

Within fixed income, bond yields in core developed markets bull-flattened across the curve, particularly evident in Europe. Ten-year US Treasuries rallied by 38 basis points to 2.19%, although the short end was weak. Global credit markets retreated on the back of widening spreads.

Outlook

Global macroeconomic prospects are unlikely to improve dramatically in the short term, given the persistent headwinds. While the US economy seems to be stabilising, its global peers are on shakier footing. In Europe, growth is likely to benefit from a weaker euro and the lower oil price; however, the Greek crisis is far from over. While the nation appears to have avoided an imminent default, concern over the economy remains. Chinese equities continue to sputter despite Beijing's efforts to prop up prices, while its economic slowdown has crimped export demand in many of its key trading partners. As a result, we would not be surprised by continued bouts of volatility in the months ahead.

On the corporate front, we believe that the companies we hold will be able to maintain focus on margin growth and cost discipline and, hence, will stand to gain from an eventual recovery. Although they may not be immune from the market noise, their sound fundamentals should position them for earnings growth in the long run. We remain committed to our investment strategy of seeking out high quality companies trading at reasonable valuations.



Alan Hawthorn
Director
Aberdeen Fund Managers Limited

26 November 2015



Atholl Forbes
Director
Aberdeen Fund Managers Limited

26 November 2015

Aggregate Long Form Financial Statements for Aberdeen Investment Funds ICVC

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	3		44,998		(144,133)
Revenue	4	257,826		251,885	
Expenses	5	(116,217)		(129,511)	
Finance costs: interest	7	(1)		(3)	
Net revenue before taxation		141,608		122,371	
Taxation	6	(9,124)		(12,497)	
Net revenue after taxation			132,484		109,874
Total return before distributions			177,482		(34,259)
Finance costs: distributions	7		(139,818)		(118,420)
Change in net assets attributable to shareholders from investment activities			37,664		(152,679)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		8,580,588		9,829,840
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares		4,769,647		785,691
Amount receivable on in specie transfers ^A		101,441		
Amount receivable on amalgamation ^B		332,564		
Amount payable on cancellation of shares		(1,996,096)		(1,981,181)
		3,207,556		(1,195,490)
Dilution charged		112		575
Stamp duty reserve tax		-		(669)
Unclaimed distributions > 6 years		54		39
Capacity management charge		1,935		2,720
Change in net assets attributable to shareholders from investment activities (see above)		37,664		(152,679)
Retained distribution on accumulation shares		109,350		96,251
Closing net assets attributable to shareholders		11,937,259		8,580,587

^A Relating to in specie transfer to Aberdeen World Strategic Bond from Aberdeen Alpha F.I.20 Year Sterling Index Linked Fund on 26 September 2014.

^B Relating to the amalgamation on 10 July 2015 of Aberdeen Global Equity Fund, a sub-fund of Aberdeen Investment Funds ICVC III, into the Fund, Aberdeen UK Smaller Cap Equity Fund, a sub-fund of Aberdeen Investment Funds ICVC III, into the Fund, Aberdeen European Ex-UK Equity Fund, a sub-fund of Aberdeen Investment Funds UK ICVC III, into the Fund, Aberdeen UK Opportunities Equity Fund, a sub-fund of Aberdeen Investment Funds ICVC III, into the Fund, and the amalgamation on 19 June 2015 of Aberdeen UK Equity Dividend Fund, a sub-fund of Aberdeen Investment Funds UK ICVC II, into the Fund, Aberdeen Northern American Equity Fund, a sub-fund of Aberdeen Investment Funds UK ICVC II, into the Fund.

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			11,665,809		8,437,551
Debtors	8	165,532		79,715	
Cash and bank balances	9	232,444		110,244	
Total other assets			397,976		189,959
Total assets			12,063,785		8,627,510
Liabilities					
Investment liabilities			(9,104)		(1,093)
Bank Overdraft		(2,131)			
Creditors	10	(100,032)		(38,999)	
Distribution payable on income shares		(15,259)		(6,831)	
Total other liabilities			(117,422)		(45,830)
Total liabilities			(126,526)		(46,923)
Net assets attributable to shareholders			11,937,259		8,580,587

Notes to the aggregated financial statements

For the year ended 31 July 2015

1. Accounting policies

- (a) **Basis of accounting.** The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments. They have been prepared in accordance with the applicable UK Accounting Standards and in accordance with the Statement of Recommended Practice for Authorised Funds ('SORP') issued by the Investment Managers Association ('IMA') in October 2010.
- (b) **Revenue recognition.** Dividends receivable from quoted equity and non equity shares are credited to revenue, net of attributable tax credits, when the security is quoted ex-dividend before the period end. Dividends on unquoted stocks are credited to revenue when the dividend is declared. Interest is accrued on a day-to-day basis. In the case of debt securities issued at discount or premium to maturity value, the total revenue arising on such securities, taking into account the amortisation of such discount or premium on an effective interest rate basis, is spread over the life of the security.

Stock lending revenue is accounted for on an accruals basis, net of security lending agent fees payable to BNP Paribas Security Services.

Overseas dividends are grossed up at the appropriate rate of withholding tax and the tax consequences are shown within the tax charge. In addition, precompte associated with dividends from French companies is treated as a tax credit rather than a repayment of withholding tax.

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

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

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

In the case of enhanced scrip dividends, the amount by which such dividends exceed the cash dividends is treated as capital and does not form part of the distribution.

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

- (e) **Treatment of expenses (including ACD expenses).** All expenses (other than those relating to the purchase and sale of investments) are charged against revenue on an accruals basis. However as the investment objective of the Aberdeen Sterling Corporate Bond Fund, Aberdeen Emerging Markets Bond Fund, Aberdeen High Yield Bond Fund, Aberdeen Managed Distribution Fund, Aberdeen UK Equity Income Fund and Aberdeen World Equity Income Fund concentrates on the generation of revenue as a higher priority than capital growth, the ACD and the Depositary have agreed that 100% of the ACD's periodic charge is to be taken to capital for the purpose of calculating the distribution, as permitted by the regulations. The distribution currently payable reflects this treatment together with any associated tax effect. In addition Stamp Duty Reserve Tax (SDRT), where payable, is charged to the capital of the sub-funds.

Where a Fund invests in a collective investment scheme managed by subsidiaries of Aberdeen Asset Management Plc, the Manager rebates the lower of the two levels of management fee by adjusting the management fee paid. This may give rise to an effective net management fee charged which is lower than stated.

With the exception of the ACD's periodic charge, which is directly attributable to individual share classes, all revenue and expenses are allocated to share classes prorata to the value of the net assets of the relevant share class on the day that the revenue or expense is incurred.

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

- (f) **Distribution policy.** The distribution policy of each sub-fund is to distribute all available revenue, after deduction of expenses properly chargeable against revenue, subject to any of the ACD's periodic charge or other expense which may currently be transferred to capital for the purpose of calculating the distribution.

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

(g) **Basis of valuation of investments.** The valuation point is close of business on 31 July 2015. Listed investments are valued at fair value which is the bid price.

Unlisted, unapproved, illiquid or suspended securities are valued at the ACD's best estimate of the amount that would be received from an immediate transfer at arm's length.

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

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

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

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

(h) **Exchange rates.** Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at close of business on 31 July 2015.

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

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

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

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

(k) **Efficient portfolio management.** Where appropriate, certain permitted transactions such as derivatives or forward foreign currency transactions are used for efficient portfolio management. Where such transactions are used to protect or enhance revenue, the revenue and expenses derived therefrom are included in 'Revenue' or 'Expenses' in the Statement of total return. Where such transactions are used to protect or enhance capital, the gains and losses derived therefrom are included in 'Net capital losses/gains on investments' in the Statement of total return. Any positions on such transactions open at the year end are reflected in the Balance sheet at their marked to market value.

(l) **Aggregation.** The aggregated accounts represent the sum of the individual funds within the umbrella company. Further analysis of the distribution and the net asset position can be found within the financial statements of the individual sub-funds.

2. Risk exposures & risk management policies

The risks that the sub-funds are exposed to and the risk management techniques employed are disclosed within this note of the aggregated financial statements.

Details of risks affecting all sub-funds are noted, along with specific risk management objectives and techniques. Numerical disclosures related to individual sub-funds, where relevant, can be found in the relevant note of the annual report and accounts of that sub-fund.

General risk management process

As an Open Ended Investment Company (OEIC), the management of financial instruments is fundamental to the management of the Company's business. The Company's risk management process is managed by Aberdeen Fund Managers Limited, a subsidiary of Aberdeen Asset Management Plc and oversight of these functions is carried out by the Depositary, National Westminster Bank Plc. This is organised by function with distinct separation of responsibility between managers, traders and investment administration personnel. The risk management process consists of a multi-layered and cross-functional review that provides a system of checks and balances.

Risks specific to each Fund are managed by the relevant fund management team. In addition these teams are supported by a series of committees which are responsible for oversight and monitoring of the risk management process, the investment process and performance and operational processes. These Committees and their responsibilities are discussed below:

Investment Risk Oversight by the Investment Risk Group

The Investment Risk Group is responsible for the following:

- Review management information on derivative positions within the funds and associated exposures, in particular exceptions reporting of positions close to or over the designated limits.
- For new funds, review the appropriateness of each fund's prescribed limits and risk calculation methodologies based upon the strategy of the fund and underlying investor appetite for risk.
- Approve the appropriateness of the investment risk monitoring on any new funds or any material amendments to existing funds.
- Approve proposals for re-categorisation of existing funds where these funds have been operating close to the investment risk limits.
- Understand the derivative instruments utilised and their associated risks and ensure that these risks are being adequately managed.
- Ensure that there are adequate systems and controls in place for the capture, reporting and monitoring of derivative exposures in line with the Risk Management Process submitted to the regulators.
- Ensure adequate cover and contingency plans in place to meet the supervisory requirements and ensure that procedures are adequately documented.
- Provide support for the Supervisors ongoing responsibilities for risk monitoring and reporting as stated above.
- Maintain process and policy regarding calculation of VaR, stress testing, and back-testing.

Regulatory Oversight by the Compliance Department

The Compliance Department maintains oversight of the observance by the UCITS and non-UCITS funds with the relevant FCA rules. The Compliance Department is independent of the Fund Manager(s) and this oversight consists of:

- Maintain a general understanding of the derivative instruments being utilised and ensure the ability to identify and monitor risks associated with them.
- Review on a daily basis the risk exposures held against the objectives of the fund and the quantitative limits in place to ensure that the positions held are in accordance with the stated risk profile. The review includes:
 - A review of counterparty risk exposures;
 - A review of commitment-based exposures (position cover and global exposure);
 - A review of investment and borrowing limits;
- Ensure that funds have systems in place to check the reliability of the OTC derivative valuations.
- Verify the production of any periodic and ad hoc reporting to the Regulatory Authorities.
- Provide regular reporting / management information on derivative usage and exposures to the ACD. This should be readily understandable, and complete for the ACD to make informed judgements.
- Liaise with the Fund Manager(s) regarding any amendments to risk limits for re-categorisation and forward recommendations to the ACD.
- Maintain the definitive list of derivatives instruments used and how these apply to each of the underlying funds.

Derivatives Oversight Committee

The objective of the committee is to ensure that the use of derivatives is adequately controlled at an individual level and within the context of the investment strategies for clients.

The Committee will be required to consider and approve, but not limited to, the following:

- Appropriateness of derivative instruments and strategies for clients and funds;
- Control environment for current usage;
- Plans for future increased volume levels;
- Competence of individuals involved and their dealing authorities/limits;
- Administration systems for processing and holding instruments;

-
- Risk management processes;
 - Documentation controls;
 - Training programmes;
 - Specific derivative marketing disclaimers;
 - New products/funds/clients that utilise derivatives;
 - Recommendations from the New Instrument Approval Committee on new instruments;
 - Regulatory, market and industry developments;
 - Likely credit or succession events;
 - Counterparty default.

New Instrument Approval Committee

The New Instrument Approval Committee, being chaired by the Head of Front Office Risk, has oversight over the Approved Instrument List and any alterations to that applied through the New Instrument Approval Process (NIAP). No additions to this list can be made unless the NIAP has been completed including the New Instrument Template.

The New Instrument Approval Process includes the consideration of the instrument by all relevant areas of the business including administration, compliance, risk and legal.

The Committee has final say in disputes over interpretation of issues in the case of a dispute.

Pricing Committee

The Pricing Committee is chaired by the Head of Front Office Risk and oversees the control of pricing of all instruments including derivatives. The Committee is made up of senior representatives from the business areas involved in pricing including front office operations, administration and compliance.

Investor Protection Committee

The Investor Protection Committee ("IPC") is chaired by the Global Head of Investor Services and oversees the operation of dilution adjustment to the prices of collective investment schemes operated by Aberdeen. The IPC also considers potential instances of attempted late trading/market timing in collective investment schemes with a view to ensuring the fair treatment of all investors. The IPC also oversees the fair valuation process for the collective investment schemes and their underlying assets.

Human Resources Department

The Human Resources Department are responsible for ensuring that:

- Confirming that Fund Managers responsible for funds that use derivatives, and dealers trading derivative instruments, are threshold competent.
- Ensure that Compliance procedures have been followed, and sign off has been received prior to trades commencing.
- Ensure that the derivatives supervisor responsible for controlling the risks of these instruments has the skills and experience to monitor the appropriateness of the investment decisions made and ensure these are in compliance with the risk profile of the funds and regulations.

Derivatives Desk

The Derivatives Desk supervises all derivative strategies and monitors both new and existing contracts using various systems. Their responsibilities include:

- Maintaining the intellectual capital and depth of experience to offer advice on all existing and prospective implementations.
- Liaises with Fund Managers and senior investment personnel to ensure that all derivative strategies remain current.
- Ensures that any Fund Managers aspiring to trade derivatives or any other structured financial product are sufficiently qualified to do so.

Risk

Risk can be separated into the following components: market risk, credit risk and liquidity risk. Each type of risk is discussed in turn and qualitative and quantitative analyses are provided where relevant to give the reader an understanding of the risk management methods used by the Investment Manager.

Each sub-funds' market risk is managed on a daily basis by the Manager in accordance with the policies and procedures in place.

The investment objectives and policies for each sub-fund, and investment restrictions in relation thereto, are formulated by the Depositaries at the time of creation of the Fund and are set out in the Relevant Supplement.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Funds risks

The below risks relate to all of the sub-funds of the Company. Specific numerical disclosure for each sub-fund can be found in the relevant section of the Annual Report and Accounts.

Risk	Risk Definition	Risk background and significance	Mitigation Technique	Risk Measure
1) Market risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.	All investments held by each of the sub-funds are subject to market risk.	Various internal and external systems are used to monitor risk as set out under each risk type below.	Daily Value at Risk (VaR) is calculated to evaluate risk and is circulated to the Fund Managers to use.
a) Currency risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.	<p>The value of the non-sterling denominated securities in the sub-funds portfolios are subject to currency risk. Where exchange rates move, this will impact the sterling equivalent value of securities used to value those portfolios.</p> <p>A substantial portion of the net assets of some of the sub-funds are denominated in currencies other than sterling, the functional currency of each sub-fund. The exposure per currency can be seen in the Interest Rate Risk Profile tables for each sub-fund in the Annual Report and Accounts.</p>	<p>The Fund Manager monitors currency exposure and the effects of fluctuations in exchange rates using an internal monitoring system. The Fund Manager also considers the effect on each sub-funds net asset value and income of a movement in the rates of exchange to which the sub-funds's assets, liabilities, income and expenses are exposed.</p> <p>Checks of such positions are also monitored by Aberdeen's Compliance department.</p>	Aberdeen's Risk Management Process (RMP) details a number of internal risk measures ('Risk Universes'). These internal risk measures are agreed with the Fund Manager and aim to cap the levels of currency risk for the Fund. This is monitored by Aberdeen's Compliance team using an internal monitoring system. Potential or actual breaches are investigated by the Compliance guideline monitoring teams and escalated to the appropriate Fund Manager.

Risk	Risk Definition	Risk background and significance	Mitigation Technique	Risk Measure
			<p>Forward Foreign Exchange contracts can be used to hedge out unwanted currency exposures and to limit the sub-funds exposure to anticipated changes in exchange rates. Where appropriate, they are also used to achieve the portfolio characteristics that assist each sub-fund in meeting its investment objectives.</p>	<p>Exposures are also monitored using an external system.</p> <p>The various internal risk measures include:</p> <p><i>Relative or absolute VaR calculations</i> – calculated daily and monitored by AAM’s Compliance department against set limits.</p> <p><i>Additional VaR checking</i> – if required and relating to any separate Universe controls and monitored by the Investment Risk Group.</p> <p><i>Stress testing and sensitivity analysis</i> – intended to highlight areas in the portfolio that would be exposed to risk if current economic conditions were to change.</p> <p><i>Back testing</i> – used to ensure that the risk models do what they claim to.</p> <p><i>Leverage</i> – used to highlight the value of additional positions that have been committed to through the use of derivatives.</p> <p><i>Specific instrument exposure</i> – a ‘look through’ approach is used to decompose derivative instruments in to their fundamental components. A ‘commitment’ approach is then used to value the fund in terms of not only its direct holdings, but also any future liabilities to which the Fund might be obligated.</p>

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Risk	Risk Definition	Risk background and significance	Mitigation Technique	Risk Measure
<p>b) Interest Rate Risk</p>	<p>The risk that an investment's value will change due to a change in the absolute level of interest rates, in the spread between two rates, in the shape of the yield curve or in any other interest rate relationship.</p>	<p>The sub-funds hold a number of fixed and floating rate financial instruments. Bond yields (and as a consequence bond prices) are determined by market perception as to the appropriate level of yields given the economic background. Key determinants include economic growth prospects, inflation, the government's fiscal position, short-term interest rates and international market comparisons.</p> <p>Returns from bonds are fixed - at the time of purchase, the fixed coupon payments are known, as are the final redemption proceeds. This means that if a bond is held until its redemption date, the total return achieved is unaltered from its purchase date.</p> <p>However, over the life of a bond, the yield (and hence market price) at any given time will depend on the market environment at that time. Therefore a bond sold before its redemption date is likely to have a different price to its purchase level and a profit or loss may be incurred.</p> <p>The interest rate risk profile of each sub-fund's financial assets and liabilities at the year end is set out in the Interest Rate Risk Profile tables in the Annual Report and Accounts.</p> <p>This is consistent with the exposure during both the current year and prior period.</p>	<p>Interest Rate Risk is examined by the Fund Manager using an internal monitoring system.</p> <p>Checks of such positions are also monitored by Aberdeen's Compliance department.</p> <p>The risk can be reduced by diversifying (investing in fixed-income securities with different durations) or hedging (e.g. through an interest rate swap).</p> <p>The Fund Manager reviews on a regular basis the values of fixed interest rate securities.</p> <p>There is also oversight from Aberdeen's Investment Risk Group of all funds.</p>	<p>Aberdeen's RMP details a number of internal risk measures ('Risk Universes'). The various internal risk measures are discussed in 1)a) above.</p> <p>Limits on interest rate risk are agreed with the Fund Manager. This is monitored by Aberdeen's Compliance team using an internal monitoring system. The Fund Manager is notified where exceptions are generated.</p>

Risk	Risk Definition	Risk background and significance	Mitigation Technique	Risk Measure
c) Other price risk	This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk), whether those changes are caused by factors specific to individual financial instruments or its issuer, or other factors affecting similar financial instruments traded in the market.	<p>The value of investments can change as a result of factors other than liquidity, currency and interest rate risk.</p> <p>There have been no significant changes in this risk since the prior year end.</p>	<p>Prices are reviewed on a regular basis by the Fund Manager. Aberdeen's Pricing Committee, as well as the Derivatives Oversight Committee monitor illiquid, non-quoted and single broker quoted investments and derivatives as well as dealing with issues on all pricing related matters.</p> <p>The risk can be reduced by diversifying the portfolio across a number of securities for all funds. For bond funds this can also be achieved through investing in securities with different durations or hedging (e.g through an interest rate swap).</p> <p>Portfolio's for each sub-fund are also reviewed by the Fund Managers on a regular basis.</p>	The Risk Management Database is Aberdeen Group's primary risk tool - Key Risk Indicators (KRI's) are logged in a central database as means of recording and tracking key business risks. These are regularly reviewed and followed up.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Risk	Risk Definition	Risk background and significance	Mitigation Technique	Risk Measure
2) Credit risk	<p>This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty risk and issuer risk.</p>	<p>In addition to the interest rate risk, bond investments are also exposed to credit risk which reflects the ability for a borrower (i.e. bond issuer) to meet its obligations (i.e. pay the interest on a bond and return the capital on the redemption date).</p> <p>Generally, the higher the quality of the issuer, the lower the interest rate at which they can borrow money. Issuers of a lower quality will tend to have to pay more to borrow money to compensate the lender (the purchaser of a bond) for the extra risk taken.</p> <p>A breakdown of the investment grade quality is provided under the Portfolio Statement of each bond fund.</p> <p>There have been no significant changes in this risk since the prior year end.</p> <p>The sub-funds hold cash and cash deposits which potentially exposes the sub-funds to counterparty risk.</p> <p>The sub-funds also hold short-term debtors in the form of unsettled subscription amounts, unsettled securities sold, outstanding coupon and dividend amounts. The risk from these is deemed low.</p>	<p>Limitations on exposures to issuer's with certain credit ratings are monitored using an internal monitoring system.</p> <p>These are coded and investigated by Aberdeen's regional compliance teams.</p> <p>The portfolios are reviewed quarterly by the Fund Manager for indicators of impairment. Where there is a material change to the expected future cash flows on an individual holding the Fund Manager will recommend an AG 8 adjustment which is then reviewed and approved by Aberdeen's Pricing Committee</p> <p>Investments in quoted bonds are made across a variety of industry sectors, and geographical markets, so as to avoid concentrations of credit risk.</p> <p>Where the Fund Manager makes an investment in a bond, corporate or otherwise, the credit rating of the issuer is taken into account so as to minimise the risk to the Fund of default. Where limitations on credit ratings are disclosed within the sub-funds' Prospectus/ other marketing literature, such limits are monitored by Aberdeen's Compliance team using an internal monitoring system.</p>	<p>The Fund Manager uses published credit ratings when assessing the risk of issuer default. Where ratings are unavailable, an internal rating may be used by the Fund Manager.</p> <p>The Investment Manager uses Standard and Poor's as the primary rating agency.</p>

Risk	Risk Definition	Risk background and significance	Mitigation Technique	Risk Measure
			<p>Transactions involving derivatives are entered into only with investment banks with the appropriate credit rating. Aberdeen have determined appropriate guidelines in the form of a written policy which is followed when determining appropriate counterparties.</p> <p>Investment transactions are carried out with a large number of brokers.</p>	

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Risk	Risk Definition	Risk background and significance	Mitigation Technique	Risk Measure
		<p>Several sub-funds participate in a stock lending programme which is operated by BNP Paribas Securities Services (BP2S) as agent for the Trustee. The sub-funds that participate are detailed in the Annual Report and Accounts. The sub-funds can lend up to 90% of each investment held in its portfolio.</p>	<p>Broker reviews are frequently conducted and limits are also set on the amount that may be due from any one broker</p> <p>None of the sub-fund's financial assets are secured by collateral or other credit enhancements, with the exception of amounts held with brokers in relation to futures and swaps. None of the other investments held are pledged as collateral.</p> <p>ISDA Master Agreements are in place (allowing for netting i.e. transactional and close out).</p> <p>A margining process also exists to reduce risk exposures.</p> <p>There are internal exposure limits to cash balance placed with counterparties. The credit worthiness of counterparties is also reviewed on a regular basis.</p> <p>Under the terms of the stock lending programme, all loans are backed by collateral (cash, near cash, government and public securities, certificates of deposit, letter of credit and UK Equities) equal to or greater than 105% of the market value (as calculated daily on each business day) of the securities on loan.</p>	

Risk	Risk Definition	Risk background and significance	Mitigation Technique	Risk Measure
3) Liquidity risk	The risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities, including redemption liability.	<p>Where there is a large unexpected redemption of a sub-fund's shares then this could lead to a potential liquidity issue in funding that redemption.</p> <p>The risk is not considered significant as the Fund Manager actively manages the liquidity of the portfolio and receives advance notification of any large redemptions.</p> <p>There have been no significant changes in this risk since the prior year end.</p>	<p>The Fund Manager manages each sub-fund's liquidity position on a daily basis. Also the Manager is able, by the provisions in the Prospectus, to defer settlement of redemptions of significant size to facilitate an orderly disposition of securities as in the interest of the remaining shareholders. The maximum number of shares available for redemption on any given day can be restricted by the Manager to 10% of the total number of shares in issue of the affected sub-fund. The Manager may also force assets on a redemption rather than cash where it is deemed to be in the best interest of remaining shareholders.</p> <p>Where cash is not available to meet redemptions, the Fund Manager sells down appropriate levels of investments to meet the redemption value.</p>	Net redemption levels are calculated daily and sent to the Investment Manager for review.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

3. Net capital gains/(losses) on investments

	2015	2014
	£'000	£'000
The net capital gains/(losses) on investments during the year comprise:		
Non-derivative securities	57,779	(146,369)
Derivative contracts	5,583	(619)
Forward currency contracts	54,526	8,956
Other currency losses	(72,705)	(3,991)
Transaction costs	(224)	(2,237)
Class actions	39	127
Net capital gains/(losses) on investments	44,998	(144,133)

4. Revenue

	2015	2014
	£'000	£'000
UK dividends	60,651	57,017
Overseas dividends	152,445	169,232
Stock dividends	10,138	13,320
Interest on debt securities	33,430	11,246
Bank interest	213	380
Underwriting commission	73	23
Stock lending revenue	674	303
Option premium	180	245
Certificate of deposit	115	103
Swaps revenue	(164)	(5)
Other revenue	71	21
Total revenue	257,826	251,885

Stock lending details

	2015	2014
	£'000	£'000
Aggregate value of securities on loan at the year end	275,225	123,941

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £291,613,000 (2014 - £130,533,000) was held with the following counterparties:

Counterparty

	2015	2014
	£'000	£'000
Abbey National	-	20,687
ABN AMRO	50,890	24,977
Barclays Bank	2,913	-
Bank of Nova Scotia	-	-
BNP Paribas Securities Services	142,202	1,867
Citigroup	17,404	3,891
Credit Suisse	3,507	-
Deutsche Bank	42,948	58,311
ING Bank	-	-
JP Morgan	4,301	16,709
Merrill Lynch	7,978	342
Morgan Stanley	5,672	3,749
Nomura	361	-
Societe Generale	13,437	-
	291,613	130,533

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating:

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling.

The company has appointed BNP Paribas Securities Services (BPSS) as the security lending agent for the Trustee. BNP Paribas Securities Services is entitled to receive a fee out of the property of each of the Funds (plus VAT thereon) for its services in relation to stock lending. The fee is calculated as a percentage of the gross income from stock lending. The current fee is 20% of the gross income generated by the stock lending activity.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

For the year ended 31 July 2015, revenues arising from securities lending for the entire reporting are as follows:

Fund	Total gross amount of securities lending income £	Direct and indirect costs and fees deducted from gross income £	Total net amount of securities lending income £
Aberdeen American Equity Fund	11,710	2,342	9,368
Aberdeen Asia Pacific and Japan Fund	2,709	542	2,167
Aberdeen Asia Pacific Fund	59,954	11,991	47,963
Aberdeen Emerging Markets Bond Fund	1,178	236	942
Aberdeen Emerging Markets Fund	498,318	99,664	398,655
Aberdeen Ethical World Fund	21,955	4,391	17,564
Aberdeen European Equity Fund	32,715	6,543	26,172
Aberdeen European Frontiers Fund	4,321	864	3,457
Aberdeen European Smaller Companies Fund	49,295	9,859	39,436
Aberdeen Financial Equity Fund	-	-	-
Aberdeen Global High Yield Bond Fund	1,607	321	1,285
Aberdeen High Yield Bond Fund	1,927	385	1,541
Aberdeen Japan Growth Fund	30,365	6,073	24,292
Aberdeen Latin American Equity Fund	51,753	10,351	41,402
Aberdeen Managed Distribution Fund	4,323	865	3,459
Aberdeen Multi-Asset Fund	49,695	9,939	39,756
Aberdeen Property Share Fund	-	-	-
Aberdeen Responsible UK Equity Fund	1,049	210	839
Aberdeen Sterling Corporate Bond Fund	-	-	-
Aberdeen Sterling Short Term Government Bonds	114,448	22,890	91,558
Aberdeen UK Equity Fund	11,890	2,378	9,512
Aberdeen UK Equity Income Fund	10,478	2,096	8,382
Aberdeen UK Mid Cap Fund	408	82	326
Aberdeen UK Smaller Companies Fund	2,358	472	1,887
Aberdeen World Equity Fund	38,884	7,777	31,107
Aberdeen World Government Bond Fund	-	-	-
Aberdeen World Growth and Income Fund	18,427	3,685	14,742
Aberdeen World Opportunistic Bond Fund	700	140	560
	1,020,466	204,093	816,373

Details of the breakdown of stock lending income and fees are set out in the notes to the aggregate accounts on page 18.

5. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	101,395	113,907
Operating, administrative and servicing fees ^A	7,152	-
Registration fees	3,879	7,832
	112,426	121,739
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fees	525	1,067
Safe custody fees	2,600	5,525
	3,125	6,592
<i>Other expenses:</i>		
Audit fee	81	171
Printing & postage fees	16	196
Dividend collection charges	317	694
Legal and Professional Fees	281	
Other professional fees	5	192
Expense cap refunded by Authorised Fund Manager	(34)	(73)
	666	1,180
Total expenses	116,217	129,511

Irrecoverable VAT is included in the above expenses where relevant.

^AThe total Audit fee is 216k for the year, 135k is included within the Operating, administrative and serving fees.

6. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
UK corporation tax	-	-
Overseas withholding tax	12,548	15,304
Overseas tax reclaims	(2,317)	(2,804)
Overseas tax reclaims written off	103	-
Overseas withholding tax reclaims in respect of prior years	(1,263)	-
Adjustments in respect of prior periods	53	(3)
Total taxation	9,124	12,497

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015 £'000	2014 £'000
Net revenue before taxation	141,608	122,371
Corporation tax of 20%	28,320	24,472
Effects of:		
Non taxable UK dividends	(11,508)	(10,847)
Non taxable overseas dividends	(27,730)	(29,457)
Non taxable stock dividends	(207)	(377)
Irrecoverable overseas withholding tax	9,039	14,451
Withholding tax reclaims	-	(2,025)
WHT eligible for DTR	-	(417)
Tax deductible interest distributions	(4,962)	(1,312)
Other non taxable revenue	(1,541)	(2,412)
Current year excess management expenses not utilised	17,660	20,424
Adjustments in respect of prior years	53	(3)
Current tax charge	9,124	12,497

7. Finance costs

Distributions and interest

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

	2015 £'000	2014 £'000
Interims	32,436	84,591
Final	106,209	29,779
	138,645	114,370
Add: Revenue deducted on cancellation of shares	9,152	7,582
Deduct: Revenue received on issue of shares	(7,996)	(3,532)
Distribution for the year	139,801	118,420
Interest	17	5
Total finance costs	139,818	118,425

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	132,484	109,874
Add:		
Tax effect of items in capital account	294	
Income Deficit from Capital	16	
Undistributed revenue brought forward	237	168
Movement between share classes due to conversions	854	1,650
Authorised Corporate Director's periodic charge paid from capital	6,448	7,190
Deduct:		
Tax relief on capital expenses	(244)	(225)
Undistributed revenue carried forward	(271)	(237)
	139,818	118,420

8. Debtors

	2015	2014
	£'000	£'000
Accrued bond interest purchased	47,544	
Amounts receivable for issue of shares	21,566	7,856
Sales awaiting settlement	37,785	45,618
Income tax receivable	91	
Merger Debtor	1,043	
Currency transactions awaiting settlement	14,842	
Accrued revenue	31,478	13,724
Overseas withholding tax reclaimable	5,821	7,548
Other debtor	5,340	4,947
Tax reclaimable	22	22
Total debtors	165,532	79,715

9. Cash and bank balances

	2015	2014
	£'000	£'000
Deposit Accounts	20	
Amounts held at futures clearing houses and brokers	4,313	311
Cash and bank balances	228,111	109,933
Total cash and bank balances	232,444	110,244

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

10. Creditors

	2015	2014
	£'000	£'000
Amounts payable for cancellation of shares	34,221	17,368
Purchases awaiting settlement	36,233	9,940
Accrued expenses	10,419	11,193
Merger Creditor	718	
Currency transactions awaiting settlement	14,834	
Income tax payable	3,367	348
Corporation tax payable	58	25
Other creditors	182	125
Total creditors	100,032	38,999

11. Related parties and material shareholders

The notes to the sub-funds give details of the related parties and material shareholders together with information of transactions and balances with related parties.

12. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		5,833,316		1,331,761
Commissions	711		687	
Taxes	1,078		1,417	
Other costs	67		72	
Total transaction costs		1,856		2,176
Gross purchases total		5,835,172		1,333,937
Analysis of total sale costs				
Gross sales in year before transaction costs		2,753,200		2,445,906
Commissions	(2,001)		(2,157)	
Taxes	(837)		(630)	
Other costs	(410)		(522)	
Total transaction costs		(3,248)		(3,309)
Total sale net of transaction costs		2,749,952		2,442,597

Aberdeen Asia Pacific Equity Fund

For the year ended 31 July 2015

Investment objective and policy

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

Distribution

A final distribution of 1.94p per share will be paid to A income shareholders, 2.0971p per share to A accumulation shareholders, 1.89p per share to I income shareholders, 3.7768p per share to I accumulation shareholders and 6.2845p per share to Z accumulation shareholders on 31 October 2015.

Performance review

The Aberdeen Asia Pacific Equity Fund A Accumulation shares fell by 1.56% in sterling terms over the year, compared to a decrease in the benchmark, MSCI AC Asia Pacific ex Japan Index, of 1.22%.

Market review

Performance diverged across markets, against the backdrop of accommodative monetary policy in response to slowing economic growth. India rose solidly as the new government pushed through reforms, while weaker oil prices kept inflation tame and expedited rate cuts. However, China stole the limelight as central bank easing and fresh initiatives to liberalise markets drove frenzied retail buying, leading to sharp gains that defied subdued economic and corporate fundamentals, although share prices later corrected from their peaks. Conversely, lower commodity and energy prices hurt the equity and currency markets in Australia, Malaysia and Indonesia. Malaysia was further roiled by deepening political problems, while reform optimism faded in Indonesia. Korea and Singapore were weighed down by growth concerns. Meanwhile, anticipation of a Federal Reserve rate hike spurred flows towards US-dollar assets.

Portfolio review

In selection terms, the holding in the Aberdeen Global – Indian Equity Fund was the biggest contributor to relative return. Siam Cement also added to performance as the Thai company continued to report healthy chemical margins. Meanwhile, quick-service restaurant operator Yum! Brands' China operations appeared to be recovering well, despite the still-fragile retail environment.

However, the exposure to diversified miner Rio Tinto detracted as the stock fell alongside the decline in commodity prices. Nevertheless, the company remained profitable even with weak iron ore prices and continued to manage costs and capital to improve shareholder value. Keppel Corp was hurt by cheaper crude and the ensuing reduction in capital expenditure in the energy sector. It is still a global leader in rig building and its robust balance sheet should help it weather the downturn. Over in Hong Kong, conglomerate Jardine Strategic was also a major detractor, given that one of its core businesses Astra International continued to face a difficult macro environment in Indonesia and increased competition in the auto distribution segment in particular. Returns in sterling terms were further compounded by the weak rupiah. While we are cognisant of the short-term challenges, Indonesia remains attractive over the long term and we consider Astra a proxy for the domestic economy, given its interests spanning autos,

commodities, financial services and infrastructure. As long-term investors, we focus on investing in quality companies at reasonable valuations. As such, we took the opportunity provided by the market weakness in Indonesia to establish a position in Astra during the review period, as its valuation had come down to an attractive level.

Besides the introduction of Astra, we also initiated positions in three other holdings, namely Australia-listed CSL, a global leader in the plasma products market that enjoys good growth and returns; Hong Kong's MTR, whose unique rail-and-property model makes it one of the largest domestic land owners with a growing regional presence; and China Resources Enterprise, a major player in the mainland beer market, with robust operating cash flow and a solid balance sheet that should help it weather the current challenging environment. In addition, we received shares in diversified miner South32 via an in-specie distribution from the holding in BHP Billiton. We also subscribed to Oversea-Chinese Banking Corp's rights issue and opted for the dividend in the form of stock rather than cash as both were priced at a significant discount. The lender remains one of the more conservatively managed banks within our portfolio. Conversely, we sold the remaining small position in India's GlaxoSmithKline Pharmaceuticals following the tender offer by the parent company.

Outlook

Despite the blitz of supportive measures, the decline in Chinese markets has raised questions over the efficacy of these measures as a sustainable long-term solution. How markets will perform remains uncertain, but a further correction would not be surprising, given that economic activity is expected to be subdued. Indeed, the mainland's muted growth outlook continues to be a major concern that is likely to weigh on Asian markets in the medium term. Beijing's recent yuan devaluation, which surprised investors, has been interpreted to mean that China is in much worse shape than thought, with repercussions for the rest of Asia, in particular countries that are reliant on commodities. Nevertheless, regional economies are still growing at rates not seen in the developed world. Governments here have many options at hand, including monetary and fiscal measures, to prop up their economies should the need arise. Infrastructure spending should also offer impetus for growth, provided projects do not get derailed by political bickering. The key is to invest in companies with management who possess the financial nous to weather the current slowdown and reap the rewards of Asia's robust fundamentals over the long term. The region is not trading at prohibitive valuations and remains attractive relative to developed market peers.

Asian Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Equities 93.26% (2014: 92.07%)					
Australia 5.70% (2014: 10.95%)					
CSL			350,000	16,247	1.00
QBE Insurance			7,187,597	49,213	3.03
South32			7,712,600	6,305	0.39
Woolworths			1,553,400	20,834	1.28
				92,599	5.70
China 5.43% (2014: 5.98%)					
China Mobile			5,533,600	46,337	2.85
China Resources Enterprise			2,374,866	4,908	0.30
PetroChina			58,479,900	37,077	2.28
				88,322	5.43
Hong Kong 20.44% (2014: 21.24%)					
AIA			13,674,200	56,912	3.50
ASM Pacific Technology			1,235,200	7,147	0.44
Dairy Farm International			3,139,300	16,597	1.02
Hang Lung			7,443,000	21,349	1.31
Hang Lung			4,814,220	8,775	0.54
HSBC			9,887,920	56,888	3.50
Jardine Strategic			3,805,052	73,176	4.49
Li & Fung			33,386,000	16,503	1.02
MTR			2,144,000	6,123	0.38
Swire Pacific 'A'			1,533,000	12,533	0.77
Swire Pacific 'B'			31,996,200	48,190	2.96
Swire Properties			4,000,218	8,234	0.51
				332,427	20.44
India 8.73% (2014: 7.41%)					
Grasim Industries			635,091	23,580	1.45
Hero MotoCorp			782,759	20,983	1.29
Housing Development Finance Corporation			2,291,305	30,608	1.88
ICICI Bank			4,900,000	14,731	0.91
Infosys			1,014,000	10,925	0.67
ITC			9,700,000	31,604	1.94
Ultratech Cement			303,909	9,551	0.59
				141,982	8.73
Indonesia 1.03% (2014: 0.90%)					
Astra International			10,446,500	3,279	0.20
Unilever Indonesia			7,109,821	13,387	0.83
				16,666	1.03

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Malaysia 3.27% (2014: 3.48%)					
British American Tobacco Malaysia			1,605,900	18,109	1.11
CIMB			20,870,614	18,779	1.16
Public Bank			5,099,195	16,217	1.00
				53,105	3.27
Philippines 2.98% (2014: 2.94%)					
Ayala Land			46,006,640	24,109	1.48
Bank of the Philippine Islands			18,254,945	24,274	1.50
				48,383	2.98
Singapore 19.07% (2014: 19.39%)					
City Developments			10,969,700	47,881	2.95
DBS Group Holdings			2,491,197	23,544	1.45
Keppel			8,385,000	29,452	1.81
Oversea - Chinese Banking Corp			16,542,500	79,642	4.90
Singapore Technologies Engineering			23,541,500	36,163	2.22
Singapore Telecommunications			24,260,779	46,357	2.85
United Overseas Bank			3,680,115	38,262	2.35
Venture			2,392,800	8,797	0.54
				310,098	19.07
South Korea 5.84% (2014: 5.90%)					
E-Mart			186,601	24,372	1.50
Samsung Electronics (PREF)			141,800	70,589	4.34
				94,961	5.84
Sri Lanka 1.94% (2014: 1.29%)					
Aitken Spence			17,192,300	8,194	0.50
DFCC Bank			6,750,000	6,408	0.39
John Keells			11,966,016	11,240	0.69
John Keells (Equity Warrant) 11/11/16			531,841	108	0.01
John Keells (Equity Warrant) 12/11/15			531,841	87	0.01
National Development Bank			4,294,800	5,557	0.34
				31,594	1.94
Taiwan 4.96% (2014: 4.35%)					
Taiwan Mobile			13,461,305	28,416	1.75
Taiwan Semiconductor Manufacturing			18,538,827	52,304	3.21
				80,720	4.96
Thailand 3.08% (2014: 3.88%)					
PTT Exploration & Production (Alien)			7,404,200	12,554	0.77
Siam Cement (Alien)			3,919,400	37,483	2.31
				50,037	3.08

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
United Kingdom 9.46% (2014: 3.01%)					
BHP Billiton ^{oo}			4,312,600	50,996	3.14
Rio Tinto ^{oo}			1,990,617	49,497	3.04
Standard Chartered ^{oo}			5,442,973	53,352	3.28
				153,845	9.46
United States 1.33% (2014: 1.35%)					
Yum! Brands			383,500	21,567	1.33
Total Equities				1,516,306	93.26
Bonds 0.09% (2014: 0.06%)					
Corporate Convertible Bonds 0.09% (2014: 0.06%)					
Aberdeen Asian Smaller Companies ^{†#^}	3.5000	31/05/19	1,257,770	1,402	0.09
Total Corporate Convertible Bonds				1,402	0.09
Total Bonds				1,402	0.09
Investment Funds 5.66% (2014: 5.73%)					
Aberdeen Asian Smaller Companies Investment Trust ^{†#^}			1,203,400	9,499	0.58
Aberdeen Global - Indian Equity ^{†#}			871,040	75,769	4.66
Aberdeen New Thai Investment Trust ^{†#^}			1,786,130	6,761	0.42
				92,029	5.66
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				1,609,737	99.01
Investment assets				1,609,737	99.01
Net other assets				16,077	0.99
Net assets				1,625,814	100.00

^{oo} A portion of this security is on loan at the year end.

[†] Managed by subsidiaries of Aberdeen Asset Management PLC.

[#] Regional Investment vehicle.

[^] Listed on the London Stock Exchange.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	271,749,604.25	402,313,354.43	531,976,378.88
A Income shares in issue	27,389,648.09	29,672,283.59	42,253,086.23
I Accumulation shares in issue	449,306,820.29	614,523,701.59	580,979,660.34
I Income shares in issue	42,126,938.12	50,220,921.97	21,902,731.64
Z Accumulation shares in issue	29,662,994.50	31,460,794.50	31,228,204.50
Net asset value attributable to			
A Accumulation shareholders (£'000)	532,620	799,000	1,066,354
A Income shareholders (£'000)	49,130	54,514	78,957
I Accumulation shareholders (£'000)	934,315	1,285,649	1,218,127
I Income shareholders (£'000)	43,043	52,578	23,317
Z Accumulation shareholders (£'000)	66,706	70,507	69,479
Net asset value of Fund (£'000)	1,625,814	2,262,248	2,456,234
Net asset value pence per share			
A Accumulation	196.00	198.60	200.45
A Income	179.37	183.72	186.87
I Accumulation	207.95	209.21	209.67
I Income	102.17	104.69	106.46
Z Accumulation	224.88	224.11	222.49

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	1.4087	194.12	153.76
2011	A Income	1.3500	186.03	146.21
2011	I Accumulation	2.7666	199.38	158.75
2011	Z Accumulation	4.6725	206.52	165.59
2012	A Accumulation	2.1137	195.16	165.30
2012	A Income	2.0100	183.44	157.19
2012	I Accumulation	3.4635	203.31	170.97
2012 ^A	I Income	-	104.81	98.82
2012	Z Accumulation	5.3835	214.59	178.75
2013	A Accumulation	1.6384	217.74	182.38
2013	A Income	1.5400	204.67	170.02
2013	I Accumulation	3.1619	227.46	191.32
2013	I Income	1.6300	117.26	97.14
2013	Z Accumulation	5.3979	240.95	203.80
2014	A Accumulation	1.5232	211.02	174.72
2014	A Income	1.4200	195.26	162.88
2014	I Accumulation	3.0133	222.47	183.43
2014	I Income	1.5300	111.36	93.14
2014	Z Accumulation	5.2199	238.59	195.61
2015 ^B	A Accumulation	2.0971	225.80	195.07
2015 ^B	A Income	1.9400	208.88	180.45
2015 ^B	I Accumulation	3.7768	239.06	206.95
2015 ^B	I Income	1.8900	119.63	103.57
2015 ^B	Z Accumulation	6.2845	257.81	223.79

^A Income I share class launched on 1 October 2012.

^B As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.93	1.18	0.18
31 July 2015	1.94	1.19	0.19

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Exchange Rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
 - Emerging Markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This may mean your money is at greater risk.
 - A full list of risks applicable to this Fund can be found in the Prospectus.
 - The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 01/04/1987 to 31/07/2015 ^B
Fund - A Accumulation	(1.56)	21.03	2,078.54
Benchmark ^A	(1.22)	29.58	N/A

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	(1.56)	(0.70)	9.22	(0.21)	13.60

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A MSCI AC Asia Pacific ex Japan Index.

^B Figures for Aberdeen Far East Emerging Economies Unit Trust prior to 24 April 2006.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital losses	1		(12,331)		(53,387)
Revenue	2	59,596		61,200	
Expenses	3	(27,981)		(31,602)	
Net revenue before taxation		31,615		29,598	
Taxation	4	(1,803)		(1,864)	
Net revenue after taxation			29,812		27,734
Total return before distributions			17,481		(25,653)
Finance costs: distributions	5		(30,121)		(28,063)
Change in net assets attributable to shareholders from investment activities			(12,640)		(53,716)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		2,262,248		2,456,234
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	45,411		84,783	
Amount payable on cancellation of shares	(693,737)		(251,229)	
		(648,326)		(166,446)
Stamp duty reserve tax		-		(112)
Change in net assets attributable to shareholders from investment activities (see above)		(12,640)		(53,716)
Retained distribution on accumulation shares		24,532		26,288
Closing net assets attributable to shareholders		1,625,814		2,262,248

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			1,609,737		2,213,913
Debtors	6	12,197		38,708	
Cash and bank balances		10,285		15,900	
Total other assets			22,482		54,608
Total assets			1,632,219		2,268,521
Liabilities					
Creditors	7	(5,077)		(5,083)	
Distribution payable on income shares		(1,328)		(1,190)	
Total liabilities			(6,405)		(6,273)
Net assets attributable to shareholders			1,625,814		2,262,248

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital (losses) on investments

	2015 £'000	2014 £'000
Net capital losses on investments during the year comprise:		
Non-derivative securities	(10,795)	(51,978)
Other currency losses	(1,494)	(402)
Transaction costs	(42)	(1,007)
Net capital (losses) on investments	(12,331)	(53,387)

2. Revenue

	2015 £'000	2014 £'000
Bank interest	42	23
Interest on debt securities	52	37
Overseas dividends	42,282	41,468
Stock dividends	5,765	10,426
Stock lending revenue	50	43
UK dividends	11,405	9,194
Underwriting commission	-	9
Total revenue	59,596	61,200

	2015 £'000	2014 £'000
Stock lending details		
Aggregate value of securities on loan at the year end	67,468	30,643

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £71,022,000 (2014 - £32,305,000) was held with the following counterparties:

Counterparty	2015 £'000	2014 £'000
ABN AMRO	29,014	-
BNP Paribas Security Services	42,008	-
Citigroup	-	386
Deutsche Bank	-	15,341
J.P. Morgan	-	16,578
	71,022	32,305

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating:

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	24,152	27,558
Operating, administrative and servicing fees	1,724	-
Registration fees	997	1,984
	26,873	29,542
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fees	134	271
Safe custody fees	872	1,738
	1,006	2,009
<i>Other expenses:</i>		
Audit fee	3	8
Legal and professional fees	95	14
Printing and postage fees	4	29
	102	51
Total expenses	27,981	31,602

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas withholding tax	2,130	2,277
Corporation tax in respect of prior years	-	(2)
Overseas tax reclaims	(327)	(411)
Total taxation	1,803	1,864

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	31,615	29,598
Corporation tax of 20%	6,323	5,920
Effects of:		
Corporation tax in respect of prior years	-	(2)
Current year excess management expenses not utilised	5,591	6,198
Irrecoverable overseas withholding tax	1,803	1,866
Non taxable overseas dividends	(8,480)	(8,194)
Non taxable UK dividends	(2,281)	(1,839)
Other non taxable revenue	(1,153)	(2,085)
Current tax charge	1,803	1,864

At the year end, there is a potential deferred tax asset of £36,986,000 (2014 - £31,561,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Final	25,860	27,478
Add: Revenue deducted on cancellation of shares	4,592	1,186
Deduct: Revenue received on issue of shares	(331)	(601)
Net distribution for the year	30,121	28,063
Total finance costs	30,121	28,063

Details of the distribution per share are set out in the distribution table on page 40.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	29,812	27,734
Add:		
Undistributed revenue brought forward	127	77
Movement between share classes due to conversions	237	379
Deduct:		
Undistributed revenue carried forward	(55)	(127)
	30,121	28,063

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	3,433	2,807
Amounts receivable for issue of shares	688	615
Currency transactions awaiting settlement	746	-
Other debtors	4,057	4,057
Overseas withholding tax reclaimable	1,541	1,195
Sales awaiting settlement	1,732	30,034
Total debtors	12,197	38,708

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	1,913	2,767
Amounts payable for cancellation of shares	2,418	1,821
Currency transactions awaiting settlement	746	-
Purchases awaiting settlement	-	495
Total creditors	5,077	5,083

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure	Non-monetary exposure	Total
	£'000	£'000	£'000
2015			
Austalian Dollar	-	86,294	86,294
Hong Kong Dollar	-	330,976	330,976
Indian Rupee	-	141,982	141,982
Indonesian Rupiah	-	16,666	16,666
Korean Won	-	94,961	94,961
Malaysian Ringgit	-	53,105	53,105
New Taiwan Dollar	3	80,720	80,723
Philippine Peso	25	48,383	48,408
Singapore Dollar	-	310,098	310,098
Sri Lankan Rupee	-	31,594	31,594
Thai Baht	2	50,037	50,039
US Dollar	-	111,339	111,339

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2014			
Austalian Dollar	-	102,155	102,155
Hong Kong Dollar	-	488,391	488,391
Indian Rupee	-	167,754	167,754
Indonesian Rupiah	-	20,310	20,310
Korean Won	-	133,350	133,350
Malaysian Ringgit	-	78,786	78,786
New Taiwan Dollar	2	98,399	98,401
Philippine Peso	24	66,472	66,496
Singapore Dollar	2	438,526	438,528
Sri Lankan Rupee	-	29,116	29,116
Thai Baht	-	87,759	87,759
US Dollar	11	158,083	158,094

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 32. During the year the ACD held shares in the Fund and had a holding of 566 income 'A' shares (2014 - 1,132), 526 accumulation 'A' shares (2014 - 2,590), 970 income 'I' shares (2014 - 1,890), 481 accumulation 'I' share (2014 - 1,041) and 523 accumulation 'Z' share (2014 - 970) as at 31 July 2015. £90,000 (2014 - £3,779,000) was due to the ACD at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £93,431,000 (2014 - £131,132,000) that were managed by subsidiaries of Aberdeen Asset Management PLC.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £173,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Windsor Life Assurance Co Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 34% of the Fund's units in issue. During the year, Windsor Life Assurance Co Limited made total sales of £362,237,158 in the Fund.

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional).

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

Class 'A': 1.75%

Class 'I': 1.00%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 29. The distribution per share class is given in the distribution table on page 40. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		117,993		99,888
Commissions	123		61	
Taxes	139		39	
Other costs	5		2	
Total transaction cost		267		102
Gross purchases total		118,260		99,990
Analysis of total sale costs				
Gross sales in year before transaction costs		712,973		261,995
Commissions	(659)		(202)	
Taxes	(410)		(133)	
Other costs	(264)		(67)	
Total transaction cost		(1,333)		(402)
Total sale net of transaction costs		711,640		261,593

Distribution table

For the year ended 31 July 2015 (in pence per share)

Final dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation				
Group 1	2.0971	-	2.0971	1.5232
Group 2	1.2389	0.8582	2.0971	1.5232
Share class A Income				
Group 1	1.9400	-	1.9400	1.4200
Group 2	1.0520	0.8880	1.9400	1.4200
Share class I Accumulation				
Group 1	3.7768	-	3.7768	3.0133
Group 2	1.9435	1.8333	3.7768	3.0133
Share class I Income				
Group 1	1.8900	-	1.8900	1.5300
Group 2	0.9604	0.9296	1.8900	1.5300
Share class Z Accumulation				
Group 1	6.2845	-	6.2845	5.2199
Group 2	3.0209	3.2636	6.2845	5.2199

Equalisation

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

Aberdeen Asia Pacific and Japan Equity Fund

For the year ended 31 July 2015

Investment objective & policy

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

Distribution

A final distribution of 1.4518p per share will be paid to A accumulation shareholders and 1.7725p per share to I accumulation shareholders on 31 October 2015.

Performance review

The Aberdeen Asia Pacific and Japan - A accumulation shares rose by 0.84% in sterling terms over the year, compared with a rise in the benchmark MSCI AC Asia Pacific Index of 5.99%.

Market review

Performance diverged across markets, against the backdrop of accommodative monetary policy in response to slowing economic growth. Leading gains was Japan, where the central bank maintained its record stimulus programme and the yen remained relatively weak, which benefited export-oriented stocks. India also did well as the new government pushed through reforms, while weaker oil prices kept inflation tame and expedited rate cuts. However, China stole the limelight as central bank easing and fresh initiatives to liberalise markets drove frenzied retail buying, leading to sharp gains that defied subdued economic and corporate fundamentals, although share prices later corrected from their peaks. Conversely, lower commodity and energy prices hurt the equity and currency markets in Australia, Malaysia and Indonesia. Malaysia was further roiled by deepening political problems, while reform optimism faded in Indonesia. Korea and Singapore were weighed down by growth concerns. Meanwhile, anticipation of a Federal Reserve rate hike spurred flows towards US-dollar assets.

Portfolio review

At the stock level, Hong Kong conglomerate Jardine Strategic was a major detractor, given that one of its core businesses Astra International continued to face a difficult macro environment in Indonesia and increased competition in the auto distribution segment in particular. Returns in sterling terms were further compounded by the weak rupiah. While we are cognisant of the short-term challenges, Indonesia remains attractive over the long term and we consider Astra a proxy for the domestic economy, given its interests spanning autos, commodities, financial services and infrastructure. As long-term investors, we focus on investing in quality companies at reasonable valuations. As such, we took the opportunity provided by the market weakness in Indonesia to establish a position in Astra during the review period, as its valuation had come down to an attractive level. Elsewhere, the exposure to diversified miners Rio Tinto and BHP Billiton also detracted as both stocks fell alongside the decline in commodity prices. Nevertheless, both companies remained profitable even with weak iron ore prices and continued to manage costs and capital to improve shareholder value.

Mitigating the losses was our holding in the Aberdeen Global – Indian Equity Fund, which was the biggest contributor to relative return at the stock level. Meanwhile, Unicharm and AIA also benefited performance. Japan hygiene products maker Unicharm gained from brisk domestic and overseas sales, particularly in emerging markets, while insurer AIA continued to grow both margins and the value of new business, notably in China.

Besides the introduction of Astra mentioned earlier, we also initiated positions in three other holdings, namely Australia-listed CSL, a global leader in the plasma products market that enjoys good growth and returns; Japan-listed Daikin Industries, the world's second-largest heater, ventilation and air-conditioning company, with a solid position in developed markets and growing presence in emerging markets, having proven successful in meeting local needs; and Hong Kong's MTR, whose unique rail-and-property model makes it one of the largest domestic land owners with a growing regional presence. Elsewhere, we received shares in diversified miner South32 via an in-specie distribution from the holding in BHP Billiton. We also participated in the attractively discounted rights issue of Singapore lender Oversea-Chinese Banking Corp, which remains one of the more conservatively managed banks within our portfolio.

Outlook

Despite the blitz of supportive measures, the decline in Chinese markets has raised questions over the efficacy of these measures as a sustainable long-term solution. How markets will perform remains uncertain, but a further correction would not be surprising, given that economic activity is expected to be subdued. Indeed, the mainland's muted growth outlook continues to be a major concern that is likely to weigh on Asian markets in the medium term. Beijing's recent yuan devaluation, which surprised investors, has been interpreted to mean that China is in much worse shape than thought, with repercussions for the rest of Asia, in particular countries that are reliant on commodities. Nevertheless, regional economies are still growing at rates not seen in the developed world. Governments here have many options at hand, including monetary and fiscal measures, to prop up their economies should the need arise. Infrastructure spending should also offer impetus for growth, provided projects do not get derailed by political bickering. The key is to invest in companies with management who possess the financial nous to weather the current slowdown and reap the rewards of Asia's robust fundamentals over the long term. The region is not trading at prohibitive valuations and remains attractive relative to developed market peers.

Asian Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Equities 89.18% (2014: 89.76%)					
Australia 4.78% (2014: 10.12%)					
CSL			33,000	1,532	0.84
QBE Insurance			679,834	4,655	2.54
South32			727,000	594	0.33
Woolworths			145,000	1,945	1.07
				8,726	4.78
China 4.06% (2014: 4.74%)					
China Mobile			520,000	4,355	2.39
PetroChina			4,819,000	3,055	1.67
				7,410	4.06
Hong Kong 17.61% (2014: 18.56%)					
AIA			1,462,800	6,088	3.34
ASM Pacific Technology			114,900	665	0.36
Dairy Farm International			344,100	1,819	1.00
Hang Lung			622,000	1,784	0.98
Hang Lung			581,000	1,059	0.58
HSBC			962,814	5,539	3.04
Jardine Strategic			382,339	7,354	4.02
Li & Fung			2,042,000	1,009	0.55
MTR			191,500	547	0.30
Swire Pacific 'A'			188,500	1,541	0.84
Swire Pacific 'B'			2,455,000	3,697	2.03
Swire Properties			506,100	1,042	0.57
				32,144	17.61
India 3.65% (2014: 2.71%)					
Grasim Industries			11,000	408	0.22
Housing Development Finance Corporation			141,241	1,888	1.04
ICICI Bank			395,000	1,187	0.65
Infosys			70,000	754	0.41
ITC			534,000	1,740	0.96
Ultratech Cement			21,714	682	0.37
				6,659	3.65
Indonesia 1.01% (2014: 0.62%)					
Astra International			1,140,000	358	0.20
Unilever Indonesia			785,000	1,478	0.81
				1,836	1.01

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Japan 22.52% (2014: 22.81%)					
Canon Inc			174,900	3,587	1.97
Chugan Pharmaceutical Co			158,300	3,684	2.02
Daikin Industries Ltd			34,000	1,410	0.77
East Japan Railway Co			39,400	2,492	1.37
Fanuc Corp			42,800	4,569	2.50
Honda Motor Co			182,900	3,757	2.06
Japan Tobacco			159,100	3,960	2.17
Seven & i Holdings			124,600	3,685	2.02
Shin-Etsu Chemical Co			140,600	5,391	2.94
Toyota Motor Corp			88,300	3,764	2.06
Unicharm Corp			313,800	4,828	2.64
				41,127	22.52
Malaysia 1.58% (2014: 1.69%)					
CIMB			1,242,053	1,118	0.61
Public Bank			554,447	1,763	0.97
				2,881	1.58
Philippines 2.26% (2014: 2.18%)					
Ayala			158,000	1,720	0.94
Ayala Land			859,300	450	0.25
Bank of the Philippine Islands			1,471,308	1,957	1.07
				4,127	2.26
Singapore 14.43% (2014: 13.85%)					
City Developments			884,000	3,859	2.11
DBS Group Holdings			224,661	2,123	1.16
Keppel			684,000	2,403	1.32
Oversea-Chinese Banking Corp			1,587,304	7,642	4.18
Singapore Technologies Engineering			2,194,000	3,370	1.85
Singapore Telecommunications			1,591,000	3,040	1.67
United Overseas Bank			375,249	3,901	2.14
				26,338	14.43
South Korea 2.73% (2014: 3.02%)					
Samsung Electronics (PREF)			9,995	4,976	2.73
Sri Lanka 0.66% (2014: 0.77%)					
Aitken Spence			1,140,000	543	0.30
John Keells			686,128	645	0.36
John Keells (Equity Warrant) 11/11/16			30,494	6	-
John Keells (Equity Warrant) 12/11/15			30,494	5	-
				1,199	0.66
Taiwan 4.35% (2014: 3.67%)					
Taiwan Mobile			1,234,107	2,605	1.43
Taiwan Semiconductor Manufacturing			1,889,504	5,331	2.92
				7,936	4.35

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Thailand 0.84% (2014: 1.71%)					
PTT Exploration & Production (Alien)			156,900	266	0.15
Siam Cement (Alien)			132,900	1,271	0.69
				1,537	0.84
United Kingdom 7.67% (2014: 2.47%)					
BHP Billiton			357,000	4,222	2.31
Rio Tinto			195,250	4,855	2.66
Standard Chartered			501,510	4,915	2.70
				13,992	7.67
United States 1.03% (2014: 0.84%)					
Yum! Brands			33,500	1,884	1.03
Total Equities				162,772	89.18
Bonds 0.30% (2014: 0.29%)					
Corporate Convertible Bonds 0.30% (2014: 0.29%)					
Aberdeen Asian Smaller Companies ^{†#^}	3.5000	31/05/19	500,600	555	0.30
Total Corporate Convertible Bonds				555	0.30
Total Bonds				555	0.30
Investment Funds 8.82% (2014: 9.05%)					
Aberdeen Asian Smaller Companies Investment Trust ^{†#^}			480,000	3,789	2.08
Aberdeen Global - Indian Equity Fund ^{†#}			105,584	9,184	5.03
Aberdeen New Thai Investment Trust ^{†#^}			824,036	3,119	1.71
				16,092	8.82
Total Investment Funds				16,092	8.82
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				179,419	98.30
Investment assets				179,419	98.30
Net other assets				3,094	1.70
Net assets				182,513	100.00

† Managed by subsidiaries of Aberdeen Asset Management PLC.

Regional investment vehicle.

^ Listed on the London Stock Exchange.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	60,851,525.49	84,396,405.39	166,401,218.51
I Accumulation shares in issue	68,188,462.33	48,328,597.52	10,027,406.98
Net asset value attributable to			
A Accumulation shareholders (£'000)	105,482	144,724	288,537
I Accumulation shareholders (£'000)	77,031	53,629	11,097
Net asset value of Fund (£'000)	182,513	198,353	299,634
Net asset value pence per share			
A Accumulation	173.34	171.48	173.40
I Accumulation	112.97	110.97	110.67

Performance record

		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	0.9981	161.64	133.35
2012	A Accumulation	1.6349	165.47	140.88
2012 ^A	I Accumulation	-	105.22	98.72
2013	A Accumulation	1.2160	189.25	158.78
2013	I Accumulation	0.9988	120.63	102.34
2014	A Accumulation	1.0521	180.24	151.19
2014	I Accumulation	1.3995	116.73	97.51
2015 ^B	A Accumulation	1.4518	198.69	172.03
2015 ^B	I Accumulation	1.7725	129.20	111.67

^A Share class I Accumulation launched on 1 October 2012.

^B As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %
31 July 2014	1.92	1.17
31 July 2015	1.95	1.24

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and synthetic element of 0.11% (2014: nil) to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table As at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Exchange Rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
 - Emerging Markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This may mean your money is at greater risk.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 01/03/1979 to 31/07/2015 ^B
Fund - A Accumulation	0.84	28.01	5,850.20
Benchmark ^A	5.99	37.44	N/A

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	0.84	(1.12)	12.54	(0.14)	14.23

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A MSCI AC Asia Pacific Index.

^B Figures for Aberdeen Asia Pacific Unit Trust prior to 24 April 2006.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		1,547		(9,366)
Revenue	2	5,408		6,365	
Expenses	3	(3,063)		(4,272)	
Net revenue before taxation		2,345		2,093	
Taxation	4	(219)		(252)	
Net revenue after taxation			2,126		1,841
Total return before distributions			3,673		(7,525)
Finance costs: distributions	5		(2,185)		(1,947)
Change in net assets attributable to shareholders from investment activities			1,488		(9,472)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		198,353		299,634
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	16,369		16,534	
Amount payable on cancellation of shares	(35,793)		(110,030)	
		(19,424)		(93,496)
Dilution charged		-		148
Stamp duty reserve tax		-		(25)
Unclaimed distributions		4		-
Change in net assets attributable to shareholders from investment activities (see above)		1,488		(9,472)
Retained distribution on accumulation shares		2,092		1,564
Closing net assets attributable to shareholders		182,513		198,353

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			179,419		196,573
Debtors	6	713		720	
Cash and bank balances		2,851		1,704	
Total other assets			3,564		2,424
Total assets			182,983		198,997
Liabilities					
Creditors	7	(470)		(644)	
Total liabilities			(470)		(644)
Net assets attributable to shareholders			182,513		198,353

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains/(losses) on investments

	2015	2014
	£'000	£'000
Net capital gains/(losses) on investments during the year comprise:		
Non-derivative securities	1,642	(9,200)
Other currency losses	(91)	(240)
Transaction costs	(4)	(13)
Class actions	-	87
Net capital gains/(losses) on investments	1,547	(9,366)

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	3	3
Interest on debt securities	20	15
Overseas dividends	3,903	4,833
Stock dividends	623	67
Stock lending revenue	2	5
UK dividends	857	1,441
Underwriting commission	-	1
Total Revenue	5,408	6,365

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	-	14

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end no collateral (2014 - £15,000) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
ABN AMRO	-	15
	-	15

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating:

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	2,713	3,860
Operating, administrative and servicing fees	180	-
Registration fees	83	225
	2,976	4,085
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fees	12	30
Safe custody fees	54	137
	66	167
<i>Other expenses:</i>		
Audit fee	3	7
Legal & Professional fee	17	7
Printing and postage fees	1	6
	21	20
Total expenses	3,063	4,272

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas withholding tax	252	296
Overseas tax reclaims	(33)	(44)
Total taxation	219	252

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	2,345	2,093
Corporation tax of 20%	469	418
Effects of:		
Non-taxable UK dividends	(171)	(288)
Non taxable overseas dividends	(775)	(966)
Irrecoverable overseas withholding tax	219	252
Other non taxable revenue	(125)	(13)
Current year excess management expenses not utilised	602	849
Current tax charge	219	252

At the year end, there is a potential deferred tax asset of £4,621,000 (2014 - £4,039,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Final	2,092	1,564
	2,092	1,564
Add: Revenue deducted on cancellation of shares	164	485
Deduct: Revenue received on issue of shares	(71)	(102)
Net distribution for the year	2,185	1,947
Total finance costs	2,185	1,947

Details of the distribution per share are set out in the distribution table on page 55.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	2,126	1,841
Add:		
Movement between share classes due to conversions	59	106
	2,185	1,947

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

6. Debtors

	2015	2014
	£'000	£'000
Amounts receivable for issue of shares	175	210
Sales awaiting settlement	-	61
Accrued revenue	400	305
Overseas withholding tax reclaimable	114	120
Other debtors	24	24
Total debtors	713	720

7. Creditors

	2015	2014
	£'000	£'000
Amounts payable for cancellation of shares	228	347
Accrued expenses	242	297
Total creditors	470	644

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
Austalian Dollar	-	8,726	8,726
Hong Kong Dollar	13	30,382	30,395
Indian Rupee	-	6,659	6,659
Indonesian Rupiah	-	1,836	1,836
Japanese Yen	-	41,127	41,127
Malaysian Ringgit	-	2,881	2,881
New Taiwan Dollar	261	7,936	8,197
Philippine Peso	204	4,126	4,330
Singapore Dollar	-	26,338	26,338
South Korean Won	-	4,976	4,976
Sri Lankan Rupee	-	1,199	1,199
Thai Baht	-	1,537	1,537
US Dollar	-	11,056	11,056
2014			
Austalian Dollar	-	8,140	8,140
Hong Kong Dollar	-	35,438	35,438
Indian Rupee	-	5,395	5,395
Indonesian Rupiah	-	1,235	1,235
Japanese Yen	-	45,260	45,260
Malaysian Ringgit	-	3,365	3,365
New Taiwan Dollar	4	7,284	7,288
Philippine Peso	-	4,330	4,330
Singapore Dollar	-	27,496	27,496
South Korean Won	-	5,983	5,983
Sri Lankan Rupee	-	1,533	1,533
Thai Baht	-	3,384	3,384
US Dollar	3	12,410	12,413

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 47. During the year the ACD held shares in the Fund and had a holding of 668 accumulation 'A' shares (2014 - 2,970) and 915 accumulation 'I' share (2014 - 1,876) as at 31 July 2015. £264,000 was due to the ACD (2014 - £409,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £16,650,000 (2014 - £18,515,000) that were managed by subsidiaries of Aberdeen Asset Management PLC.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £14,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Cofunds Nominee LTD held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 23% of the Fund's units in issue. During the year, Cofunds Limited made total sales of £11,405,091 and total purchases of £9,512,544 in the Fund.

10. Shareholder funds

The Fund currently has 2 share classes; Class 'A' (Retail) and Class 'I' (Institutional).

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

Class 'A': 1.75%

Class 'I': 1.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 45. The distribution per share class is given in the distribution table on page 55. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015	2014
Analysis of total purchase costs		
Purchases in year before transaction costs	11,369	8,538
Commissions	9	4
Taxes	15	3
Other costs	1	-
Total transaction cost	25	7
Gross purchases total	11,394	8,545
Analysis of total sale costs		
Gross sales in year before transaction costs	30,227	97,226
Commissions	(20)	(58)
Taxes	(10)	(40)
Other costs	(7)	(32)
Total transaction cost	(37)	(130)
Total sale net of transaction costs	30,190	97,096

Distribution table

For the year ended 31 July 2015 (in pence per share)

Final dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/2015	Distribution paid 31/10/2014
Share class A Accumulation				
Group 1	1.4518	-	1.4518	1.0521
Group 2	0.9809	0.4709	1.4518	1.0521
Share class I Accumulation				
Group 1	1.7725	-	1.7725	1.3995
Group 2	0.9520	0.8205	1.7725	1.3995

Equalisation

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

Aberdeen Cash Fund

For the year ended 31 July 2015

Investment objective and policy

The investment objective of Aberdeen Cash Fund is to produce an attractive level of income commensurate with security principally by investing in cash deposits and money market instruments. The Fund may also invest in transferable securities and in collective investment schemes, including those managed by the ACD or companies affiliated with the ACD. The Fund is a money market fund as such term is defined by the COLL sourcebook, and the Fund's investment objectives and policies will meet the requirements of this definition on an ongoing basis.

Distribution

A final distribution of 0.01p per share will be paid to A income shareholders, 0.01112p per share to A accumulation shareholders, 0.05p per share to I income shareholders, 0.05640p per share to I accumulation shareholders and 0.12982p per share to Z accumulation shareholders on 31 October 2015. This makes a total of 0.05p for A income shareholders, 0.0556p for A accumulation shareholders, 0.23p for I income shareholders, 0.25918p for I accumulation shareholders and 0.57137p for Z accumulation shareholders for the year to 31 July 2015.

Performance review

For the year ended 31 July 2015, the value of the Aberdeen Cash Fund - A Accumulation shares rose by 0.04% compared to an increase of 0.36% in the benchmark, 7 Day GBP LIBID..

Market review

The Monetary Policy Committee (MPC) left their policy rate unchanged at 0.5%. Earlier in 2014, November had been ear-marked as a possible lift-off date if economic data remained strong, which had been the case, however, low inflation and little wage growth resulted in a potential increase in the policy rate being pushed back further.

Interestingly, in the MPC minutes there was a 'material spread' of views on the balance of risks amongst members voting for unchanged policy. Some members were concerned that growth may soften and inflation could remain below target for longer than expected, whereas for others the key risk was that the degree of spare capacity would be eliminated more quickly than assumed resulting in an inflation overshoot. In the Quarterly Inflation Report, the Bank of England (BoE) made some notable changes to its medium term inflation and growth forecasts. Unsurprisingly, near term inflation was revised down given the weaker data out turns and a weaker global outlook.

The MPC's estimate of labour market slack remained unchanged from August at 1% of GDP and doesn't disappear in their forecast until 2017, allowing significant time to bring interest rates back to neutral level. Governor Carney emphasised that the BoE was in no rush to hike and that tightening, when it came, would be gradual and limited.

As we entered the second half of the period, market expectations for the first UK rate hike continued to be pushed out further in light of a dovish Fed, while the MPC minutes also remained dovish, with the committee acknowledging a slight downturn in UK economic data releases since their last meeting.

First quarter 2015 gross domestic product was weaker than expected, printing 0.3% quarter on quarter. Meanwhile, unemployment fell to 5.5%, while wages surprised to the upside in May at 2.7%. There was a significant acceleration in UK wage growth over the period, partly due

to base effects but this may also reflect tightening in the labour market, with the unemployment rate rapidly approaching the BoE estimate of full employment.

The Conservatives won a surprise outright parliamentary majority in the general election in May, calming the markets for a short period of time. In terms of policy, the Tories have signalled their intention to cut the deficit by 1% per year, which is more than a Labour government would have been willing to do. The BoE, therefore, may wish to leave interest rates on hold for longer than what would have been the case had the opposition claimed victory. The biggest risk from a Conservative led government now relates to the UK's relationship with the EU as they have promised renegotiation and then a referendum on whether the UK wishes to be part of the European Union, which is due to take place no later than December 2017.

The latest Quarterly Inflation Report (QIR) revealed that the BoE has become more pessimistic on the path of productivity growth and so potential growth. The Bank also revised down its GDP forecasts compared to the February QIR, while inflation forecasts were left unaffected. Overall the net impact of the report was neutral in terms of its implications for the path of policy.

Portfolio review

During the period the 1 year Libor level is unchanged at 1.07%, it has been the 3-6 month area that has seen rates marginally firmer by 2-4bps. However, this masks a more volatile trading pattern across the curve as the debate over whether the UK would be the first central bank to raise rates dominated the first half. Despite the improvement overall in the economy, global events, the fear of deflation and a more dovish MPC pushed any anticipated move further into 2016. The 1 year traded at a low of 0.95% during the period, moving back towards the highs in the second quarter of 2015 as the rate debate came back into focus.

The fund had been positioned to benefit from the fall in yields having added some longer dated paper in October. This followed a move to lower yielding investments which were focused on the 3-6 month area in light of the flattening curve. We felt there would be little reward in extending the overall maturity as our expectations were that yields would once again rise at the longer end as economic data continued to improve. We have actively traded out of positions taking profits and looking for alternative opportunities along the curve by investing in floating rate notes. This has offered decent yield pick up over commercial paper and certificates of deposit, as well as providing some protection against a move to higher yields. Bank call rates have also continued to fall, subsequently making deposits less attractive. These monies have been reinvested into short paper (circa 3 months) in order to generate better yields without compromising the fund's liquidity position.

Outlook

Looking ahead, the Fed's decision whether to raise interest in the US will be of importance. Governor Mark Carney stated that "the point at which interest rates may begin to rise is moving closer" and suggested that a hike may come around the turn of the year. This, alongside how Cameron's government tackles the EU referendum bill, will be key talking points going forward.

Aberdeen Fixed Income Team

August 2015

Portfolio statement

For the year ended 31 July 2015

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Bonds 36.89% (2014: 21.75%)					
Corporate Bonds 35.26% (2014: 21.75%)					
Australia 4.32% (2014: 5.09%)					
Australia & New Zealand Banking (EMTN)	FRN	12/11/15	1,340,000	1,343	1.46
Commonwealth Bank Of Australia	1.2313	04/09/15	2,633,000	2,635	2.86
				3,978	4.32
Canada 2.72% (2014: 2.17%)					
Royal Bank of Canada	FRN	22/01/16	2,500,000	2,501	2.72
Denmark 1.10% (2014: nil)					
Danske Bank	4.0000	09/12/15	1,000,000	1,010	1.10
Finland 2.07% (2014: nil)					
Pohjola Bank Oyj	FRN	09/11/15	1,900,000	1,902	2.07
France 2.18% (2014: 3.27%)					
Banque Federative du Credit Mutuel (EMTN)	FRN	16/05/16	2,000,000	2,004	2.18
Netherlands 3.32% (2014: 3.82%)					
ING Bank (EMTN)	FRN	22/06/16	500,000	500	0.54
Rabobank Nederland	FRN	15/01/16	800,000	800	0.87
Rabobank Nederland (EMTN)	FRN	07/09/15	1,750,000	1,751	1.91
				3,051	3.32
New Zealand 2.72% (2014: nil)					
ASB Finance (EMTN)	FRN	13/03/17	1,000,000	1,003	1.09
BNZ International Funding (EMTN)	FRN	29/01/16	500,000	501	0.54
Westpac Securities NZ (EMTN)	FRN	23/06/17	1,000,000	1,000	1.09
				2,504	2.72
Singapore 1.63% (2014: nil)					
DBS Bank	FRN	12/08/15	1,000,000	1,000	1.09
DBS Bank	FRN	15/10/15	500,000	500	0.54
				1,500	1.63
Sweden 7.81% (2014: nil)					
Nordea Bank (EMTN)	FRN	15/02/16	1,880,000	1,884	2.05
Nordea Bank (EMTN)	3.8750	15/12/15	700,000	707	0.77
Svenska Handelsbanken (EMTN)	FRN	10/05/16	3,600,000	3,608	3.91
Swedbank (EMTN)	FRN	02/06/17	1,000,000	997	1.08
				7,196	7.81
Switzerland 2.17% (2014: 3.26%)					
Credit Suisse	FRN	12/08/15	1,000,000	1,000	1.08
Credit Suisse London (EMTN)	FRN	15/07/16	1,000,000	999	1.09
				1,999	2.17

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
United Kingdom nil (2014: 3.79%)					
United States 5.22% (2014: 0.35%)					
BMW Finance	0.5500	06/02/17	1,500,000	1,498	1.63
GE Capital UK Funding (EMTN)	2.2500	08/09/15	1,000,000	1,001	1.09
GE Capital UK Funding (EMTN)	FRN	09/05/16	500,000	501	0.54
Metropolitan Life	FRN	17/09/15	800,000	800	0.87
Metropolitan Life Global Funding I (EMTN)	FRN	15/04/16	1,000,000	1,000	1.09
				4,800	5.22
Total Corporate Bonds				32,445	35.26
Government Bonds 1.63% (2014: nil)					
Germany 0.55% (2014: nil)					
State of North Rhine-Westphalia (EMTN)	FRN	23/05/16	500,000	502	0.55
South Korea 1.08% (2014: nil)					
Export-Import Bank of Korea (EMTN)	FRN	22/03/16	1,000,000	1,000	1.08
Total Government Bonds				1,502	1.63
Total Bonds				33,947	36.89
Investment Funds 9.36% (2014: 9.86%)					
Luxembourg 9.36% (2014: 9.86%)					
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1 [†]			8,614	8,614	9.36
Total Investment Funds				8,614	9.36
Money market instruments 53.64% (2014: 67.26%)					
Certificate of deposit 33.70% (2014: 40.14%)					
Canada 2.17% (2014: nil)					
Toronto Dominion Bank	0.6000	03/12/15	1,000,000	1,000	1.08
Toronto Dominion Bank	0.8000	07/06/16	1,000,000	999	1.09
				1,999	2.17
France 10.88% (2014: 8.68%)					
BNP Paribas	0.6700	29/10/15	1,500,000	1,501	1.63
BNP Paribas	0.5600	05/08/15	1,500,000	1,500	1.63
Credit Agricole	0.6700	01/09/15	2,000,000	2,000	2.17
Credit Industriel et Commercial	0.6200	23/11/15	1,000,000	1,000	1.09
HSBC France	0.6600	16/10/15	1,000,000	1,000	1.09
HSBC France	-	01/09/15	1,000,000	1,000	1.09
Natixis	1.0400	06/07/16	2,000,000	2,001	2.18
				10,002	10.88
Germany nil (2014: 4.34%)					

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Japan 3.26% (2014: 3.25%)					
Mitsubishi UFJ Trust & Banking	0.5300	26/08/15	2,000,000	2,000	2.17
Mitsubishi UFJ Trust & Banking	0.5700	28/10/15	1,000,000	1,000	1.09
				3,000	3.26
Netherlands 2.72% (2014: 4.34%)					
ABN Amro Bank	0.6900	20/11/15	1,000,000	1,000	1.09
ING Bank	-	23/10/15	1,500,000	1,499	1.63
				2,499	2.72
Singapore nil (2014: 3.25%)					
Switzerland 3.26% (2014: 1.09%)					
Credit Suisse	0.5900	21/09/15	1,500,000	1,501	1.63
UBS	0.5700	24/09/15	1,000,000	1,000	1.09
UBS	0.9700	27/05/16	500,000	500	0.54
				3,001	3.26
United Kingdom 7.06% (2014: 8.68%)					
Abbey National Treasury Services	-	07/09/15	1,500,000	1,499	1.63
Bank of Tokyo Mitsubishi UFJ	-	17/08/15	500,000	500	0.54
Barclays	0.6200	24/08/15	2,000,000	2,001	2.17
Lloyds TSB	0.9800	16/06/16	1,000,000	1,000	1.09
Nordea Bank	0.6400	27/11/15	1,500,000	1,500	1.63
				6,500	7.06
United States 4.35% (2014: 6.51%)					
Bank of America	-	12/10/15	1,000,000	999	1.09
Goldman Sachs International Bank	0.8000	08/01/16	1,500,000	1,501	1.63
Wells Fargo Bank International	0.6000	05/11/15	1,500,000	1,500	1.63
				4,000	4.35
Total Certificate of deposit				31,001	33.70
Commercial Paper 19.94% (2014: 27.12%)					
Australia 3.25% (2014: nil)					
MacQuarie Bank	-	19/01/16	2,000,000	1,993	2.17
MacQuarie Bank	-	15/10/15	1,000,000	997	1.08
				2,990	3.25
Canada 2.17% (2014: nil)					
Toronto Dominion Bank	-	11/01/16	2,000,000	1,994	2.17
Denmark nil (2014: 4.35%)					
Finland nil (2014: 3.25%)					
France 2.71% (2014: 4.34%)					
Dexia Credit	-	11/11/15	2,500,000	2,495	2.71

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Germany 5.96% (2014: 8.68%)					
Allianz	-	27/10/15	1,500,000	1,496	1.63
DZ Privatbank	-	13/01/16	2,000,000	1,993	2.17
FMS Wertmanagement	-	26/10/15	2,000,000	1,997	2.16
				5,486	5.96
Japan 2.17% (2014: nil)					
Sumitomo Mitsui Banking	-	20/10/15	2,000,000	1,997	2.17
Luxembourg 2.17% (2014: nil)					
DZ Privatbank	-	26/08/15	2,000,000	1,993	2.17
Netherlands 0.43% (2014: nil)					
ING Bank	-	17/08/15	400,000	399	0.43
Sweden nil (2014: 4.33%)					
United States 1.08% (2014: 2.17%)					
GE Capital UK Funding	-	22/10/15	1,000,000	997	1.08
Total Commercial Paper				18,351	19.94
Total Money market instruments				49,352	53.64
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				91,913	99.89
Investment asset				91,913	99.89
Net other assets				103	0.11
Net assets				92,016	100.00

Of the investments above, £57,984,000, 63.01% (2014: £35,534,000, 77.12%) were invested in unrated securities.

[†] Managed by subsidiaries of Aberdeen Asset Management PLC.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	19,792,653.14	24,276,007.24	39,612,963.12
A Income shares in issue	1,367,252.62	552,662.39	640,748.51
I Accumulation shares in issue	57,387,789.97	14,438,637.34	11,028,513.75
I Income shares in issue	1,586,658.74	1,087,744.55	756,958.41
Z Gross Accumulation shares in issue	2,326,211.54	1,199,911.54	4,787,011.54
Net asset value attributable to			
A Accumulation shareholders (£'000)	21,980	26,957	43,982
A Income shareholders (£'000)	1,365	552	640
I Accumulation shareholders (£'000)	64,634	16,229	12,370
I Income shareholders (£'000)	1,584	1,086	756
Z Gross Accumulation shareholders (£'000)	2,453	1,259	4,997
Net asset value of Fund (£'000)	92,016	46,083	62,745
Net asset value pence per share			
A Accumulation	111.05	111.04	111.03
A Income	99.82	99.86	99.90
I Accumulation	112.63	112.40	112.16
I Income	99.80	99.83	99.90
Z Gross Accumulation	105.47	104.94	104.38

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	0.40761	110.58	110.18
2011	A Income	0.37000	100.16	99.96
2011	I Accumulation	0.61998	111.33	110.74
2011	I Income	0.56000	100.21	99.95
2011	Z Gross Accumulation	0.98176	103.01	102.03
2012	A Accumulation	0.40918	111.10	110.59
2012	A Income	0.37000	100.19	99.97
2012	I Accumulation	0.63465	112.08	111.34
2012	I Income	0.57000	100.23	99.96
2012	Z Gross Accumulation	0.99908	104.11	103.02
2013	A Accumulation	0.29955	111.13	111.01
2013	A Income	0.27000	100.13	99.85
2013	I Accumulation	0.53733	112.27	112.08
2013	I Income	0.48000	100.17	99.88
2013	Z Gross Accumulation	0.86279	104.63	104.11

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2014	A Accumulation	0.05556	111.06	111.01
2014	A Income	0.05000	99.90	99.84
2014	I Accumulation	0.29223	112.41	112.26
2014	I Income	0.26000	99.94	99.84
2014	Z Gross Accumulation	0.59378	104.95	104.62
2015 ^A	A Accumulation	0.05560	111.09	111.04
2015 ^A	A Income	0.05000	99.86	99.83
2015 ^A	I Accumulation	0.25918	112.66	112.50
2015 ^A	I Income	0.23000	99.88	99.82
2015 ^A	Z Gross Accumulation	0.57137	105.50	105.18

^A As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	0.63	0.38	0.13
31 July 2015	0.62	0.37	0.14

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and synthetic element of 0.01% (2014: 0.01%) to incorporate the ongoing charges of the underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 1 because funds of this type have experienced very low rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk.

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 13/08/1990 to 31/07/2015 ^B
Fund - A Accumulation	0.04	1.02	114.87
Benchmark ^A	0.36	2.01	223.40

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	0.04	(0.02)	0.15	0.43	0.42

Source: Lipper, BPSS, Total Return, NAV to NAV, UK Net income reinvested, £.

Fund performance is shown net of standard rate tax, management fees and other expenses excluding dealing costs.

^A 3 Months GBP LIBID to 31/07/07, then 7 Day GBP LIBID.

^B Figures for Aberdeen Deposit Fund Unit Trust prior to 17 November 2006.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital losses	1		(28)		(29)
Revenue	2	377		347	
Expenses	3	(260)		(261)	
Finance costs: interest	5	-		(1)	
Net revenue before taxation		117		85	
Taxation	4	1		1	
Net revenue after taxation			118		86
Total return before distributions			90		57
Finance costs: distributions	5		(117)		(86)
Change in net assets attributable to shareholders from investment activities			(27)		(29)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		46,083		62,745
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	92,105		46,786	
Amount payable on cancellation of shares	(46,257)		(63,492)	
		45,848		(16,706)
Dilution charged		3		8
Change in net assets attributable to shareholders from investment activities (see above)		(27)		(29)
Retained distribution on accumulation shares		109		65
Closing net assets attributable to shareholders		92,016		46,083

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			91,913		45,560
Debtors	6	276		537	
Cash and bank balances		44		2,098	
Total other assets			320		2,635
Total assets			92,233		48,195
Liabilities					
Creditors	7	(216)		(2,111)	
Distribution payable on income shares		(1)		(1)	
Total liabilities			(217)		(2,112)
Net assets attributable to shareholders			92,016		46,083

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital losses on investments

	2015	2014
	£'000	£'000
Net capital losses on investments during the year comprise:		
Non-derivative securities	(25)	(25)
Transaction costs	(3)	(4)
Net capital losses on investments	(28)	(29)

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	4	3
Certificates of deposit	115	103
Interest on debt securities	258	241
Total revenue	377	347

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	189	205
Operating, administrative and servicing fees	47	-
Registration fees	21	45
	257	250
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	3	6
Safe custody fees	3	7
	6	13
<i>Other expenses:</i>		
Audit fee	4	7
Expense cap refunded by Authorised Fund Manager	(8)	(6)
Legal & professional fee	1	-
Printing and postage fees	-	(3)
	(3)	(2)
Total expenses	260	261

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

The Fund is subject to corporation tax at 20%, however the Fund is a bond fund making interest distributions and the interest distributions by the Fund are allowable in arriving at the amount of income liable to tax. As a result this has reduced the current tax liability of the Fund to nil. Tax is deducted at source from the interest distribution where applicable. This represents income tax withheld by the Depositary from the gross amount distributable and is accounted by the Depositary from the gross amount distributable and is accounted by the Depositary to HMRC on behalf of the shareholders. The tax charge comprises:

	2015	2014
	£'000	£'000
Current tax:		
Adjustments in respect of prior years	(1)	(1)
Total taxation	(1)	(1)

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	117	85
Corporation tax of 20%	23	17
Effects of:		
Adjustment in respect of prior years	(1)	(1)
Tax deductible interest distributions	(23)	(17)
Current tax charge	(1)	(1)

The Fund has not recognised a deferred tax asset in 2015 (2014 - nil).

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

5. Finance costs

Distributions and interest

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

	2015 £'000	2014 £'000
First Interim	32	24
Second Interim	20	22
Third Interim	34	17
Final	46	18
	132	81
Add: Revenue deducted on cancellation of shares	15	18
Deduct: Revenue received on issue of shares	(30)	(13)
Gross distribution for the year	117	86
Interest	-	1
Total finance costs	117	87

Details of the distribution per share are set out in the distribution table on page 71.

Movement between net revenue and distribution

	2015 £'000	2014 £'000
Net revenue after taxation	118	86
Add:		
Undistributed revenue brought forward	3	2
Movement between share classes due to conversions	-	1
Deduct:		
Undistributed revenue carried forward	(4)	(3)
Finance cost: distributions	117	86

6. Debtors

	2015 £'000	2014 £'000
Accrued revenue	151	73
Amounts receivable for issue of shares	124	464
Expenses rebate due from ACD	1	-
Total debtors	276	537

7. Creditors

	2015 £'000	2014 £'000
Accrued expenses	29	22
Amounts payable for cancellation of shares	175	86
Income tax payable	12	6
Purchases awaiting settlement	-	1,997
Total creditors	216	2,111

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Interest rate risk profile of the Fund's financial assets and liabilities

The Fund's assets comprise mainly deposits, certificates of deposits and floating rate notes.

The interest rate risk profile is set out below.

	Floating rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
UK Sterling	52,070	39,887	-	91,957
2014				
UK Sterling	35,759	11,899	-	47,658

Fixed rate financial assets

	Weighted average interest rate (%) 2015	Weighted average period for which rate is fixed (days) 2015	Weighted average interest rate (%) 2014	Weighted average period for which rate is fixed (days) 2014
UK Sterling	0.73	223	0.67	335
Certificates of deposit	0.67	105	0.63	77
Commercial Papers	1.35	108	0.79	78

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 64. During the year the ACD held shares in the Fund and had a holding of 922 accumulation 'A' shares (2014 - 1,810), 1,026 income 'A' shares (2014 - 2,099), 890 accumulation 'I' shares (2014 - 1,860), 1,089 income 'I' shares (2014 - 2,092) and 998 accumulation 'Z' shares (2014 - 1,980) as at 31 July 2015. £64,000 was due from the ACD (2014 - £356,000 due from) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. Nothing was due to the Depositary (2014 - £1,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material unitholders

Old Mutual Wealth Life & Pensions Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 52% of the Fund's units in issue. During the year, Old Mutual Wealth Life & Pensions Limited made total sales of £53,798,879 and total purchases of £81,488,859 in the Fund.

Old Mutual Wealth Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 21% of the Fund's units in issue. During the year, Old Mutual Wealth Nominees Limited made total sales of £22,094,553 and total purchases of £35,403,958 in the Fund.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Gross).

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

Class 'A': 0.30%

Class 'I': 0.15%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 61. The distribution per share class is given in the distribution table on page 71. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015 £'000	2014 £'000
Analysis of total purchase costs		
Purchases in year before transaction costs	215,496	156,737
Gross purchases total	215,496	156,737
Analysis of total sale costs		
Gross sales in year before transaction costs	169,090	170,790
Total sales net of transaction costs	169,090	170,790

Distribution table

For the year ended 31 July 2015 (in pence per share)

First Interim interest distribution

Group 1: Share purchased prior to 1 August 2014

Group 2: Share purchased 1 August 2014 to 31 October 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/01/15	Distribution paid 31/01/14
Share class A Accumulation						
Group 1	0.04170	0.00834	0.03336	-	0.03336	0.02223
Group 2	0.02190	0.00438	0.01752	0.01584	0.03336	0.02223
Share class A Income						
Group 1	0.03750	0.00750	0.03000	-	0.03000	0.02000
Group 2	0.03723	0.00745	0.02978	0.00022	0.03000	0.02000
Share class I Accumulation						
Group 1	0.11259	0.02252	0.09007	-	0.09007	0.07860
Group 2	0.05716	0.01143	0.04573	0.04434	0.09007	0.07860
Share class I Income						
Group 1	0.10000	0.02000	0.08000	-	0.08000	0.07000
Group 2	0.07565	0.01513	0.06052	0.01948	0.08000	0.07000
Share class Z Gross Accumulation						
Group 1	0.17278	-	0.17278	-	0.17278	0.15425
Group 2	0.08278	-	0.08278	0.09000	0.17278	0.15425

Second Interim interest distribution

Group 1: Share purchased prior to 1 November 2014

Group 2: Share purchased 1 November 2014 to 31 January 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Share class A Accumulation						
Group 1	0.01390	0.00278	0.01112	-	0.01112	0.01111
Group 2	-	-	-	0.01112	0.01112	0.01111
Share class A Income						
Group 1	0.01250	0.00250	0.01000	-	0.01000	0.01000
Group 2	-	-	-	0.01000	0.01000	0.01000
Share class I Accumulation						
Group 1	0.07043	0.01409	0.05634	-	0.05634	0.07865
Group 2	0.00233	0.00047	0.00186	0.05448	0.05634	0.07865
Share class I Income						
Group 1	0.06250	0.01250	0.05000	-	0.05000	0.07000
Group 2	-	-	-	0.05000	0.05000	0.07000
Share class Z Gross Accumulation						
Group 1	0.14255	-	0.14255	-	0.14255	0.15359
Group 2	0.02255	-	0.02255	0.12000	0.14255	0.15359

Third Interim interest distribution

Group 1: Share purchased prior to 1 February 2015

Group 2: Share purchased 1 February 2015 to 30 April 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/07/15	Distribution paid 31/07/14
Share class A Accumulation						
Group 1	-	-	-	-	-	0.01111
Group 2	-	-	-	-	-	0.01111
Share class A Income						
Group 1	-	-	-	-	-	0.01000
Group 2	-	-	-	-	-	0.01000
Share class I Accumulation						
Group 1	0.07046	0.01409	0.05637	-	0.05637	0.06747
Group 2	0.01270	0.00254	0.01016	0.04621	0.05637	0.06747
Share class I Income						
Group 1	0.06250	0.01250	0.05000	-	0.05000	0.06000
Group 2	0.02975	0.00595	0.02380	0.02620	0.05000	0.06000
Share class Z Gross Accumulation						
Group 1	0.12622	-	0.12622	-	0.12622	0.14493
Group 2	0.03008	-	0.03008	0.09614	0.12622	0.14493

Final interest distribution

Group 1: Share purchased prior to 1 May 2015

Group 2: Share purchased 1 May 2015 to 31 July 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation						
Group 1	0.01390	0.00278	0.01112	-	0.01112	0.01111
Group 2	-	-	-	0.01112	0.01112	0.01111
Share class A Income						
Group 1	0.01250	0.00250	0.01000	-	0.01000	0.01000
Group 2	-	-	-	0.01000	0.01000	0.01000
Share class I Accumulation						
Group 1	0.07050	0.01410	0.05640	-	0.05640	0.06751
Group 2	0.01830	0.00366	0.01464	0.04176	0.05640	0.06751
Share class I Income						
Group 1	0.06250	0.01250	0.05000	-	0.05000	0.06000
Group 2	0.00039	0.00008	0.00031	0.04969	0.05000	0.06000
Share class Z Gross Accumulation						
Group 1	0.12982	-	0.12982	-	0.12982	0.14101
Group 2	0.07982	-	0.07982	0.05000	0.12982	0.14101

Equalisation

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

Aberdeen Corporate Bond Fund

For the period ended 31 July 2015

Investment objective and policy

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

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

Distribution

A final distribution of 0.13342p per share will be paid to A accumulation shareholders, 0.10p per share will be paid to A income shareholders, 0.19158p per share to I accumulation shareholders, 0.13p per share will be paid to I income shareholders, 0.27202p per share will be paid to I gross income shareholders, 0.13p per share will be paid to P income shareholders, 0.16p per share will be paid to P gross income shareholders, 0.13p per share will be paid to Q income shareholders, 0.17p per share will be paid to Q gross income shareholders and 0.23871p per share will be paid to Z accumulation shareholders on 31 October 2015.

Corporate Activity

Aberdeen Corporate Bond Fund, a sub-fund of Aberdeen Investment Funds UK ICVC II, amalgamated into the Aberdeen Corporate Bond Fund, on the 17 July 2015. On amalgamation, Aberdeen Corporate Bond Fund A accumulation shareholders received one A accumulation share for every A accumulation share held, A income shareholders received one A income share for every A income share held, C accumulation shareholders received one I accumulation share for every C accumulation share held, C income shareholders received one I income share for every C income share held, C gross accumulation shareholders received one I gross accumulation share for every C gross accumulation share held, P income shareholders received one P income share for every P income share held, P gross income shareholders received one P gross income share for every P gross income share held, Q income shareholders received one Q income share for every Q income share held, Q gross income shareholders received one Q gross income share for every Q gross income share held and X accumulation shareholders received one Z accumulation share for every X accumulation share held.

Performance review

The Aberdeen Corporate Bond Fund - A Accumulation shares rose by 5.25% in sterling terms, compared to an increase of 7.53% in the benchmark, Markit iBoxx Sterling Collateralized & Corp TR GBP.

Market review

The period under review has generally been a strong one for corporate bonds, supported by strong equity markets and a benign fundamental environment. Although there have been anxieties relating to emerging

markets – primarily driven by fears of Chinese economic slowdown but also elevated geopolitical risks – investors' appetite for risk is strong, and investors continue to be attracted to corporate bonds in the hunt for the higher yields available.

That said, credit spreads (the additional yield from corporate bonds over government bonds owing to different credit quality) widened in the second half of 2014. Investment grade corporate bonds suffered a setback as global concerns, including the Ebola outbreak, further fighting in the Middle East and worries about slowing Chinese growth seemed to make investors go into panic mode, leading to steep declines in riskier asset classes. However, latterly they began to perform more strongly as a more amenable monetary policy and macroeconomic environment has begun to be priced in.

Corporate bonds delivered a strong positive return in the first three months of 2015, outperforming government bonds from the core economies. January was dominated by concern over the Greek elections, and the likelihood of large-scale quantitative easing (QE) by the European Central Bank. Although rising Gilt yields caused some pain for investors in bond markets, February was very strong for corporate bonds as risk premiums (spreads) narrowed materially. This was largely driven by the imminent introduction of Eurozone QE. This involves the creation of new money to increase private sector spending and combat inflation, and led to a widespread grab for yield across investment grade and high yield markets. March was another strong month, with yields falling materially as risk aversion picked up. The onset of QE, falling commodity prices, softer economic data and ongoing global conflicts all contributed to an environment of ever-falling yields and positive returns from conventional bonds.

From April onwards, however, bond markets were volatile, retracing much of the strong performance of the first quarter. Part of this move could be explained by commodity price moves – and oil in particular, which moved higher – and partly by investor positioning (long positions having been built up by fixed income investors in anticipation of Eurozone QE). In May and June, government bond yields continued to move higher – a continuation of the aforementioned unwinding of long investor positioning. Meanwhile, investment grade markets in Europe lost ground, largely due to uncertainty caused by an escalation of concerns over Greek debt negotiations.

Portfolio review

Throughout the review period we have maintained a high portfolio exposure to subordinated financial instruments issued by UK banks. As banks continue to raise new capital for regulatory reasons, the credit quality of this legacy debt has tended to improve. Exposure to European high yield detracted from performance in the first half of the review period, although this position was pared back in November. Our short duration position detracted from performance, as did overweight positions in financials – tier 1 and upper tier 2 banks in particular. Against that, exposure to investment grade credit – particularly Euro-denominated credit – delivered positive returns. On a stock-by-stock basis, a long position in French utility EDF was a notable positive, while the performance of bonds issued by embattled UK food retailer Tesco and Brazilian energy giant Petrobras has a negative impact on Fund returns.

Moving into 2015, an uncertain market outlook led to significant volatility within the corporate bond market, and we closed our short duration during January. Both government bond yields and corporate bond spreads moved higher from April onwards. The portfolio was neutral duration through to 30 June, and credit exposure was focused on lower quality areas of the market. High yield bonds, in particular, added value, as the asset class continued to attract new flows. Bonds issued by banks and insurers have comprised the key overweight positions within the Fund. The Fund's long exposure to subordinated financials and lower quality credit has added value.

Despite the volatility caused by events in Greece and increased concerns over the economic performance of China, corporate bonds ended July in positive territory. Demand for bonds remains robust and a pick-up in supply towards the end of the review period has been met with decent levels of demand.

Outlook

The Fund remains positioned with a long position in credit and a broadly neutral duration position. Although we are approaching the first tightening of monetary policies in the UK and the US for some time, bond markets continue to perform well. Credit markets appear attractive at current levels.

Pan European Credit Team

August 2015

Portfolio statement

As at 31 July 2015

	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Equities 0.39%					
United Kingdom 0.39%					
Santander Non- Cumulative Preference			3,466,939	5,252	0.39
Total Equities				5,252	0.39
Bonds 88.64%					
Asset Backed Bonds / Mortgage Backed Bonds 2.48%					
United Kingdom 2.48%					
Alba 2006-2	FRN	15/12/38	3,997,000	3,669	0.27
Gemgarto 2015-1	FRN	16/02/47	4,965,000	4,962	0.37
Nats En Route	5.2500	31/03/26	7,737,507	8,816	0.67
Precise Mortgage Funding No 1	FRN	12/03/47	1,364,664	1,354	0.10
Precise Mortgage Funding 2015-1	FRN	12/03/48	1,384,729	1,370	0.10
Residential Mortgage Securities 28	FRN	15/06/46	6,908,551	6,842	0.51
RMPA Services	5.3370	30/09/38	5,421,743	6,140	0.46
				33,153	2.48
Total Asset Backed Bonds / Mortgage Backed Bonds				33,153	2.48
Corporate Bonds 85.25%					
Australia 2.56%					
APT Pipelines	3.5000	22/03/30	9,500,000	9,056	0.68
BHP Billiton Finance (EMTN)	4.3000	25/09/42	10,000,000	10,468	0.78
Origin Energy Finance (EMTN)	VAR	16/06/71	4,550,000	3,394	0.25
QBE Capital Funding IV	VAR	24/05/41	5,023,000	5,688	0.43
QBE Insurance	VAR	02/12/44	4,750,000	3,196	0.24
Santos Finance	VAR	22/09/70	3,200,000	2,402	0.18
				34,204	2.56
Canada 0.68%					
Glencore Canada Financial (EMTN)	7.3750	27/05/20	7,725,000	9,037	0.68
China 0.13%					
Kunlun Energy	3.7500	13/05/25	2,847,000	1,776	0.13

	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
France 7.12%					
AXA (EMTN) (PERP)	VAR	29/11/49	6,698,000	6,895	0.52
AXA (EMTN) (PERP)	FRN	29/07/49	4,959,000	5,566	0.42
BNP Paribas (EMTN)	3.5000	07/12/16	3,395,000	3,490	0.26
Cie de Saint-Gobain (EMTN)	5.6250	15/11/24	4,200,000	4,949	0.37
Electricite de France (EMTN)	6.1250	02/06/34	10,400,000	13,126	0.97
Electricite de France (EMTN)	5.5000	27/03/37	10,700,000	12,744	0.95
Electricite de France (EMTN)	5.5000	17/10/41	5,900,000	7,091	0.53
Electricite de France (EMTN)	6.0000	23/01/14	4,000,000	5,232	0.39
Electricite de France (PERP)	6.0000	29/12/49	9,300,000	9,696	0.72
France Telecom (EMTN)	5.3750	22/11/50	7,150,000	8,665	0.65
France Telecom (EMTN)	8.1250	20/11/28	2,350,000	3,429	0.26
Natixis (EMTN)	5.8750	24/02/20	5,000,000	5,789	0.43
Orange (EMTN)	5.2500	05/12/25	950,000	1,107	0.08
Orange (EMTN) (PERP)	VAR	29/10/49	2,793,000	2,877	0.22
Orange (PERP)	VAR	29/12/49	4,505,000	4,663	0.35
				95,319	7.12
Germany 2.70%					
Deutsche Telekom International Finance (EMTN)	6.5000	08/04/22	10,512,000	12,838	0.97
E.ON International Finance (EMTN)	6.7500	27/01/39	8,750,000	11,799	0.88
RWE Finance (EMTN)	4.7500	31/01/34	4,200,000	4,347	0.32
Volkswagen Financial Services (EMTN)	2.3750	13/11/18	7,000,000	7,133	0.53
				36,117	2.70
Hong Kong 0.26%					
Hutchison Whampoa	VAR	29/05/49	4,770,000	3,478	0.26
Ireland 0.39%					
ESB Finance (EMTN)	6.5000	05/03/20	4,500,000	5,261	0.39
Italy 1.39%					
Enel (EMTN)	5.7500	22/06/37	5,000,000	5,983	0.45
Enel Finance International (EMTN)	5.7500	14/09/40	7,000,000	8,401	0.63
Telecom Italia (EMTN)	6.3750	24/06/19	3,800,000	4,160	0.31
				18,544	1.39
Luxembourg nil					
Teksid Aluminum Luxembourg SARL	11.3750	15/07/11	7,007,000	2	-
Mexico 0.90%					
America Movil (EMTN)	4.9480	22/07/33	4,985,000	5,612	0.42
America Movil SAB	VAR	06/09/73	5,950,000	6,389	0.48
				12,001	0.90

	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Netherlands 2.18%					
Highbury Finance	7.0170	20/03/23	6,820,368	7,999	0.60
ING Bank	6.8750	29/05/23	6,645,000	7,348	0.55
ING Bank (EMTN)	5.3750	15/04/21	5,100,000	5,889	0.44
ING Groep (PERP)	VAR	29/12/49	3,600,000	2,314	0.17
RWE Finance (EMTN)	6.5000	20/04/21	4,780,000	5,619	0.42
				29,169	2.18
Spain 0.28%					
Telefonica Emisiones (EMTN)	5.2890	09/12/22	3,300,000	3,725	0.28
Sweden 0.71%					
Svenska Handelsbanken (EMTN)	4.0000	18/01/19	5,100,000	5,470	0.41
Vattenfall (EMTN)	6.8750	15/04/39	2,839,000	4,011	0.30
				9,481	0.71
Switzerland 1.75%					
Demeter Investments for Swiss Life (PERP)	VAR	29/12/49	10,800,000	7,745	0.58
Dufry Finance	4.5000	01/08/23	2,667,000	1,940	0.15
Glencore Finance (EMTN)	6.5000	27/02/19	8,800,000	9,839	0.73
Swiss Reinsurance Co via ELM (EMTN) (PERP)	VAR	29/03/49	3,650,000	3,938	0.29
				23,462	1.75
United Kingdom 51.58%					
Abbey National Treasury Services (EMTN)	3.8750	15/10/29	4,700,000	4,923	0.37
Abbey National Treasury Services (EMTN)	1.8750	17/02/20	4,280,000	4,174	0.31
Amlin	FRN	19/12/26	4,315,000	4,395	0.33
Anglian Water Services Financing (EMTN)	4.5000	05/10/27	3,900,000	4,358	0.33
Annington Finance No 4	-	07/12/22	8,550,000	6,897	0.52
Annington Finance No 4	8.0700	10/01/23	5,090,000	6,635	0.50
Aspire Defence Finance	4.6740	31/03/40	6,816,647	7,731	0.58
Autolink Concessionaires M6	8.3900	15/06/22	3,203,720	3,879	0.29
Aviva	FRN	14/11/36	6,370,000	7,041	0.53
Aviva (EMTN)	FRN	03/06/41	6,300,000	6,991	0.52
Aviva (EMTN)	VAR	04/06/50	3,300,000	3,245	0.24
Bank of Scotland (PERP)	VAR	29/05/49	6,748,000	7,912	0.59
Bank of Scotland (PERP)	VAR	29/11/49	6,389,000	6,606	0.49
Barclays Bank (EMTN)	10.0000	21/05/21	11,350,000	14,807	1.11
BAT International Finance (EMTN)	5.7500	05/07/40	6,350,000	8,212	0.61
BAT International Finance (EMTN)	6.0000	29/06/22	3,400,000	4,065	0.30
BG Energy Capital	VAR	30/11/72	12,226,000	13,125	0.98
BG Energy Capital (EMTN)	5.0000	04/11/36	6,000,000	7,204	0.54
BL Superstores Finance	5.2700	04/07/25	7,266,649	7,965	0.60
British Telecom (EMTN)	6.3750	23/06/37	3,360,000	4,467	0.33
Broadgate Financing	FRN	05/01/22	3,980,625	3,942	0.29
Canary Wharf Finance II	6.4550	22/10/33	2,336,831	3,085	0.23
Centrica	VAR	10/04/75	4,700,000	4,650	0.35
Centrica (EMTN)	4.3750	13/03/29	9,150,000	9,818	0.73
Centrica (EMTN)	7.0000	19/09/33	4,000,000	5,548	0.41

	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Circle Anglia Social Housing (EMTN)	5.2000	02/03/44	3,000,000	3,627	0.27
City Greenwich Lewisham Rail Link	9.3750	11/10/20	848,848	934	0.07
Close Brothers	6.5000	10/02/17	9,400,000	10,026	0.75
Delamare Finance	5.5457	19/02/29	7,650,000	7,770	0.58
Dignity Finance	4.6956	31/12/49	6,428,000	7,022	0.52
EE Finance (EMTN)	4.3750	28/03/19	3,347,000	3,565	0.27
Firstgroup	8.7500	08/04/21	3,800,000	4,769	0.36
Firstgroup	6.1250	18/01/19	1,905,000	2,090	0.16
Friends Life	8.2500	21/04/22	14,400,000	17,492	1.32
Gatwick Funding (EMTN)	6.5000	02/03/41	5,600,000	7,676	0.57
GKN	5.3750	19/09/22	6,000,000	6,685	0.50
GKN	6.7500	28/10/19	2,504,000	2,882	0.22
GlaxoSmithKline Capital (EMTN)	3.3750	20/12/27	2,500,000	2,558	0.19
Grainger	5.0000	16/12/20	1,900,000	1,963	0.15
Great Rolling Stock (EMTN)	6.5000	05/04/31	4,268,000	5,418	0.40
Greene King Finance (EMTN)	FRN	15/12/33	2,294,055	2,292	0.17
HBOS Capital Funding (PERP)	VAR	29/11/49	4,700,000	5,006	0.37
Heathrow Funding (EMTN)	5.8750	13/05/41	5,600,000	7,170	0.54
Heathrow Funding (EMTN)	7.1250	14/02/24	5,570,000	6,913	0.52
Heathrow Funding (EMTN)	4.6250	31/10/46	5,720,000	6,252	0.47
Heathrow Funding (EMTN)	9.2000	29/03/21	4,650,000	6,202	0.46
Heathrow Funding (EMTN)	6.4500	10/12/31	4,250,000	5,620	0.42
HSBC (EMTN)	7.0000	07/04/38	13,050,000	17,072	1.29
HSBC (EMTN)	6.5000	20/05/24	12,050,000	15,090	1.13
HSBC (EMTN)	6.0000	29/03/40	7,900,000	9,297	0.69
Imperial Tobacco Finance (EMTN)	5.5000	28/09/26	11,000,000	12,698	0.95
Imperial Tobacco Finance (EMTN)	9.0000	17/02/22	5,500,000	7,334	0.55
Imperial Tobacco Finance (EMTN)	4.8750	07/06/32	2,100,000	2,256	0.17
InterContinental Hotels (EMTN)	3.8750	28/11/22	4,159,000	4,281	0.32
Intu Metrocentre Finance	4.1250	06/12/23	3,210,000	3,370	0.25
Intu SGS Finance (EMTN)	3.8750	17/03/23	3,700,000	3,820	0.29
Legal & General (EMTN)	VAR	27/06/64	8,240,000	8,802	0.66
Lloyds Bank (EMTN)	VAR	16/12/21	6,466,000	7,242	0.54
Lloyds Bank (EMTN)	7.5000	15/04/24	4,025,000	5,359	0.40
Lloyds Bank (PERP)	VAR	29/12/49	4,355,000	4,647	0.35
Lloyds TSB (EMTN)	7.6250	22/04/25	4,371,000	5,562	0.42
Lloyds TSB (PERP)	11.7500	29/10/49	2,800,000	5,411	0.40
London Power Networks (EMTN)	5.1250	31/03/23	5,100,000	5,837	0.44
Longstone Finance	4.7910	19/04/30	2,137,588	2,397	0.18
Manchester Airport Group Funding (EMTN)	4.7500	31/03/34	7,600,000	8,366	0.63
Marks & Spencer	7.1250	01/12/37	7,533,000	5,922	0.44
Meadowhall Finance	4.9880	12/01/32	4,067,462	4,717	0.35
Meadowhall Finance	4.9860	12/01/32	3,034,881	3,564	0.27
Midland Heart Capital	5.0870	20/09/44	5,000,000	6,155	0.46
Mitchells & Butlers Finance	FRN	15/12/33	6,800,000	5,814	0.43
National Grid Electricity Transmission (EMTN)	7.3750	13/01/31	6,784,000	10,033	0.75
National Westminster Bank (EMTN) (PERP)	VAR	29/10/49	14,753,000	16,049	1.20
National Westminster Bank (EMTN) (PERP)	VAR	29/10/49	10,790,000	7,262	0.54
Nationwide Building Society (EMTN) (PERP)	VAR	11/03/49	3,900,000	3,920	0.29

	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
NGG Finance	VAR	18/06/73	9,700,000	10,446	0.78
NIE Finance	6.3750	02/06/26	6,162,000	7,832	0.59
Northern Gas Networks	4.8750	30/06/27	3,800,000	4,318	0.32
Northumbrian Water Finance	5.1250	23/01/42	2,820,000	3,385	0.25
Orbit Capital	3.5000	24/03/45	6,000,000	5,707	0.43
Permanent Master Issuer	4.8050	15/07/42	5,300,000	5,550	0.41
PGH Capital	5.7500	07/07/21	2,900,000	3,139	0.23
Porterbrook Rail Finance (EMTN)	5.5000	20/04/19	6,100,000	6,745	0.50
Provident Financial (EMTN)	8.0000	23/10/19	7,650,000	8,741	0.65
Prudential (EMTN)	VAR	19/12/63	5,800,000	6,330	0.47
Prudential (EMTN)	FRN	29/05/39	2,940,000	3,764	0.28
Rio Tinto Finance (EMTN)	4.0000	11/12/29	6,020,000	6,166	0.46
Royal Bank Of Scotland	7.5000	29/04/24	6,500,000	8,531	0.64
Royal Bank of Scotland (EMTN)	6.8750	17/05/25	147,000	190	0.01
Royal Bank of Scotland (PERP)	VAR	29/08/49	2,699,000	3,063	0.23
RSA Insurance	VAR	10/10/45	3,400,000	3,548	0.27
Sanctuary Capital (EMTN)	5.0000	26/04/47	2,460,000	2,977	0.22
Santander UK Group (PERP)	VAR	29/12/49	2,000,000	2,047	0.15
Santander UK (PERP)	VAR	29/09/49	4,243,000	4,266	0.32
Scottish Power UK (EMTN)	VAR	31/05/41	2,500,000	3,225	0.24
Scottish Widows	5.5000	16/06/23	1,900,000	2,013	0.15
Scottish Widows (PERP)	VAR	29/09/49	3,252,000	3,252	0.24
Severn Trent Utilities Finance	6.2500	07/06/29	3,395,000	4,408	0.33
Severn Trent Water Utilities (EMTN)	4.8750	24/01/42	2,082,000	2,397	0.18
Society of Lloyd's	4.7500	30/10/24	3,305,000	3,408	0.25
Society of Lloyd's (PERP)	VAR	21/06/49	4,788,000	5,079	0.38
South Eastern Power Networks (EMTN)	5.5000	05/06/26	1,748,000	2,095	0.16
Southern Gas Network (EMTN)	5.1250	02/11/18	4,550,000	4,996	0.37
Southern Gas Network (EMTN)	6.3750	15/05/40	2,425,000	3,339	0.25
Southern Gas Networks (EMTN)	4.8750	21/03/29	3,925,000	4,534	0.34
Southern Water Services Finance (EMTN)	6.1250	31/03/19	4,500,000	5,103	0.38
Sovereign Housing Capital (EMTN)	4.7680	01/06/43	4,850,000	5,705	0.43
SSE (PERP)	VAR	29/12/49	9,400,000	9,189	0.69
Standard Chartered Bank (EMTN) (PERP)	VAR	29/10/49	3,550,000	4,120	0.31
Standard Chartered (EMTN)	5.1250	06/06/34	3,200,000	3,208	0.24
Standard Life (EMTN)	FRN	04/12/42	1,679,000	1,803	0.13
Standard Life (PERP)	VAR	29/07/49	6,500,000	7,449	0.56
Telereal Securitisation	5.3887	10/12/31	3,496,029	4,109	0.31
Tesco Property Finance 1	7.6227	13/07/39	3,742,741	4,390	0.33
Thames Water Kemble Finance (EMTN)	5.8750	15/07/22	4,000,000	4,001	0.30
Thames Water Utilities Cayman Finance (EMTN)	4.3750	03/07/34	2,800,000	3,002	0.22
THFC Funding No 3 (EMTN)	5.2000	11/10/43	3,900,000	4,817	0.36
Trafford Centre Finance	7.0300	28/01/29	1,642,811	2,046	0.15
Virgin Media Secured Finance (EMTN)	5.1250	15/01/25	769,000	765	0.06
Western Power Distribution West Midlands (EMTN)	5.7500	16/04/32	8,950,000	11,156	0.83
Western Power Distribution West Midlands (EMTN)	5.5000	09/05/25	1,988,000	2,447	0.18
White City Property Finance	5.1202	17/04/35	1,408,827	1,642	0.12
Yorkshire Water Services Bradford Finance Ltd	VAR	24/04/25	1,649,000	1,754	0.13
				690,081	51.58

	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
United States 12.62%					
American International (EMTN)	5.0000	26/04/23	11,750,000	13,362	1.00
Amgen	5.5000	07/12/26	6,400,000	7,585	0.57
Apple	3.6000	31/07/42	7,740,000	7,766	0.58
AT&T	5.8750	28/04/17	13,000,000	13,885	1.03
AT&T	5.5000	15/03/27	8,750,000	10,265	0.77
AT&T	4.8750	01/06/44	7,600,000	7,964	0.60
AT&T (EMTN)	7.0000	30/04/40	6,500,000	8,847	0.66
Bank of America (EMTN)	7.7500	30/04/18	6,850,000	7,901	0.59
Citigroup (EMTN)	6.8000	25/06/38	8,622,000	12,426	0.93
Citigroup (EMTN)	4.5000	03/03/31	7,500,000	7,759	0.58
DIRECTV Financing	5.2000	18/11/33	10,290,000	11,333	0.85
GE Capital UK Funding (EMTN)	5.8750	18/01/33	9,879,000	13,016	0.97
GE Capital UK Funding (EMTN)	6.2500	05/05/38	4,243,000	6,006	0.45
General Electric Capital	VAR	15/09/67	5,269,000	5,536	0.41
Goldman Sachs	7.1250	07/08/25	3,400,000	4,447	0.33
Health Care REIT	4.8000	20/11/28	2,500,000	2,720	0.20
HJ Heinz	4.1250	01/07/27	3,200,000	3,300	0.25
Kinder Morgan	2.2500	16/03/27	4,300,000	2,819	0.21
Lehman Brothers (EMTN)	4.6250	14/03/19	12,850,000	-	-
McDonald's	4.1250	11/06/54	6,500,000	6,912	0.52
SLM Student Loan Trust 2003-10	VAR	15/12/39	567,000	505	0.04
SLM Student Loan Trust 2003-12	VAR	15/03/38	3,760,000	3,383	0.25
Time Warner Cable	5.2500	15/07/42	1,950,000	1,801	0.13
Time Warner Cable	5.2500	15/07/42	1,317,000	1,216	0.09
Verizon Communications (EMTN)	4.7500	17/02/34	7,500,000	8,102	0.61
				168,856	12.62
Total Corporate Bonds				1,140,513	85.25
Government Bonds 0.91%					
Mexico 0.30%					
Mexico (Government of) (EMTN)	5.6250	19/03/14	4,150,000	4,031	0.30
United Kingdom 0.61%					
UK Treasury	4.2500	07/12/40	3,000,000	3,966	0.30
UK Treasury	3.7500	07/09/21	2,660,000	3,003	0.22
UK Treasury	4.7500	07/12/38	825,703	1,154	0.09
				8,123	0.61
Total Government Bonds				12,154	0.91
Total Bonds				1,185,820	88.64

	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Investment Funds 6.88%			
United Kingdom 6.88%			
Aberdeen ICVC III Europe High Yield Bond Fund X-2 [†]	43,120,900	63,375	4.73
Aberdeen ICVC III Strategic Bond Fund X-2 [†]	20,000,000	28,738	2.15
		92,113	6.88
Total Investment Funds		92,113	6.88
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		1,283,185	95.91

Derivatives 0.11%

Forward currency exchange contracts 0.05%

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
Citigroup	GBP	EUR	04/09/15	1,894,451	2,669,000	3	-
State Street	GBP	EUR	04/09/15	20,454,282	28,418,000	321	0.03
UBS	GBP	USD	04/09/15	5,923,231	9,191,000	32	-
Royal Bank of Canada	GBP	EUR	04/09/15	7,638,319	10,524,000	182	0.01
Deutsche Bank	GBP	USD	04/09/15	7,800,599	11,906,000	169	0.01
Unrealised gains on forward currency exchange contracts						707	0.05

Futures 0.06%

Future	Maturity	Notional	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
ICF Long Gilt	28/09/15	310	789	0.06
Unrealised gains on futures contracts			789	0.06
Unrealised gains on derivatives			1,496	0.11
Total Derivatives			1,496	0.11
Investment assets			1,284,681	96.02
Net other assets			53,265	3.98
Net assets			1,337,946	100.00

Currently forwards positions are not collateralised.

[†] Managed by subsidiaries of Aberdeen Asset Management Plc.

Of the total investments above, £3,148,377, 0.23% were invested in unrated securities and £58,103,031, 4.40% were invested in securities below investment grade.

Comparative Table

Accounting period	31 Jul 15
A Accumulation Shares in issue	705,446.05
A Income Shares in issue	472,621,059.15
I Accumulation Shares in issue	1,443,224.32
I Gross Accumulation Shares in issue	7,234,877.46
I Income Shares in issue	2,950,569.48
P Gross Income Shares in issue	1,263,906.20
P Income Shares in issue	26,733,878.59
Q Gross Income Shares in issue	27,873,299.22
Q Income Shares in issue	593,296,651.29
Z Accumulation Shares in issue	63,289,369.57
Net Asset Value attributable to	
A Accumulation shareholders (£'000)	1,025
A Income shareholders (£'000)	514,335
I Accumulation shareholders (£'000)	2,392
I Gross Accumulation shareholders (£'000)	13,591
I Income shareholders (£'000)	3,315
P Gross Income shareholders (£'000)	1,380
P Income shareholders (£'000)	28,336
Q Gross Income shareholders (£'000)	30,447
Q Income shareholders (£'000)	628,837
Z Accumulation shareholders (£'000)	114,288
Net asset Value of Fund (£'000)	1,337,946
Net asset value per share	
A Accumulation	145.34
A Income	108.83
I Accumulation	165.77
I Gross Accumulation	187.85
I Income	112.35
P Gross Income	109.22
P Income	105.99
Q Gross Income	109.23
Q Income	105.99
Z Accumulation	180.58

Performance record

Calendar year		Net revenue pence per share p	Highest price pence per share p	Lowest price pence per share p
2015 ^{AB}	A Accumulation	0.13342	145.87	143.99
2015 ^{AB}	A Income	0.10000	109.32	107.91
2015 ^{AB}	I Accumulation	0.19158	166.37	164.21
2015 ^{AB}	I Gross Accumulation	0.27202	188.51	186.05
2015 ^{AB}	I Income	0.13000	112.89	111.42
2015 ^{AB}	P Gross Income	0.16000	109.76	108.32
2015 ^{AB}	P Income	0.13000	106.50	105.12
2015 ^{AB}	Q Gross Income	0.17000	109.78	108.34
2015 ^{AB}	Q Income	0.13000	106.50	105.11
2015 ^{AB}	Z Accumulation	0.23871	181.22	178.86

^A The Fund was launched on 17 July 2015.

^B As at 31 July 2015.

Ongoing charges figure

	Share class A	Share class I	Share class I Gross	Share class P	Share class Q	Share class Z
17 Jul 15 to 31 Jul 15	1.13	0.63	0.63	0.38	0.28	0.13

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 3 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 19/12/2005 to 31/07/2015 ^B
Fund - A Accumulation	5.25	35.71	45.35
Benchmark ^A	7.53	43.39	64.32

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% Change	5.25	5.26	6.84	7.81	6.35

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A Markit iBoxx Sterling Collateralized & Corp TR GBP.

^B The Aberdeen Investment Funds ICVC Corporate Bond Fund was created by the transfer of the Aberdeen Investment Funds ICVC II Aberdeen Corporate Bond Fund into the Aberdeen Investments ICVC range on 17/07/2015. The historical track record shown prior to this date reflects that of the Aberdeen Investment Funds ICVC II Corporate Bond Fund.

Figures are as at valuation point.

Statement of total return

For the period ended 31 July 2015

	Notes	17 Jul 15 to 31 Jul 15	
		£'000	£'000
Income			
Net capital gains	1		18,896
Revenue	2	2,281	
Expenses	3	(325)	
Net revenue before taxation		1,956	
Taxation	4	-	
Net revenue after taxation for the period			1,956
Total return before distributions			20,852
Finance costs: distributions	5		(1,884)
Change in net assets attributable to shareholders from investment activities			18,968

Statement of change in net assets attributable to shareholders

For the period ended 31 July 2015

	17 Jul 15 to 31 Jul 15	
	£'000	£'000
Movement due to sales and repurchases of shares		
Amount receivable on issue of shares	1,323,490	
Amount payable on cancellation of shares	(4,686)	
		1,318,804
Change in net assets attributable to shareholders from Investment activities (see above)		18,968
Retained distribution on accumulation shares		174
Closing net assets attributable to shareholders		1,337,946

Balance sheet

As at 31 July 2015

	Notes	2015	
		£'000	£'000
Assets			
Investment assets			1,284,681
Debtors	6	21,783	
Cash and bank balances		37,742	
Total other assets			59,525
Total assets			1,344,206
Liabilities			
Creditors	7	(4,928)	
Distribution payable on income shares		(1,332)	
Total liabilities			(6,260)
Net assets attributable to shareholders			1,337,946

Notes to the financial statements

For the period ended 31 July 2015

1. Net capital gains on investments

	17 Jul 15 to 31 Jul 15
	£'000
Net capital gains on investments during the period comprise:	
Net gain derivative	789
Net gain forward foreign exchange contracts	707
Non-derivative securities	18,509
Other currency losses	(1,109)
Net capital gains on investments	18,896

2. Revenue

	17 Jul 15 to 31 Jul 15
	£'000
Interest on debt securities	2,281
Total revenue	2,281

3. Expenses

	17 Jul 15 to 31 Jul 15
	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>	
Authorised Corporate Director's periodic charge	286
Operating, administrative and servicing fees	39
Total expenses	325

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

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

Reconciliation of the tax charge for the year:

	2015
	£'000
Net revenue before taxation	1,956
Corporation tax of 20%	391
Effects of:	
Tax deductible interest distributions	(391)
Current tax charge	-

No provision for deferred tax has been made in the current accounting period. There are no factors which affect future tax charges.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

5. Finance costs

Distributions and interest

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

	17 Jul 15 to 31 Jul 15
	£'000
Final	1,882
Revenue deducted on cancellation of shares	5
Revenue received on issue of shares	(3)
Finance costs: Distributions	1,884
Total finance costs	1,884

Details of the distribution per unit are set out in the distribution table on page 93.

Movement between net revenue and distribution

	17 Jul 15 to 31 Jul 15
	£'000
Net revenue after taxation	1,956
Deduct:	
Undistributed revenue carried forward	(72)
Finance cost: distributions	1,884

6. Debtors

	2015
	£'000
Accrued bond interest purchased	18,229
Accrued revenue	2,380
Amounts receivable for issue of shares	1,086
Other debtors	88
Total debtors	21,783

7. Creditors

	2015
	£'000
Accrued expenses	325
Amounts payable for cancellation of shares	4,090
Income tax payable	378
Merger creditor	135
Total creditors	4,928

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at the year end is set out in the following table:

This is consistent with the exposure during both the current year and prior year.

	Floating rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
Euro	14,619	14,425	-	29,044
UK Sterling	261,200	1,018,264	1,496	1,280,959
US Dollar	3,196	10,012	-	13,208

	Floating rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
2015				
Euro	-	-	-	-
UK Sterling	(788)	-	-	(788)
US Dollar	-	-	-	-

Fixed rate financial assets

	Weighted average interest rate (%) 2015	Weighted average period for which rate is fixed (Years) 2015
Euro	4.28	34.69
UK Sterling	4.23	19.89
US Dollar	5.59	23.79

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

Tracking Error (TE) – (for Aberdeen Corporate Bond Fund)

The market risk of the Fund is monitored by the Investment Manager using tracking error risk analysis. Tracking error measures the expected magnitude of divergence of returns between the fund and benchmark over a given time. It reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis.

Model assumptions:

System:	Barclays Global Risk Model – Barclays Point
VaR methodology:	Historical parametric approach
Confidence level:	N/A
Holding period:	1 month
Decay factor for exponential smoothing of the historical market data:	N/A
Historical observation period:	Unconditional average (1 year half-life EWMA calibration is also optional)

The table of data below indicated the tracking error, contribution to tracking error for each risk factor i.e. expected divergence of returns of the Fund and its benchmark for the predefined various risk factors (foreign exchange risk, interest rate risk, inflation risk, credit spreads risk, default risk, and other idiosyncratic risk).

TE table

	FX risk	Interest rate risk	Inflation risk	Credit spread risk	Idiosyncratic risk	Credit default risk	Total TE	Annualised Total TE
31 July 2015	0.00	0.04	0.00	0.26	0.09	0.01	0.40	1.38

Objectives and limitations of TE methodology

The Barclays Global Risk Model (GRM) is a fixed income multi-factor risk model using the historical parametric approach where the model derives its risk measure using variances and correlations calculated from historical returns.

Under the Barclays GRM, the volatilities of individual securities are broken down into the sum of the systematic risk components, idiosyncratic risk components and credit default risk components. Systematic risk is derived from systematic return as the component of total return due to movements in the common (market-wide) risk factors. Idiosyncratic return is the residual component that cannot be explained by the systematic factors and is uncorrelated across issuers. Credit default risk is a unique concept of Barclays GRM and arises from exposure to the default risk of bonds rated Baa or lower and is assumed to be independent of both the systematic risk and idiosyncratic risk.

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

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 85. During the period the ACD held shares in the Fund and had a holding of 1,016 income 'A' shares, 729 accumulation 'A' shares, 938 income 'I' shares, 658 accumulation 'I' shares, 532 gross accumulation 'I' shares, 982 income 'P' shares, 952 gross income 'P' shares, 963 income 'Q' shares, 986 gross income 'Q' shares and 634 accumulation 'Z' shares as at 31 July 2015. £2,718,000 was due from the ACD at the period end.

The Depositary

No balance was outstanding with the Depositary at the period end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material unitholders

Boltro Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 25% of the Fund's units in issue. During the year, Boltro Nominees Limited made total sales of £1,422,506 and total purchases of £3,432,233 in the Fund.

State Street Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 51% of the Fund's units in issue. During the year, State Street Nominees Limited made total sales of £4,300,000 in the Fund.

10. Shareholder funds

The Fund currently has 8 share classes; Class 'A' (Retail), Class 'I' (Institutional), Class 'I' Gross (Institutional), Class 'P' (Retail), Class 'P' Gross (Institutional), Class 'Q' (Retail), Class 'Q' Gross (Institutional) and Class 'Z' (Institutional).

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

Class 'A': 1.00%

Class 'I': 0.50%

Class 'I' Gross: 0.50%

Class 'P': 0.25%

Class 'P' Gross: 0.25%

Class 'Q': 0.25%

Class 'Q' Gross: 0.25%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 82. The distribution per share class is given in the distribution table on page 93. All share classes have the same rights on winding up.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

11. Portfolio transaction costs

	17 Jul 15 to 31 Jul 15 £'000
Analysis of total purchase costs	
Purchases in period before transaction costs	1,282,365
Total transaction cost	-
Gross purchases total	1,282,365
Analysis of total sale costs	
Gross sales in period before transaction costs	17,573
Total transaction cost	-
Total sales net of transaction costs	17,573

Distribution table

For the period ended 31 July 2015 (in pence per share)

Final interest distribution

Group 2 : Shares purchased 17 July to 31 July 2015

	Gross revenue	Income tax (%)	Net revenue	Equalisation	Distribution paid
Shares class A Accumulation					
Group 1	0.16678	0.03336	0.13342	-	0.13342
Group 2	0.00440	0.00088	0.00352	0.12990	0.13342
Shares class A Income					
Group 1	0.12500	0.02500	0.10000	-	0.10000
Group 2	0.08775	0.01755	0.07020	0.02980	0.10000
Shares class I Accumulation					
Group 1	0.23948	0.04790	0.19158	-	0.19158
Group 2	0.03994	0.00799	0.03195	0.15963	0.19158
Shares class I Income					
Group 1	0.16250	0.03250	0.13000	-	0.13000
Group 2	0.10001	0.02000	0.08001	0.04999	0.13000
Shares class I Gross Accumulation					
Group 1	0.27202	-	0.27202	-	0.27202
Group 2	0.27202	-	0.27202	-	0.27202
Shares class P Income					
Group 1	0.16250	0.03250	0.13000	-	0.13000
Group 2	0.06709	0.01342	0.05367	0.07633	0.13000
Shares class P Gross Income					
Group 1	0.16000	-	0.16000	-	0.16000
Group 2	0.01464	-	0.01464	0.14536	0.16000
Shares class Q Income					
Group 1	0.16250	0.03250	0.13000	-	0.13000
Group 2	0.05949	0.01190	0.04759	0.08241	0.13000
Shares class Q Gross Income					
Group 1	0.17000	-	0.17000	-	0.17000
Group 2	0.00689	-	0.00689	0.16311	0.17000
Shares class Z Accumulation					
Group 1	0.29839	0.05968	0.23871	-	0.23871
Group 2	0.29839	0.05968	0.23871	-	0.23871

Equalisation

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

Aberdeen Eastern European Equity Fund

For the year ended 31 July 2015

Investment objective & policy

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

Distribution

A final distribution of 0.9044p per share will be paid to A accumulation shareholders and 3.1067p per share will be paid to I accumulation shareholders on 31 July 2015.

Performance review

The Aberdeen Eastern European Equity Fund declined by 12.57% in sterling terms, compared to a decrease in the benchmark, MSCI EM Europe Index, of 17.55%.

Market review

Emerging European equities tumbled over the year under review. Greece was the region's key laggard as the unfolding debt saga and heated negotiations to obtain further financial bailout dominated investor sentiment. Although the Greek parliament has voted to back reforms demanded by Eurozone creditors as a condition for a fresh bailout, there are concerns over the government's capacity to fully implement the required reforms, and whether the economy will return to growth in the face of further spending cuts. Russia lagged as the weight of international sanctions resulting from the Ukraine conflict, falling rouble and the collapse in commodity prices (notably oil) took a toll on the economy. In Turkey, broader concern over the impending normalisation of US monetary policy, as well as domestic political uncertainty following the inconclusive general election in June, weighed on both the local market and currency.

Portfolio review

The fund outperformed the benchmark index by a significant margin over the review period. Not having any exposure to Greece, which was the worst-performing market in the region, contributed the most to the fund's outperformance. Our exposure to Belarus via holding EPAM Systems further aided performance. The software developer continued to rally on the back of solid results and good visibility on future earnings.

At the stock level, Turk Ekonomi Bank was a major contributor. The Turkish bank's controlling shareholder BNP launched a transaction to compel minority shareholders to sell their remaining shares in the bank in a so-called "minority squeeze-out". We undertook a detailed critique of the fair-valuation report and engaged extensively with the bank and BNP. Consequently, a new report with a higher offer price of 2.736 lira was issued and the fund accepted this offer, which was at a significant premium to the previous market price. Other individual

stocks that did well included Polish-Portuguese grocer Jeronimo Martins and Romanian lender BRD. These holdings, which are not part of the benchmark, announced reasonable results in view of the tough operating environment.

Conversely, Russian hypermart operator O'Key and Turkish Coke bottler Coca-Cola Icecek detracted. O'Key was hampered by the economic slowdown and tougher competition – sales declined over the first half and it will likely launch its new discount-store format soon. Coca-Cola Icecek fell on political noise and concerns over the outlook for the Turkish economy. Not holding Polish stock PKN also cost the fund.

In portfolio activity, we initiated positions in Bank of Georgia and Luxoft. Bank of Georgia is the fund's only exposure to the former Soviet republic of Georgia, where it is a leading lender, while Russia-based Luxoft is a US-listed IT consulting company, which is growing rapidly and is a beneficiary of the weak rouble as it is effectively a service exporter. These followed the introduction of two Russian stocks – hospital operator MD Medical and hypermarket operator Lenta – in the first-half of the review period.

Against this, we sold Russian retailer X5 Group after a rerating, and divested Czech power utility CEZ on the back of its strong performance in 2014. We also exited the position in Turk Ekonomi Bank following the tender offer by BNP Paribas and its subsequent delisting.

Outlook

We expect further volatility ahead. Today, China is the biggest concern. The unexpected devaluation of the renminbi has unsettled global financial markets and sparked a widespread sell-off in regional currencies. Further turmoil in the domestic financial markets could destabilise the economy at a time when it is already decelerating. A bear market-induced downturn could reverberate beyond the mainland, as this will hurt exports and affect emerging market recovery. The impending normalisation in the US monetary policy is another risk, but one that has mostly been priced in, reflected by an already substantial adjustment of interest rates and currencies in emerging markets in recent years.

Political uncertainty is another issue. In Turkey, concerns over the ruling party's future after it lost its majority in the parliament could keep investors at bay. In Russia, investors are also likely to remain cautious amid president Vladimir Putin's continued standoff with the West over Ukraine. Meanwhile, faced with slowing domestic growth on the back of global uncertainty, central banks have loosened monetary policies. They may find the second half of the year to be more challenging as currency reserves dwindle, while investors flock to the US dollar ahead of a rate normalisation.

That said, none of this reflects on the fundamental quality of many of our holdings, which remain compelling and supported by encouraging long-term prospects. We will continue to use any short-term market fluctuation as an opportunity to add to our favoured holdings.

Global Emerging Markets Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 96.47% (2014: 98.49%)			
Belarus 2.99% (2014: 1.74%)			
EPAM Systems	11,277	535	2.99
Czech Republic 3.76% (2014: 4.28%)			
Komerční Banka	4,700	674	3.76
Georgia 1.34% (2014: nil)			
Bank of Georgia Holdings	12,000	240	1.34
Hungary 2.98% (2014: 2.65%)			
Richter Gedeon	52,000	534	2.98
Poland 12.42% (2014: 10.15%)			
Bank Pekao	25,879	703	3.92
Eurocash	71,624	528	2.95
Jeronimo Martins	86,690	829	4.63
Orbis	16,924	166	0.92
		2,226	12.42
Romania 3.55% (2014: 3.09%)			
BRD - Groupe Societe Generale	347,500	636	3.55
Russia Federation 40.46% (2014: 40.83%)			
Eurasia Drilling (GDR)	26,200	262	1.46
Global Ports Investments (GDR)	56,000	181	1.01
Lenta (GDR)	51,000	251	1.40
Lukoil (ADR)	53,241	1,413	7.88
Luxoft	7,000	281	1.57
Magnit	12,098	1,548	8.65
MD Medical Group Investments (GDR)	91,000	320	1.79
Mobile Telesystems	107,000	253	1.41
Novatek	112,000	687	3.83
Novolipetsk Steel (GDR)	47,000	396	2.21
O'Key (GDR)	137,000	219	1.22
Sberbank of Russia	1,478,600	1,118	6.24
Synergy	54,275	321	1.79
		7,250	40.46
Slovenia 2.98% (2014: 2.43%)			
KRKA	11,491	533	2.98

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Turkey 22.48% (2014: 31.12%)			
Akbank T.A.S	350,000	602	3.36
Anadolu Efes Biracilik Ve Malt Sanayii	31,505	159	0.89
BIM Birllesik Magazalar	48,200	525	2.93
Cimsa Cimento	62,969	231	1.29
Coca-Cola Icecek	66,000	608	3.39
Enka Insaat ve Sanayi	673,526	784	4.38
Haci Omer Sabanci	148,500	326	1.82
Turkiye Garanti Bankasi	417,490	792	4.42
		4,027	22.48
United Kingdom 3.51% (2014: 2.20%)			
Coca-Cola HBC	47,000	629	3.51
Total Equities		17,284	96.47
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		17,284	96.47
Investment assets		17,284	96.47
Net other assets		635	3.53
Net assets		17,919	100.00

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation Shares in issue	4,989,604.36	7,257,444.60	11,149,080.28
I Accumulation Shares in issue	3,243,609.92	2,454,006.22	1,658,586.20
Net Asset Value attributable to			
A Accumulation shareholders (£'000)	10,687	17,343	30,359
I Accumulation shareholders (£'000)	7,232	6,058	4,626
Net asset Value of Fund (£'000)	17,919	23,401	34,985
Net asset value per share			
A Accumulation	214.19	238.97	272.30
I Accumulation	222.95	246.87	278.93

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	1.2157	305.85	205.07
2011	I Accumulation	2.7269	309.12	207.78
2012	A Accumulation	0.9268	267.99	212.44
2012	I Accumulation	2.1856	273.39	215.98
2013	A Accumulation	0.9579	299.74	254.78
2013	I Accumulation	2.9397	306.69	261.54
2014	A Accumulation	0.9132	259.57	183.11
2014	I Accumulation	3.3274	266.76	189.70
2015 ^A	A Accumulation	0.9044	237.24	202.64
2015 ^A	I Accumulation	3.1067	246.56	210.31

^AAs at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %
31 July 2014	1.91	1.16
31 July 2015	1.99	1.24

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Exchange Rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
 - Emerging Markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This may mean your money is at greater risk.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 01/08/2000 to 31/07/2015 ^B
Fund - A Accumulation	(12.57)	(16.55)	113.88
Benchmark ^A	(17.55)	(22.00)	119.71

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	(12.57)	(11.09)	15.12	(14.71)	9.34

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A MSCI EM Europe to 31/08/2008 then MSCI EM Europe 10/40.

^B Figures for Aberdeen European Frontiers Fund, a sub-fund of Aberdeen International Funds ICVC, prior to 9 October 2009.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital losses	1		(3,535)		(4,480)
Revenue	2	538		734	
Expenses	3	(369)		(516)	
Net revenue before taxation		169		218	
Taxation	4	(27)		(75)	
Net revenue after taxation			142		143
Total return before distributions			(3,393)		(4,337)
Finance costs: distributions	5		(145)		(151)
Change in net assets attributable to shareholders from Investment activities			(3,538)		(4,488)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		23,401		34,985
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	7,237		3,087	
Amount payable on cancellation of shares	(9,346)		(10,339)	
		(2,109)		(7,252)
Dilution charged		17		8
Unclaimed distributions		2		-
Change in net assets attributable to shareholders from Investment activities (see above)		(3,538)		(4,488)
Retained distribution on accumulation shares		146		148
Closing net assets attributable to shareholders		17,919		23,401

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			17,284		23,048
Debtors	6	118		87	
Cash and bank balances		578		465	
Total other assets			696		552
Total assets			17,980		23,600
Liabilities					
Creditors	7	(61)		(199)	
Total liabilities			(61)		(199)
Net assets attributable to shareholders			17,919		23,401

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital (losses) on investments

	2015	2014
	£'000	£'000
Net capital losses on investments during the year comprise:		
Non-derivative securities	(3,523)	(4,451)
Other currency gains	3	(16)
Transaction costs	(15)	(13)
Net capital (losses) on investments	(3,535)	(4,480)

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	2	1
Overseas dividends	526	727
Stock lending revenue	3	6
UK dividends	7	-
Total revenue	538	734

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	275	405
Operating, administrative and servicing fees	48	-
Registration fees	11	26
	334	431
<i>Payable to Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	2	4
Safe custody fees	24	62
	26	66
<i>Other expenses:</i>		
Audit fee	3	7
Dividend collection charges	2	5
Legal & Professional fee	4	6
Printing and postage fees	-	1
	9	19
Total expenses	369	516

Irrecoverable VAT is included in the above expenses where relevant.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas tax reclaims	(54)	(52)
Overseas withholding tax	81	127
Total Taxation	27	75

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	169	218
Corporation tax of 20%	34	44
Effects of:		
Irrecoverable overseas withholding tax	27	75
Non taxable overseas dividends	(64)	(64)
Non taxable UK dividends	(1)	-
Unused management expenses	31	20
Current tax charge	27	75

At the year end, there is a potential deferred tax asset of £348,000 (2014 - £307,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Final	146	148
Add: Revenue deducted on cancellation of shares	3	10
Deduct: Revenue received on issue of shares	(4)	(7)
Net distribution for the year	145	151
Total finance costs	145	151

Details of the distribution per share are set out in the distribution table on page 105.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	142	143
Add:		
Movement between share classes due to conversions	3	8
	145	151

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	64	34
Amounts receivable for issue of shares	21	28
Other Debtor	1	-
Overseas withholding tax reclaimable	32	25
Total debtors	118	87

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	30	47
Amounts payable for cancellation of shares	31	144
Purchases awaiting settlement	-	8
Total creditors	61	199

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
Czech Republic Koruna	-	674	674
Euro	-	1,362	1,362
Hungarian Forint	-	534	534
Polish Zloty	-	1,397	1,397
Romanian New Lei	-	636	636
Turkish Lira	-	4,027	4,027
US Dollar	-	7,785	7,785
2014			
Czech Republic Koruna	-	1,002	1,002
Euro	-	1,249	1,249
Hungarian Forint	-	619	619
Polish Zloty	-	1,693	1,693
Romanian New Lei	-	724	724
Turkish Lira	-	7,284	7,284
US Dollar	-	9,963	9,963

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 99. During the year the ACD held shares in the Fund and had a holding of 493 accumulation 'A' shares (2014 - 912), 497 accumulation 'I' shares (2014 - 887) as at 31 July 2015. £29,000 was due to the ACD (2014 - £147,000) at the period end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £6,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Fil (Luxembourg) SA held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 24% of the Fund's units in issue. During the year, Fil (Luxembourg) SA made total sales of £1,431,880 and total purchases of £778,552 in the Fund.

10. Shareholder funds

The Fund currently has 2 share classes; Class 'A' (Retail), Class 'I' (Institutional)

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

Class 'A': 1.50%

Class 'I': 0.75%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 97. The distribution per share class is given in the distribution table on page 105. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		7,974		6,567
Commissions	14		10	
Taxes	1		-	
Total transaction cost		15		10
Gross purchases total		7,989		6,577
Analysis of total sale costs				
Gross sales in year before transaction costs		10,245		13,233
Commissions	(16)		(20)	
Total transaction cost		(16)		(20)
Total sales net of transaction costs		10,229		13,213

Distribution table

For the year ended 31 July 2015 (in pence per share)

Final dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation				
Group 1	0.9044	-	0.9044	0.9132
Group 2	0.9005	0.0039	0.9044	0.9132
Share class I Accumulation				
Group 1	3.1067	-	3.1067	3.3274
Group 2	2.7864	0.3203	3.1067	3.3274

Equalisation

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

Aberdeen Emerging Markets Bond Fund

For the year ended 31 July 2015

Investment objective & policy

The investment objective is to provide an attractive level of income and long-term capital return.

The investment policy is to invest primarily in fixed interest securities which are issued by corporations with their registered office in, and/or government related bodies domiciled in an emerging market country. The Fund may also invest in other transferable securities, money market instruments, cash, near cash, deposits, shares in collective investment schemes (including other funds managed by the investment adviser or its associates) and derivatives.

The Fund may use financial derivatives instruments for investment purposes and/or efficient portfolio management.

The Fund may use derivative instruments to create short and/or long positions in currencies other than the base currency.

Note: For the purposes of this Fund, emerging market means any country that is included in the MSCI Emerging Markets Index or composite thereof (or any successor index or index substituted at the ACD's discretion,) or any country classified by the World Bank as a low to upper middle income country.

Distribution

A final distribution of 0.79p per share will be paid to A income shareholders, 0.96237p per share to A accumulation shareholders, 0.75p per share to I income shareholders, 0.84727p per share to I accumulation shareholders and 0.91502p per share to Z accumulation shareholders on 31 August 2015. This makes a total 5.06p for A income shareholders, 6.04693p for A accumulation shareholders, 4.62 for I income shareholders, 5.12096p for I accumulation shareholders and 6.14342p for Z accumulation shareholders for the year to 31 July 2015.

Performance review

For the year ended 31 July 2015, the value of the Aberdeen Emerging Market Bond Fund - A Accumulation shares fell by 4.73% compared to an increase of 0.81% in the benchmark, JP Morgan EMBI Global Diversified Bond Index.

Market review

Emerging markets (EM) debt performance was mixed over the year ending 31 July 2015 as performance between hard currency and local currency assets diverged quite significantly.

The period began with cautious rhetoric from the US Federal Reserve (Fed). The main themes which were the focus of the market last year including the Fragile Five and external vulnerabilities appear to lose momentum over the quarter as a result of the improvement in many emerging markets external fundamentals.

Unfortunately an increase in volatility in the markets dictated much of the rest of the period. Numerous elections and competing news flow meant that returns were lower than previous years and the overall market performance was negative at the end of September. Volatile US Treasury yields, Argentina's default, mixed growth in China, geopolitical tensions between Ukraine and Russia, and further political events in the Middle East had a knock-on effect for EMs. On the other hand, frontier markets dominated new issuance in July and August. Countries such as Senegal, Ivory Coast and Jamaica raised over US\$2 billion in total.

After a brief rebound, EM debt suffered throughout the end of 2014. Some losses were retraced towards the end of December but it was not enough to bring performance into positive territory. The oil-price collapse had a damaging effect on exporters. Importers such as Turkey and South Africa, however, found solace in the lower prices, though this did not outweigh the overall negative effect. EM currencies also suffered driven primarily by a sharp fall in the value of the Russian ruble and the broader effects of a strong US dollar.

After a rebound in January, EM debt's performance diverged throughout the remainder of the period. The volatility of crude prices, the introduction of quantitative easing in Europe and the continued strength of the US dollar were key themes affecting the market over the period. The initiation of the European Central Bank's asset purchase programme caused eurozone bonds to outperform. Meanwhile in Europe, concerns over Greece's future have escalated. Following a breakdown in negotiations with Greece's official creditors Prime Minister, Alexis Tsipras, called for a last minute referendum on whether the country should accept further austerity measures.

Speculation surrounding the start date for US interest rate hikes have also affected sentiment over the year. Disappointing data quickly ruled out the possibility of a June-hike. Market conjecture now points to September hike though no formal groundwork has yet been laid by the US Federal Reserve as Fed chair, Janet Yellen, continues to believe that an interest rate rise prior to the end of the year would be appropriate given inflationary pressures are abating and the job market improving.

European Central Bank (ECB) board member, Benoit Coeure, said that the ECB would moderately frontload its asset purchases due to poor market liquidity during the summer months, this comment was leapt on by the market and triggered a complete unwind of the euro strength witnessed earlier in the period.

The end of the period was much the same as the rest of the annum as performance diverged between hard currency assets and local currency due to negative currency returns. Significantly, the Greek situation appeared to reach a positive conclusion as its parliament passed the necessary reforms to secure a bridging loan worth €7.00 billion from the EFSF in order to facilitate repayments to the International Monetary Fund and ECB. Later on in the month, the Greek parliament approved its second package of reform measures bringing it a step closer towards a third bailout package.

Portfolio review

The fund underperformed its benchmark over the period under review. An underweight position in Ukraine was the key contributor to performance as were overweights in Argentina local-law securities. The fund also benefitted from Honduras, Dominican Republic and Mongolia. Currency exposure in Mexico, Brazil, Uruguay and Peru detracted from the fund, as did the fund's positioning in Venezuela.

During the period, we increased the fund's weighting in Georgia and Dominican Republic. We participated in new 10 year Eurobond issues from Tunisia, Egypt and Gabon and reduced the fund's Venezuela and Romania positions on deteriorating macroeconomic environments. In local currency space, we added to our Indonesia and Russia bond positions. In terms of currencies, we reduced EM FX exposure overall, adding Malaysian ringgit and Russian ruble while reducing positioning in the Brazilian real, Chilean peso, Indian rupee, and Mexican peso.

Outlook

We are moving closer to the end of an unprecedented period of accommodative monetary policy from the developed world central banks. The eventual tightening of monetary policy is likely to be gradual and in the case of the Fed, the market has already been abundantly signalled that it should expect interest rate hikes sometime this year – our house view is for September. For EM local currency debt, the risks lie on how smooth the process of progressively removing the loose monetary policies is going to be. As such, we are expecting future policy misinterpretations and higher levels of volatility across markets. The weakening trend in EM currencies over the last four years will encourage continued improvement in balance of payments positions; however US dollar strength could continue to weigh on risk assets in the short term. For hard currency debt, neither sovereign nor corporate credits should be deterred from raising debt financing given that interest rates will still be at historically low levels.

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Bonds 92.00% (2014: 94.20%)					
Corporate Bonds 28.49% (2014: 12.62%)					
Brazil 3.89% (2014: 5.83%)					
Banco Do Brasil	9.7500	18/07/17	4,100,000	723	0.89
Banco do Estado do Rio Grande do Sul	7.3750	02/02/22	600,000	365	0.44
Marfrig Overseas	9.5000	04/05/20	410,000	267	0.32
OAS Investments	8.2500	19/10/19	530,000	61	0.07
Petrobras Global Finance	5.7500	20/01/20	800,000	494	0.60
Petrobras Global Finance	7.8750	15/03/19	394,000	263	0.32
Petrobras Global Finance	6.2500	17/03/24	350,000	210	0.25
Petrobras Global Finance	4.8750	17/03/20	350,000	208	0.25
Petrobras Global Finance	6.8500	05/06/15	264,000	137	0.17
Petrobras International Finance	6.8750	20/01/40	120,000	65	0.08
QGOG Atlantic Alaskan Rigs ^{oo}	5.2500	30/07/18	207,966	110	0.13
Vale Overseas	6.8750	21/11/36	397,000	237	0.29
Vale Overseas	6.8750	10/11/39	111,000	66	0.08
				3,206	3.89
Chile 1.75% (2014: 0.47%)					
Empresa Electrica Angamos	4.8750	25/05/29	270,000	170	0.21
Empresa Nacional del Petroleo	4.3750	30/10/24	700,000	452	0.55
Latam Airlines 2015-1 Pass Through Trust A	4.2000	15/11/27	670,000	422	0.51
SACI Falabella	3.7500	30/04/23	630,000	397	0.48
				1,441	1.75
China nil (2014: 0.45%)					
Colombia 0.66% (2014: 1.06%)					
Banco de Bogota	5.3750	19/02/23	580,000	379	0.46
Ecopetrol	7.3750	18/09/43	80,000	54	0.07
Pacific Rubiales Energy	5.3750	26/01/19	236,000	107	0.13
				540	0.66
Dominican Republic 0.95% (2014: 0.18%)					
AES Andres Dominicana / Itabo Dominicana	9.5000	12/11/20	632,000	425	0.52
Mestenio	8.5000	02/01/20	540,000	358	0.43
				783	0.95
Ecuador 0.89% (2014: nil)					
EP PetroEcuador	FRN	24/09/19	1,337,632	733	0.89
El Salvador nil (2014: 0.16%)					
Georgia 0.43% (2014: nil)					
Georgian Oil & Gas	6.8750	16/05/17	550,000	357	0.43
Hong Kong 0.20% (2014: nil)					
Shimao Property Holdings	8.3750	10/02/22	242,000	161	0.20

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
India 1.20% (2014: 0.47%)					
ABJA Investment	5.9500	31/07/24	620,000	391	0.47
Export-Import Bank of India (EMTN)	4.0000	07/08/17	300,000	198	0.24
Indian Railway Finance	3.9170	26/02/19	600,000	396	0.49
				985	1.20
Indonesia 1.99% (2014: 0.43%)					
Pertamina Persero	6.0000	03/05/42	851,000	501	0.61
Pertamina Persero	6.5000	27/05/41	800,000	506	0.62
Pertamina Persero	4.3000	20/05/23	600,000	370	0.45
Pertamina Persero (EMTN)	5.6250	20/05/43	460,000	258	0.31
				1,635	1.99
Kazakhstan 4.96% (2014: 0.38%)					
Kazakhstan Temir Zholy Finance	6.9500	10/07/42	2,080,000	1,206	1.47
KazMunayGas National	6.0000	07/11/44	2,640,000	1,367	1.65
KazMunayGas National	7.0000	05/05/20	600,000	411	0.50
KazMunayGas National (EMTN)	9.1250	02/07/18	570,000	413	0.50
Kazmunaygas National (EMTN)	5.7500	30/04/43	650,000	331	0.40
Zhaikmunai	7.1250	13/11/19	620,000	360	0.44
				4,088	4.96
Mexico 4.03% (2014: nil)					
Alfa	6.8750	25/03/44	820,000	544	0.66
BBVA Bancomer Texas	6.7500	30/09/22	550,000	396	0.48
Petroleos Mexicanos	6.5000	02/06/41	2,470,000	1,654	2.01
Petroleos Mexicanos	6.3750	23/01/45	600,000	395	0.48
Petroleos Mexicanos	5.6250	23/01/46	550,000	332	0.40
				3,321	4.03
Mongolia 0.95% (2014: nil)					
Development Bank of Mongolia	5.7500	21/03/17	1,250,000	780	0.95
Nigeria 0.22% (2014: 0.25%)					
Zenith Bank (EMTN)	6.2500	22/04/19	300,000	181	0.22
Oman 0.46% (2014: nil)					
Lamar Funding	3.9580	07/05/25	618,000	383	0.46
Peru 0.20% (2014: nil)					
Southern Copper	5.8750	23/04/45	276,000	162	0.20
Russia Federation 2.30% (2014: 2.40%)					
Alfa Bank	7.7500	28/04/21	720,000	460	0.56
EDC Finance	4.8750	17/04/20	670,000	382	0.46
Gazprom	9.2500	23/04/19	420,000	299	0.36
Lukoil International Finance	4.5630	24/04/23	200,000	114	0.14
Rosneft Finance (EMTN)	7.8750	13/03/18	330,000	222	0.27
Vimpel Communications (VIP Finance Ireland)	7.7480	02/02/21	630,000	417	0.51
				1,894	2.30

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
South Africa 1.84% (2014: 0.54%)					
Eskom Holdings	5.7500	26/01/21	1,020,000	637	0.78
Eskom Holdings	6.7500	06/08/23	860,000	553	0.67
MTN Mauritius Investments	4.7550	11/11/24	220,000	142	0.17
Myriad International	5.5000	21/07/25	283,000	184	0.22
				1,516	1.84
Turkey 0.53% (2014: nil)					
Turkiye Garanti Bankasi	5.2500	13/09/22	680,000	438	0.53
United Arab Emirates 0.49% (2014: nil)					
Sukuk Funding No 3	4.3480	03/12/18	600,000	405	0.49
Venezuela 0.55% (2014: nil)					
Petroleos de Venezuela	8.5000	02/11/17	1,030,000	450	0.55
Total Corporate Bonds				23,459	28.49
Government Bonds 63.51% (2014: 81.58%)					
Argentina 2.92% (2014: 2.85%)					
Argentina (Republic of)	7.0000	17/04/17	2,983,965	1,833	2.23
Argentina (Republic of)	8.7500	07/05/24	957,085	569	0.69
				2,402	2.92
Armenia 0.41% (2014: 1.47%)					
Armenia (Republic of)	6.0000	30/09/20	530,000	334	0.41
Belarus 0.72% (2014: 0.90%)					
Belarus (Republic of) ^o	8.9500	26/01/18	920,000	592	0.72
Brazil 6.91% (2014: 8.46%)					
Banco Nacional de Desenvolvimento Economico e Social	6.5000	10/06/19	450,000	307	0.37
Brazil (Federal Republic of)	10.0000	01/01/25	7,640,000	1,218	1.48
Brazil (Federal Republic of)	10.0000	01/01/23	4,300,000	703	0.85
Brazil (Federal Republic of)	7.1250	20/01/37	990,000	690	0.84
Brazil (Federal Republic of)	6.0000	15/08/24	1,420,000	686	0.83
Brazil (Federal Republic of)	2.6250	05/01/23	1,055,000	588	0.71
Brazil (Federal Republic of)	6.0000	15/08/20	1,120,000	550	0.67
Brazil (Federal Republic of)	6.0000	15/08/30	1,150,000	549	0.67
Brazil (Federal Republic of)	4.8750	22/01/21	610,000	403	0.49
				5,694	6.91
China nil (2014: 0.93%)					
Colombia 0.98% (2014: 0.20%)					
Colombia (Republic of)	5.6250	26/02/44	1,230,000	803	0.98

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Costa Rica nil (2014: 0.75%)					
Croatia 1.47% (2014: 3.45%)					
Croatia (Republic of)	6.6250	14/07/20	1,340,000	940	1.14
Croatia (Republic of)	6.0000	26/01/24	400,000	270	0.33
				1,210	1.47
Dominican Republic 2.87% (2014: 2.33%)					
Dominican (Republic of)	6.8500	27/01/45	1,230,000	793	0.96
Dominican (Republic of)	7.4500	30/04/44	1,120,000	768	0.93
Dominican (Republic of)	5.8750	18/04/24	850,000	565	0.69
Dominican (Republic of)	7.5000	06/05/21	334,000	239	0.29
				2,365	2.87
Egypt 1.00% (2014: 0.43%)					
Egypt (Republic of)	5.8750	11/06/25	1,310,000	823	1.00
El Salvador 1.46% (2014: 0.19%)					
El Salvador (Republic of)	6.3750	18/01/27	1,363,000	832	1.01
El Salvador (Republic of)	5.8750	30/01/25	450,000	271	0.33
El Salvador (Republic of)	7.6500	15/06/35	150,000	96	0.12
				1,199	1.46
Ethiopia 1.76% (2014: nil)					
Ethiopia (Republic of)	6.6250	11/12/24	2,290,000	1,449	1.76
Gabon 0.23% (2014: 0.49%)					
Gabon (Republic of)	6.9500	16/06/25	300,000	186	0.23
Georgia 0.74% (2014: 0.48%)					
Georgia (Republic of)	6.8750	12/04/21	900,000	608	0.74
Ghana 1.73% (2014: nil)					
Ghana (Republic of) sm	8.1250	18/01/26	2,390,000	1,424	1.73
Guatemala 0.42% (2014: 0.82%)					
Guatemala (Republic of)	5.7500	06/06/22	500,000	343	0.42
Honduras 1.27% (2014: 1.28%)					
Honduras (Republic of)	7.5000	15/03/24	1,510,000	1,047	1.27

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
India nil (2014: 0.96%)					
Indonesia 4.58% (2014: 6.33%)					
Indonesia (Republic of)	8.3750	15/03/34	29,714,000,000	1,348	1.63
Indonesia (Republic of)	9.0000	16/03/29	10,131,000,000	489	0.59
Indonesia (Republic of)	6.6250	17/02/37	400,000	288	0.35
Indonesia (Republic of)	5.8750	13/03/20	250,000	178	0.22
Indonesia (Republic of) (EMTN)	5.8750	15/01/24	2,070,000	1,480	1.79
				3,783	4.58
Iraq 1.45% (2014: 1.02%)					
Iraq (Republic of)	5.8000	15/01/28	2,340,000	1,190	1.45
Ivory Coast 1.80% (2014: 0.65%)					
Ivory Coast (Government of)	6.3750	03/03/28	1,400,000	861	1.05
Ivory Coast (Government of)	5.7500	31/12/32	1,050,000	621	0.75
				1,482	1.80
Jamaica 0.44% (2014: nil)					
Jamaica (Government of)	7.8750	28/07/45	571,000	363	0.44
Kazakhstan nil (2014: 2.59%)					
Kenya 0.73% (2014: 0.39%)					
Kenya (Republic of)	6.8750	24/06/24	950,000	599	0.73
Latvia nil (2014: 0.78%)					
Lithuania nil (2014: 1.08%)					
Mexico 3.15% (2014: 8.99%)					
Mexico (Government of)	6.0500	11/01/40	1,990,000	1,475	1.80
Mexico (Government of)	4.5000	22/11/35	1,959,900	481	0.58
Mexico (Government of)	5.5500	21/01/45	570,000	395	0.48
Mexico (Government of)	7.7500	13/11/42	5,270,000	239	0.29
				2,590	3.15
Mongolia 0.63% (2014: 1.98%)					
Mongolia (Government of)	5.1250	05/12/22	940,000	518	0.63
Mozambique 1.23% (2014: 1.03%)					
Mozambique (Republic of)	6.3050	11/09/20	1,740,000	1,015	1.23
Nigeria nil (2014: 0.49%)					
Paraguay 1.48% (2014: nil)					
Paraguay (Republic of)	6.1000	11/08/44	1,840,000	1,214	1.48

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Peru 2.83% (2014: 2.63%)					
Peru (Republic of)	6.9500	12/08/31	5,789,000	1,142	1.38
Peru (Republic of)	7.8400	12/08/20	3,920,000	864	1.05
Peru (Republic of)	7.8400	12/08/20	1,480,000	326	0.40
				2,332	2.83
Qatar nil (2014: 1.32%)					
Romania 1.19% (2014: 3.16%)					
Romania (Republic of)	6.7500	07/02/22	1,300,000	982	1.19
Russia Federation 4.28% (2014: 0.71%)					
Russia (Federation of)	7.0500	19/01/28	185,325,000	1,496	1.82
Russia (Federation of)	5.8750	16/09/43	800,000	486	0.59
Russia Foreign Bond (Federation of)	4.8750	16/09/23	1,600,000	998	1.21
Russia Foreign Bond (Federation of)	8.1500	03/02/27	4,565,000	41	0.05
Russian Railways via RZD Capital	5.7000	05/04/22	530,000	322	0.39
Russian Railways via RZD Capital	7.4870	25/03/31	200,000	182	0.22
				3,525	4.28
Rwanda 0.97% (2014: 1.04%)					
Rwanda (Republic of)	6.6250	02/05/23	1,230,000	802	0.97
Senegal 0.22% (2014: 1.05%)					
Senegal (Republic of)	8.7500	13/05/21	250,000	179	0.22
Serbia 2.51% (2014: 0.52%)					
Serbia (Republic of)	7.2500	28/09/21	2,300,000	1,658	2.02
Serbia (Republic of)	5.2500	21/11/17	610,000	406	0.49
				2,064	2.51
South Africa nil (2014: 4.36%)					
Supranational 0.40% (2014: nil)					
African Export-Import Bank (EMTN)	5.7500	27/07/16	500,000	332	0.40
Tanzania 0.63% (2014: 1.24%)					
Tanzania (Republic of)	FRN	08/03/20	800,000	518	0.63
Tunisia 1.27% (2014: nil)					
Banque Centrale de Tunisie	5.7500	30/01/25	1,670,000	1,049	1.27
Turkey 3.44% (2014: 2.16%)					
Turkey (Republic of)	6.2500	26/09/22	2,480,000	1,757	2.14
Turkey (Republic of)	6.7500	30/05/40	580,000	424	0.51
Turkey (Republic of)	7.5000	07/11/19	450,000	331	0.40
Turkey (Republic of)	7.5000	14/07/17	450,000	317	0.39
				2,829	3.44

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
United Arab Emirates 0.53% (2014: 3.52%)					
Emirate of Dubai Government International Bonds (EMTN)	5.2500	30/01/43	750,000	433	0.53
Uruguay 3.67% (2014: 3.82%)					
Uruguay (Republic of)	5.1000	18/06/50	2,393,333	1,472	1.78
Uruguay (Republic of) (Index Linked)	4.3750	15/12/28	2,890,000	80	0.10
Uruguay (Republic of) (INDX)	5.0000	14/09/18	17,670,000	780	0.95
Uruguay (Republic of) (INDX)	4.2500	05/04/27	17,745,000	690	0.84
				3,022	3.67
Venezuela 0.22% (2014: 4.31%)					
Venezuela (Republic of)	7.7500	13/10/19	754,700	183	0.22
Zambia 0.97% (2014: 0.42%)					
Zambia (Republic of)	8.9700	30/07/27	1,290,000	799	0.97
Total Government Bonds				52,282	63.51
Total Bonds				75,741	92.00
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				75,741	92.00

Derivatives 1.58% (2014: (1.04)%)

Forward currency exchange contracts 1.58% (2014: (1.04)%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
Barclays Capital	GBP	ZAR	16/10/15	401,920	7,870,000	7	0.01
Barclays Capital	GBP	USD	16/10/15	8,592,204	13,207,000	124	0.15
Barclays Capital	MXN	GBP	16/10/15	5,815,000	237,942	(6)	(0.01)
Citigroup	GBP	USD	16/10/15	8,593,000	13,208,000	125	0.15
Citigroup	USD	IDR	28/08/15	1,246,763	16,893,633,000	3	-
Citigroup	USD	BRL	28/08/15	1,357,176	4,326,000	65	0.08
Citigroup	ZAR	GBP	16/10/15	7,870,000	395,107	(1)	-
Deutsche Bank	GBP	USD	16/10/15	1,095,749	1,700,000	6	0.01
Deutsche Bank	GBP	USD	16/10/15	8,590,631	13,208,000	122	0.15
Deutsche Bank	INR	USD	28/08/15	150,410,000	2,318,995	16	0.02
Deutsche Bank	USD	IDR	28/08/15	646,939	8,831,363,000	(1)	-
Deutsche Bank	USD	PEN	28/08/15	3,353,913	10,756,000	-	-
Goldman Sachs	GBP	USD	16/10/15	8,595,153	13,208,000	127	0.15
Goldman Sachs	USD	GBP	16/10/15	800,000	514,542	(2)	-
HSBC	GBP	USD	16/10/15	8,595,377	13,208,000	127	0.15
JP Morgan	BRL	USD	28/08/15	782,000	239,363	(8)	(0.01)
JP Morgan	USD	BRL	28/08/15	4,105,273	12,900,000	232	0.28
JPM Chase	GBP	USD	16/10/15	8,590,524	13,208,000	122	0.15

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
Royal Bank of Canada	GBP	USD	16/10/15	8,590,664	13,208,000	122	0.15
Royal Bank of Canada	USD	GBP	16/10/15	644,000	412,866	-	-
UBS	GBP	USD	16/10/15	8,591,854	13,208,000	124	0.15
Unrealised gains on forward currency exchange contracts						1,304	1.58
Unrealised gains on derivatives						1,304	1.58
Investment assets^A						77,045	93.58
Net other assets						5,286	6.42
Net assets						82,331	100.00

Currently forwards positions are not collateralised.

Of the total investments above, £4,673,000, 5.64% (2014: £2,533,000, 3.54%) were invested in unrated securities and £31,868,000, 38.19% (2014: £21,064,000, 29.36%) were invested in securities below investment grade.

^A Including derivative liabilities.

* A portion of this security is on loan at the year end.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	4,466,473.23	7,024,319.52	11,587,015.86
A Income shares in issue	1,427,187.99	2,541,172.38	5,528,428.07
I Accumulation shares in issue	34,283,736.40	28,974,276	23,605,950
I Income shares in issue	19,929,258.66	6,703,021	9,833,986
Z Accumulation shares in issue	19,306,263.92	18,710,731	18,467,104
Net asset value attributable to			
A Accumulation shareholders (£'000)	5,311	8,735	13,538
A Income shareholders (£'000)	1,382	2,704	5,767
I Accumulation shareholders (£'000)	34,526	30,356	23,121
I Income shareholders (£'000)	17,618	6,479	9,271
Z Accumulation shareholders (£'000)	23,494	23,454	21,427
Net asset value of Fund (£'000)	82,331	71,728	73,124
Net asset value pence per share			
A Accumulation	118.91	124.35	116.84
A Income	96.82	106.39	104.31
I Accumulation	100.71	104.77	97.95
I Income	88.40	96.66	94.27
Z Accumulation	121.69	125.35	116.03

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011 ^A	A Accumulation	3.44991	107.89	99.04
2011 ^A	A Income	3.40000	105.93	96.57
2011 ^B	Z Accumulation	-	101.42	100.34
2012	A Accumulation	5.85148	124.45	107.45
2012	A Income	5.53000	114.34	102.92
2012 ^C	I Accumulation	0.69119	104.02	100.00
2012 ^C	I Income	0.69000	103.30	100.00
2012	Z Accumulation	5.43241	122.43	104.34
2013	A Accumulation	4.93225	127.39	113.25
2013	A Income	4.45000	115.82	100.81
2013	I Accumulation	4.38254	106.68	94.99
2013	I Income	4.27000	104.70	91.15
2013	Z Accumulation	4.90256	126.08	112.63
2014	A Accumulation	5.13673	126.89	115.09
2014	A Income	4.43000	108.18	97.05
2014	I Accumulation	4.30195	106.97	97.16
2014	I Income	4.00000	98.34	88.35
2014	Z Accumulation	5.23250	128.12	116.13
2015 ^D	A Accumulation	3.77483	125.09	118.70
2015 ^D	A Income	3.13000	103.85	97.44
2015 ^D	I Accumulation	3.22128	105.78	100.34
2015 ^D	I Income	2.88000	94.72	88.99
2015 ^D	Z Accumulation	3.82218	127.45	120.57

^A The Fund was launched on 9 March 2011.

^B Share class Z launched on 1 December 2011.

^C Share class I launched on 1 October 2012.

^D As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.65	1.15	0.15
31 July 2015	1.65	1.15	0.15

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Exchange Rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
 - Emerging Markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This may mean your money is at greater risk.
 - Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
 - Derivatives for investment purposes: The Fund can use derivatives in order to meet its investment objectives or to protect from price and currency movements. This may result in gains or losses that are greater than the original amount invested.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	Since launch 09/03/2011 to 31/07/2015
Fund - A Accumulation	(4.73)	18.03
Benchmark ^A	0.81	30.68

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012
% change	(4.73)	6.46	1.45	8.50

Source: Lipper, JP Morgan, Total Return, NAV to NAV, UK Net income reinvested, £.

^A JPM EMBI Global Diversified (Hedged GBP 100%) Index.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	1		(6,170)		1,988
Revenue	2	5,038		3,672	
Expenses	3	(716)		(612)	
Net revenue before taxation		4,322		3,060	
Taxation	4	(20)		-	
Net revenue after taxation			4,302		3,060
Total return before distributions			(1,868)		5,048
Finance costs: distributions	5		(4,910)		(3,583)
Change in net assets attributable to shareholders from investment activities			(6,778)		1,465

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		71,653		73,124
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	25,996		18,127	
Amount payable on cancellation of shares	(11,743)		(23,588)	
		14,253		(5,461)
Dilution charged		-		35
Change in net assets attributable to shareholders from investment activities (see above)		(6,778)		1,465
Retained distribution on accumulation shares		3,203		2,490
Closing net assets attributable to shareholders		82,331		71,653

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			77,063		67,576
Debtors	6	2,178		2,515	
Cash and bank balances		5,355		3,184	
Total other assets			7,533		5,699
Total assets			84,596		73,275
Liabilities					
Investment liabilities			(18)		(823)
Creditors	7	(2,086)		(742)	
Distribution payable on income shares		(161)		(57)	
Total other liabilities			(2,247)		(799)
Total liabilities			(2,265)		(1,622)
Net assets attributable to shareholders			82,331		71,653

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital (losses)/gains on investments

	2015	2014
	£'000	£'000
The net capital (losses)/gains on investments during the year comprise:		
Forward currency contracts	(3,002)	5,923
Non-derivative securities	(3,148)	(3,810)
Other currency losses	(13)	(111)
Transaction costs	(7)	(14)
Net capital (losses)/gains on investments	(6,170)	1,988

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	4	4
Interest on debt securities	5,034	3,668
Total revenue	5,038	3,672

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	1,912	-

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £2,107,000 (2014 - nil) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
Citigroup	1,988	-
JP Morgan	119	-
	2,107	-

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating).

With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	605	525
Operating, administrative and servicing fees	62	-
Registration fees	35	59
	702	584
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	5	8
Safe custody fees	12	19
	17	27
<i>Other expenses:</i>		
Audit fee	4	9
Legal & Professional fee	(4)	7
Printing and postage fees	1	1
Expense cap refunded by Authorised Fund Manager	(4)	(16)
	(3)	1
Total expenses	716	612

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

The Fund is subject to corporation tax at 20%, however the Fund is a bond fund making interest distributions and the interest distributions by the Fund are allowable in arriving at the amount of income liable to tax. As a result this has reduced the current tax liability of the Fund to nil. Tax is deducted at source from the interest distribution where applicable. This represents income tax withheld by the Depositary from the gross amount distributable and is accounted by the Depositary from the gross amount distributable and is accounted by the Depositary to HMRC on behalf of the shareholders. The tax charge comprises:

	2015	2014
	£'000	£'000
Current tax:		
Overseas withholding tax	21	-
Adjustments in respect of prior years	(1)	-
Total taxation	20	-

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	4,322	3,060
Corporation tax of 20%	864	612
Effects of:		
Adjustment in respect of prior years	(1)	-
Irrecoverable overseas withholding tax	21	-
Tax deductible interest distributions	(864)	(612)
Current tax charge	20	-

The Fund has not recognised a deferred tax asset in 2015 (2014 - nil).

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
First interim	333	253
Second interim	326	273
Third interim	358	292
Fourth interim	355	263
Fifth interim	368	284
Sixth interim	383	267
Seventh interim	374	248
Eighth interim	416	274
Ninth interim	422	271
Tenth interim	413	317
Eleventh interim	375	290
Final	836	529
	4,959	3,561
Add: Revenue deducted on cancellation of shares	71	83
Deduct: Revenue received on issue of shares	(120)	(61)
Gross distribution for the year	4,910	3,583
Interest	-	-
Total finance costs	4,910	3,583

Details of the distribution per share are set out in the distribution table on page 128.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	4,302	3,060
Add:		
Authorised Corporate Director's periodic charge paid from capital	605	525
Movement between share classes due to conversions	1	1
Undistributed revenue brought forward	4	1
Deduct:		
Undistributed revenue carried forward	(2)	(4)
Finance cost: distributions	4,910	3,583

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	1,201	1,022
Amounts receivable for issue of shares	204	858
Sales awaiting settlement	773	635
Total debtors	2,178	2,515

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	67	59
Amounts payable for cancellation of shares	210	50
Income tax payable	219	143
Other creditors	8	19
Purchases awaiting settlement	1,582	471
Total creditors	2,086	742

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Interest rate risk profile of the Fund's financial assets and liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at the year end is set out in the following table: This is consistent with the exposure during both the current year and prior year.

	Floating rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
Brazilian Real	-	4,428	-	4,428
Indian Rupee	-	-	16	16
Indonesian Rupiah	2	1,837	-	1,839
Mexican Peso	-	719	-	719
Peruvian Nuevo	-	2,332	-	2,332
Russian Rouble	-	1,536	-	1,536
UK Sterling	4,757	182	1,007	5,946
Uruguayan Peso	-	1,550	-	1,550
US Dollar	1,847	61,905	300	64,052
2014				
Argentine Peso	-	-	9	9
Brazilian Real	-	4,896	5	4,901
Commerical Rand	36	1,250	-	1,286
Indonesian Rupiah	-	1,691	-	1,691
Mexican Peso	-	2,776	-	2,776
Peruvian Nuevo	-	1,881	-	1,881
Philippine Peso	-	-	1	1
UK Sterling	3,204	203	2	3,409
Uruguayan Peso	-	1,390	-	1,390
US Dollar	891	52,538	43	53,472

	Floating rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
Brazilian Real	-	-	(8)	(8)
Mexican Peso	-	-	(6)	(6)
South African Rand	-	-	(1)	(1)
US Dollar	-	-	(3)	(3)
2014				
Argentine Peso	-	-	(5)	(5)
Brazilian Real	-	-	-	-
Chilean Peso	-	-	(19)	(19)
Indian Rupee	-	-	(49)	(49)
Mexican Peso	-	-	(2)	(2)
Philippine Peso	-	-	(1)	(1)
UK Sterling	-	-	(739)	(739)
US Dollar	(56)	-	(8)	(64)

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Fixed rate financial assets

Currency	Weighted average interest rate (%)	Weighted average period for which rate is fixed (Years)	Weighted average interest rate (%)	Weighted average period for which rate is fixed (Years)
	2015	2015	2014	2014
Brazilian Real	8.89	7.79	3.59	5.52
Commerical Rand	-	-	8.85	15.86
Indonesian Rupiah	8.44	17.32	8.56	17.52
Mexican Peso	4.48	22.68	5.47	12.20
Peruvian Nuevo	5.54	10.44	5.29	9.15
Russian Rouble	10.53	12.46	-	-
UK Sterling	7.49	15.66	7.49	16.66
Uruguayan Peso	4.12	7.54	2.55	10.66
US Dollar	5.94	12.91	5.87	11.36

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

Value at risk (VaR)

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

Model assumptions:

System:	Advanced Portfolio Technologies (APT)
VaR methodology:	Parametric
Confidence level:	99%
Holding period:	1 week (5 days)
Decay factor for exponential smoothing of the historical market data:	nil
Historical observation period:	180 weeks

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

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2015	0.11%	1.10%	-	0.93%	2.14%
31 July 2014	0.11%	0.91%	-	0.87%	1.88%
31 July 2013	0.08%	0.64%	-	0.81%	1.52%
31 July 2012	0.39%	0.50%	-	0.65%	1.54%

Objectives and limitations of the VaR Methodology

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

This method accurately prices all types of complex non-linear positions as well as simple linear instruments. It also provides a full distribution of potential portfolio gains and losses, which need not be symmetrical. If the underlying risk factors exhibit non-normal behaviour such as fat-tails or mean-reversion, then the resulting VaR will include these effects. However, tail risk can only be examined if the historical data set includes tail events. The distribution is calculated by using daily historical time-series data with implementation of an exponential adjustment.

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

Even though positions may change throughout the day, the VaR only represents the risk of the portfolios at the close of each business day, and it does not account for any losses that may occur beyond the 99% confidence level. In practice, the actual trading results will differ from the VaR calculation and, in particular, the calculation does not provide a meaningful indication of profits and losses in stressed market conditions. To determine the reliability of the VaR models, actual outcomes are monitored regularly to test the validity of the assumptions and the parameters used in the VaR calculation. Market risk positions are also subject to regular stress tests to ensure that the fund would withstand an extreme market event.

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 118. During the year the ACD held shares in the Fund and had a holding of 1,021 income 'A' shares (2014 - 1,856), 838 accumulation 'A' shares (2014 - 1,598), 1,217 income 'I' shares (2014 - 2,066), 1,077 accumulation 'I' shares (2014 - 1,992) and 796 accumulation 'Z' shares (2014 - 1,625) as at 31 July 2015. £59,000 was due to the ACD (2014 - £752,000 was due from) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £4,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Nortrust Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 28% of the Fund's units in issue. During the year, Nortrust Nominees Limited made total purchases of £1,242,261 in the Fund.

State Street Nominees Ltd held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 22% of the Fund's units in issue. During the year, State Street Nominees Ltd made purchases of £200,000 in the Fund.

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional)

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

Class 'A': 1.50%

Class 'I': 1.00%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 115. The distribution per share class is given in the distribution table on page 128. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015	2014
	£'000	£'000
Analysis of total purchase costs		
Purchases in year before transaction costs	61,639	49,777
Gross purchases total	61,639	49,777
Analysis of total sale costs		
Gross sales in year before transaction costs	50,180	45,408
Total sales net of transaction costs	50,180	45,408

Distribution table

For the year ended 31 July 2015 (in pence per share)

First Interim interest distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2: Shares purchased 1 August 2014 to 31 August 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 30/09/14	Distribution paid 30/09/13
Share class A Accumulation						
Group 1	0.56979	0.11396	0.45583	-	0.45583	0.33603
Group 2	0.20473	0.04095	0.16378	0.29205	0.45583	0.33603
Share class A Income						
Group 1	0.48750	0.09750	0.39000	-	0.39000	0.30000
Group 2	0.22331	0.04466	0.17865	0.21135	0.39000	0.30000
Share class I Accumulation						
Group 1	0.47420	0.09484	0.37936	-	0.37936	0.28053
Group 2	0.20351	0.04070	0.16281	0.21655	0.37936	0.28053
Share class I Income						
Group 1	0.43750	0.08750	0.35000	-	0.35000	0.27000
Group 2	0.17541	0.03508	0.14033	0.20967	0.35000	0.27000
Share class Z Accumulation						
Group 1	0.57996	0.11599	0.46397	-	0.46397	0.34361
Group 2	0.57996	0.11599	0.46397	-	0.46397	0.34361

Second Interim interest distribution

Group 1 : Shares purchased prior to 1 September 2014

Group 2: Shares purchased 1 September 2014 to 30 September 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/10/14	Distribution paid 31/10/13
Share class A Accumulation						
Group 1	0.54251	0.10850	0.43401	-	0.43401	0.35948
Group 2	0.15525	0.03105	0.12420	0.30981	0.43401	0.35948
Share class A Income						
Group 1	0.46250	0.09250	0.37000	-	0.37000	0.32000
Group 2	0.12564	0.02513	0.10051	0.26949	0.37000	0.32000
Share class I Accumulation						
Group 1	0.44871	0.08974	0.35897	-	0.35897	0.30220
Group 2	0.10155	0.02031	0.08124	0.27773	0.35897	0.30220
Share class I Income						
Group 1	0.41250	0.08250	0.33000	-	0.33000	0.29000
Group 2	0.14051	0.02810	0.11241	0.21759	0.33000	0.29000
Share class Z Accumulation						
Group 1	0.54866	0.10973	0.43893	-	0.43893	0.36224
Group 2	0.54866	0.10973	0.43893	-	0.43893	0.36224

Third Interim interest distribution

Group 1 : Shares purchased prior to 1 October 2014

Group 2: Shares purchased 1 October 2014 to 31 October 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 30/11/14	Distribution paid 30/11/13
Share class A Accumulation						
Group 1	0.58855	0.11771	0.47084	-	0.47084	0.38314
Group 2	0.11600	0.02320	0.09280	0.37804	0.47084	0.38314
Share class A Income						
Group 1	0.50000	0.10000	0.40000	-	0.40000	0.34000
Group 2	0.07019	0.01404	0.05615	0.34385	0.40000	0.34000
Share class I Accumulation						
Group 1	0.49121	0.09824	0.39297	-	0.39297	0.32404
Group 2	0.01735	0.00347	0.01388	0.37909	0.39297	0.32404
Share class I Income						
Group 1	0.45000	0.09000	0.36000	-	0.36000	0.31000
Group 2	0.03665	0.00733	0.02932	0.33068	0.36000	0.31000
Share class Z Accumulation						
Group 1	0.60361	0.12072	0.48289	-	0.48289	0.39178
Group 2	0.60361	0.12072	0.48289	-	0.48289	0.39178

Fourth interim interest distribution

Group 1 : Shares purchased prior to 1 November 2014

Group 2: Shares purchased 1 November 2014 to 30 November 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/12/14	Distribution paid 31/12/13
Share class A Accumulation						
Group 1	0.57598	0.11520	0.46078	-	0.46078	0.36176
Group 2	0.05442	0.01089	0.04353	0.41725	0.46078	0.36176
Share class A Income						
Group 1	0.48750	0.09750	0.39000	-	0.39000	0.32000
Group 2	0.00897	0.00179	0.00718	0.38282	0.39000	0.32000
Share class I Accumulation						
Group 1	0.47936	0.09587	0.38349	-	0.38349	0.30412
Group 2	-	-	-	0.38349	0.38349	0.30412
Share class I Income						
Group 1	0.43750	0.08750	0.35000	-	0.35000	0.29000
Group 2	-	-	-	0.35000	0.35000	0.29000
Share class Z Accumulation						
Group 1	0.58461	0.11692	0.46769	-	0.46769	0.37203
Group 2	0.58461	0.11692	0.46769	-	0.46769	0.37203

Fifth interim interest distribution

Group 1 : Shares purchased prior to 1 December 2014

Group 2: Shares purchased 1 December 2014 to 31 December 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/01/15	Distribution paid 31/01/14
Share class A Accumulation						
Group 1	0.56330	0.11266	0.45064	-	0.45064	0.39690
Group 2	0.03984	0.00797	0.03187	0.41877	0.45064	0.39690
Share class A Income						
Group 1	0.47500	0.09500	0.38000	-	0.38000	0.35000
Group 2	0.02493	0.00499	0.01994	0.36006	0.38000	0.35000
Share class I Accumulation						
Group 1	0.48111	0.09622	0.38489	-	0.38489	0.32612
Group 2	-	-	-	0.38489	0.38489	0.32612
Share class I Income						
Group 1	0.43750	0.08750	0.35000	-	0.35000	0.31000
Group 2	-	-	-	0.35000	0.35000	0.31000
Share class Z Accumulation						
Group 1	0.58470	0.11694	0.46776	-	0.46776	0.39987
Group 2	0.58470	0.11694	0.46776	-	0.46776	0.39987

Sixth interim interest distribution

Group 1 : Shares purchased prior to 1 January 2015

Group 2: Shares purchased 1 January 2015 to 31 January 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 28/02/15	Distribution paid 28/02/14
Share class A Accumulation						
Group 1	0.59520	0.11904	0.47616	-	0.47616	0.39826
Group 2	-	-	-	0.47616	0.47616	0.39826
Share class A Income						
Group 1	0.50000	0.10000	0.40000	-	0.40000	0.35000
Group 2	0.01804	0.00361	0.01443	0.38557	0.40000	0.35000
Share class I Accumulation						
Group 1	0.49675	0.09935	0.39740	-	0.39740	0.33776
Group 2	-	-	-	0.39740	0.39740	0.33776
Share class I Income						
Group 1	0.45000	0.09000	0.36000	-	0.36000	0.32000
Group 2	-	-	-	0.36000	0.36000	0.32000
Share class Z Accumulation						
Group 1	0.61255	0.12251	0.49004	-	0.49004	0.40729
Group 2	0.61255	0.12251	0.49004	-	0.49004	0.40729

Seventh interim interest distribution

Group 1 : Shares purchased prior to 1 February 2015

Group 2: Shares purchased 1 February 2015 to 28 February 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/03/15	Distribution paid 31/03/14
Share class A Accumulation						
Group 1	0.56766	0.11353	0.45413	-	0.45413	0.37679
Group 2	-	-	-	0.45413	0.45413	0.37679
Share class A Income						
Group 1	0.47500	0.09500	0.38000	-	0.38000	0.33000
Group 2	-	-	-	0.38000	0.38000	0.33000
Share class I Accumulation						
Group 1	0.47098	0.09420	0.37678	-	0.37678	0.31776
Group 2	-	-	-	0.37678	0.37678	0.31776
Share class I Income						
Group 1	0.42500	0.08500	0.34000	-	0.34000	0.30000
Group 2	-	-	-	0.34000	0.34000	0.30000
Share class Z Accumulation						
Group 1	0.58045	0.11609	0.46436	-	0.46436	0.38640
Group 2	-	-	-	0.46436	0.46436	0.38640

Eighth interim interest distribution

Group 1 : Shares purchased prior to 1 March 2015

Group 2: Shares purchased 1 March 2015 to 31 March 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Share class A Accumulation						
Group 1	0.61479	0.12296	0.49183	-	0.49183	0.41234
Group 2	-	-	-	0.49183	0.49183	0.41234
Share class A Income						
Group 1	0.51250	0.10250	0.41000	-	0.41000	0.36000
Group 2	-	-	-	0.41000	0.41000	0.36000
Share class I Accumulation						
Group 1	0.51444	0.10289	0.41155	-	0.41155	0.35065
Group 2	-	-	-	0.41155	0.41155	0.35065
Share class I Income						
Group 1	0.46250	0.09250	0.37000	-	0.37000	0.33000
Group 2	-	-	-	0.37000	0.37000	0.33000
Share class Z Accumulation						
Group 1	0.62856	0.12571	0.50285	-	0.50285	0.42137
Group 2	0.62856	0.12571	0.50285	-	0.50285	0.42137

Ninth interim interest distribution

Group 1 : Shares purchased prior to 1 April 2015

Group 2: Shares purchased 1 April 2015 to 30 April 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/05/15	Distribution paid 31/05/14
Share class A Accumulation						
Group 1	0.60225	0.12045	0.48180	-	0.48180	0.40229
Group 2	-	-	-	0.48180	0.48180	0.40229
Share class A Income						
Group 1	0.50000	0.10000	0.40000	-	0.40000	0.35000
Group 2	-	-	-	0.40000	0.40000	0.35000
Share class I Accumulation						
Group 1	0.51651	0.10330	0.41321	-	0.41321	0.34121
Group 2	-	-	-	0.41321	0.41321	0.34121
Share class I Income						
Group 1	0.46250	0.09250	0.37000	-	0.37000	0.32000
Group 2	-	-	-	0.37000	0.37000	0.32000
Share class Z Accumulation						
Group 1	0.62691	0.12538	0.50153	-	0.50153	0.40871
Group 2	0.02628	0.00525	0.02103	0.48050	0.50153	0.40871

Tenth interim interest distribution

Group 1 : Shares purchased prior to 1 May 2015

Group 2: Shares purchased 1 May 2015 to 31 May 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 30/06/15	Distribution paid 30/06/14
Share class A Accumulation						
Group 1	0.58948	0.11790	0.47158	-	0.47158	0.46132
Group 2	-	-	-	0.47158	0.47158	0.46132
Share class A Income						
Group 1	0.48750	0.09750	0.39000	-	0.39000	0.40000
Group 2	-	-	-	0.39000	0.39000	0.40000
Share class I Accumulation						
Group 1	0.50454	0.10091	0.40363	-	0.40363	0.38516
Group 2	-	-	-	0.40363	0.40363	0.38516
Share class I Income						
Group 1	0.45000	0.09000	0.36000	-	0.36000	0.36000
Group 2	-	-	-	0.36000	0.36000	0.36000
Share class Z Accumulation						
Group 1	0.61363	0.12273	0.49090	-	0.49090	0.46473
Group 2	0.61363	0.12273	0.49090	-	0.49090	0.46473

Eleventh interim interest distribution

Group 1 : Shares purchased prior to 1 June 2015

Group 2: Shares purchased 1 June 2015 to 30 June 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/07/15	Distribution paid 31/07/14
Share class A Accumulation						
Group 1	0.54620	0.10924	0.43696	-	0.43696	0.41673
Group 2	-	-	-	0.43696	0.43696	0.41673
Share class A Income						
Group 1	0.45000	0.09000	0.36000	-	0.36000	0.36000
Group 2	-	-	-	0.36000	0.36000	0.36000
Share class I Accumulation						
Group 1	0.46430	0.09286	0.37144	-	0.37144	0.34361
Group 2	-	-	-	0.37144	0.37144	0.34361
Share class I Income						
Group 1	0.41250	0.08250	0.33000	-	0.33000	0.32000
Group 2	-	-	-	0.33000	0.33000	0.32000
Share class Z Accumulation						
Group 1	0.57185	0.11437	0.45748	-	0.45748	0.42289
Group 2	0.57185	0.11437	0.45748	-	0.45748	0.42289

Final interest distribution

Group 1 : Shares purchased prior to 1 July 2015

Group 2: Shares purchased 1 July 2015 to 31 July 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/08/15	Distribution paid 31/08/14
Share class A Accumulation						
Group 1	1.20296	0.24059	0.96237	-	0.96237	0.77820
Group 2	0.24321	0.04864	0.19457	0.76780	0.96237	0.77820
Share class A Income						
Group 1	0.98750	0.19750	0.79000	-	0.79000	0.67000
Group 2	0.18832	0.03766	0.15066	0.63934	0.79000	0.67000
Share class I Accumulation						
Group 1	1.05909	0.21182	0.84727	-	0.84727	0.63560
Group 2	0.20544	0.04109	0.16435	0.68292	0.84727	0.63560
Share class I Income						
Group 1	0.93750	0.18750	0.75000	-	0.75000	0.59000
Group 2	0.11356	0.02271	0.09085	0.65915	0.75000	0.59000
Share class Z Accumulation						
Group 1	1.14378	0.22876	0.91502	-	0.91502	0.69027
Group 2	-	-	-	-	0.91502	0.69027

Equalisation

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

Aberdeen Emerging Markets Equity Fund

For the year ended 31 July 2015

Investment objective & policy

The Fund aims to provide long term capital growth from direct or indirect investment in emerging stock markets worldwide or companies with significant activities in emerging markets.

Distribution

A final distribution of 2.4492p per share will be paid to A accumulation shareholders, 7.1662p per share to I accumulation shareholders, 7.07p per share to I income shareholders and 14.0109p per share to Z accumulation shareholders on 31 October 2015.

Performance review

The Aberdeen Emerging Markets Equity - A accumulation shares fell by 5.74% in sterling terms, compared to a decrease in the benchmark, MSCI Emerging Markets Index, of 5.95%.

Market review

Emerging market equities dipped in volatile trading over the year under review. Several factors, notably concerns over the imminent change in US monetary policy and a resurgent dollar; slowing growth in major developing economies; a precipitous fall in commodity prices (partly because of weak Chinese demand); and political uncertainty, preoccupied investors. Although stockmarkets were briefly propped up by a wave of global monetary easing around the turn of the year, persistent anxiety over Greece's future in the Eurozone and turmoil in China's stockmarkets undermined risk appetite.

Portfolio review

The fund outperformed the benchmark index by a significant margin. The overweight to Hong Kong and India, and underweight to Korea contributed the most to performance, although the underweight to China detracted.

At the stock level, Hong Kong-based insurer AIA Group was the biggest contributor to performance. It delivered impressive second-quarter results that showed business acceleration in China as well as strong momentum across its Southeast Asian operations. Indian mortgage lender HDFC and the holding in the Aberdeen Global – Indian Equity Fund rallied along with the local stockmarket. Equities there rose solidly as the new government pushed through reforms, while weaker oil prices kept inflation tame and expedited rate cuts.

Conversely, Brazilian miner Vale and global steel-pipe maker Tenaris fell on the back of the broad sell-off in commodities. Not holding Tencent also cost performance as the Hong Kong-based Chinese internet company's shares rose on good results and plans to monetise its WeChat platform. We do not hold the stock owing to concerns over its opaque ownership structure and shift from a PC-based to the more competitive mobile business.

In portfolio activity, we introduced two holdings over the year. These included Indocement, a listed subsidiary of Germany-based HeidelbergCement that manufactures and distributes cement and other building materials in Indonesia; and MTN, a South African telecom operator with an established presence in key African markets, by taking advantage of the dip in valuation.

In addition, we topped up Russian grocery chain Magnit following weakness precipitated by macroeconomic events. The well-managed company offers good value and has a sustainable business model. We also added to Mexican lender Banorte. The stock sold off on the back of management and board changes, but having engaged with the company extensively, we felt these issues were adequately dealt with; it also has a clear strategy to improve operations.

Against this, we sold out of PTTEP in view of better opportunities elsewhere.

Outlook

Emerging market equities' bumpy ride looks set to continue in the months ahead. Today, China is the biggest concern. Beijing's modest currency devaluation has set off a ripple of concern that authorities are reacting to underlying growth slowing more drastically than expected. This ripple has since escalated, first to commodity prices and commodity companies, then to the currencies of commodity exporting countries. And then further, in recent days, to broad capital flight from the emerging market asset class in general as market participants have moved to a "risk off" position. Disappointing manufacturing data have fuelled market anxiety, not to mention expectation from some quarters that the US Federal Reserve may hike rates soon.

Our view is that while the renminbi has been devalued against the US dollar, it continues to appreciate against most other currencies, including that of China's other major export destination, Europe. So the move is perhaps not as revolutionary as has been claimed. We believe the well-signalled normalisation of rates in the US has been mostly priced in, reflected by an already substantial adjustment of interest rates and currencies in emerging markets in recent years. Capital outflows from emerging markets this year, now almost as much as in 2008, reflects how very out of favour the asset class is. But if one strips out the earnings of commodity companies, corporate earnings in emerging markets have stabilised for the most part, and we could be on the cusp of an earnings recovery in the near future, perhaps as soon as next year. Valuations are attractive too, stacking up well against European and, of course, US equity markets.

So, taking a step back and looking at the fundamentals, there is good reason to be optimistic about the asset class at this point in time. In a sense, the current sell-off is seeing fundamentals cast aside for many corporate names, much as they were by the A-share market on its way up a few months ago. We believe we are defensively positioned in such a climate given our general underweight to commodities, significant underweight to China, as well as our bias towards quality names. Such volatility and capital flight presents us with opportunities to build positions in corporate names we hold in high regard at more attractive prices.

Global Emerging Markets Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 96.12% (2014: 98.47%)			
Asia Pacific 51.88% (2014: 49.38%)			
China 5.01% (2014: 5.55%)			
China Mobile	6,582,500	55,119	3.28
PetroChina	46,036,000	29,188	1.73
		84,307	5.01
Hong Kong 8.75% (2014: 8.22%)			
AIA	13,439,000	55,934	3.31
Hang Lung	16,240,000	46,582	2.76
Swire Pacific 'A'	1,770,000	14,470	0.86
Swire Pacific 'B'	13,870,500	20,890	1.24
Swire Properties	4,718,270	9,712	0.58
		147,588	8.75
India 13.22% (2014: 12.14%)			
Grasim Industries	421,183	15,638	0.93
Hero MotoCorp	844,492	22,637	1.34
Hindustan Unilever	2,224,000	20,507	1.22
Housing Development Finance Corporation	3,047,646	40,713	2.41
ICICI Bank	8,230,000	24,742	1.47
Infosys	3,084,068	33,227	1.97
ITC	10,808,979	35,218	2.09
Ultratech Cement	958,638	30,126	1.79
		222,808	13.22
Indonesia 3.86% (2014: 2.83%)			
Astra International	153,520,000	48,181	2.86
Indocement Tunggal Prakarsa	17,826,300	16,910	1.00
		65,091	3.86
Malaysia 2.32% (2014: 2.46%)			
CIMB	15,363,680	13,824	0.82
Public Bank	7,928,858	25,216	1.50
		39,040	2.32
Philippines 4.21% (2014: 3.21%)			
Ayala Land	84,029,700	44,034	2.62
Bank of the Philippine Islands	20,190,250	26,847	1.59
		70,881	4.21

	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Security			
South Korea 5.38% (2014: 5.79%)			
E-Mart	153,840	20,093	1.19
Samsung Electronics (PREF)	141,616	70,497	4.19
		90,590	5.38
Taiwan 4.66% (2014: 4.23%)			
Taiwan Mobile	8,335,197	17,595	1.04
Taiwan Semiconductor Manufacturing	21,571,718	60,861	3.62
		78,456	4.66
Thailand 4.47% (2014: 4.95%)			
Siam Cement (Alien)	4,015,500	38,403	2.28
Siam Commercial Bank (Alien)	13,321,900	36,817	2.19
		75,220	4.47
Total Asia Pacific		873,981	51.88
Europe, Middle East & Africa (ex United Kingdom) 19.98% (2014: 19.33%)			
Hungary 1.18% (2014: 1.13%)			
Danubius Hotel & Spa	126,039	2,309	0.14
Richter Gedeon	1,711,074	17,582	1.04
		19,891	1.18
Poland 2.92% (2014: 2.43%)			
Bank Pekao ^{oo}	994,129	26,999	1.61
Jeronimo Martins ^{oo}	2,315,242	22,138	1.31
		49,137	2.92
Russia Federation 4.16% (2014: 4.28%)			
Lukoil (ADR)	1,430,000	37,933	2.25
Magnit	251,701	32,196	1.91
		70,129	4.16
South Africa 6.86% (2014: 6.33%)			
BHP Billiton	1,317,000	15,533	0.92
Massmart	2,753,850	18,812	1.12
MTN	1,818,362	19,487	1.16
SABMiller	999,873	33,592	1.99
South32	518,226	423	0.03
Truworths International	6,363,391	27,553	1.64
		115,400	6.86

Security	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Turkey 4.86% (2014: 5.16%)			
Akbank T.A.S [∞]	16,497,938	28,356	1.68
BIM Birllesik Magazalar [∞]	2,253,086	24,563	1.46
Turkiye Garanti Bankasi [∞]	15,212,000	28,898	1.72
		81,817	4.86
Total Europe, Middle East & Africa (ex United Kingdom)		336,374	19.98
Latin America 20.72% (2014: 24.58%)			
Argentina 1.40% (2014: 2.09%)			
Tenaris (ADR)	1,462,000	23,553	1.40
Brazil 10.12% (2014: 13.93%)			
Banco Bradesco (ADR)	8,283,373	42,094	2.51
BRF	792,651	10,672	0.63
Lojas Renner	954,455	19,447	1.15
Multiplan Empreendimentos	1,824,567	15,986	0.95
Souza Cruz	3,883,711	17,721	1.05
Ultrapar Participacoes	3,026,300	39,949	2.37
Vale (ADR) [∞]	5,431,556	18,273	1.08
Vale (ADR) (PREF)	2,307,637	6,329	0.38
		170,471	10.12
Chile 1.25% (2014: 1.42%)			
Banco Santander Chile (ADR)	1,620,332	20,974	1.25
Mexico 7.95% (2014: 7.14%)			
FEMSA (ADR)	976,000	56,685	3.37
Grupo Aeroportuario del Sureste (ADR)	243,501	23,314	1.38
Grupo Financiero Banorte	13,404,180	45,626	2.71
Organizacion Soriana 'B'	6,480,328	8,320	0.49
		133,945	7.95
Total Latin America		348,943	20.72
North America 1.70% (2014: 1.07%)			
United States 1.70% (2014: 1.07%)			
Yum! Brands	508,000	28,569	1.70
Total North America		28,569	1.70

Security	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
United Kingdom 1.84% (2014: 2.27%)			
Standard Chartered [∞]	3,157,017	30,945	1.84
Total United Kingdom		30,945	1.84
Total Equities		1,618,812	96.12
Investment Funds 3.10% (2014: 1.84%)			
Aberdeen Global - Indian Equity Fund ^{†#}	600,943	52,274	3.10
Total Investment Funds		52,274	3.10
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		1,671,086	99.22
Investment assets		1,671,086	99.22
Net other assets		13,122	0.78
Net assets		1,684,208	100.00

[†] Managed by subsidiaries of Aberdeen Asset Management PLC.

[∞] A portion of this security is on loan at the year end.

[#] Regional investment vehicle.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	157,345,214.02	238,498,280.91	395,649,725.50
I Accumulation shares in issue	139,767,396.57	158,203,448.70	166,872,176.37
I Income shares in issue	996,856.36	632,164.50	-
Z Accumulation shares in issue	12,788,584.47	12,807,884.47	28,852,705.42
Net asset value attributable to			
A Accumulation shareholders (£'000)	818,365	1,303,024	2,177,919
I Accumulation shareholders (£'000)	782,832	924,027	974,768
I Income shareholders (£'000)	5,438	3,643	-
Z Accumulation shareholders (£'000)	77,573	80,230	178,984
Net asset value of Fund (£'000)	1,684,208	2,310,924	3,331,671
Net asset value pence per share			
A Accumulation	520.11	546.35	550.47
I Accumulation	560.10	584.08	584.14
I Income	545.53	576.24	-
Z Accumulation	606.58	626.41	620.34

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	2.4684	545.29	440.35
2011	I Accumulation	6.3570	569.95	461.08
2011	Z Accumulation	11.9251	593.13	480.96
2012	A Accumulation	2.8277	569.07	477.93
2012	I Accumulation	6.8081	601.27	502.76
2012	Z Accumulation	12.4815	634.88	525.93
2013	A Accumulation	2.2513	631.22	504.55
2013	I Accumulation	6.8314	667.91	535.72
2013	Z Accumulation	13.4664	706.61	569.36
2014	A Accumulation	3.4407	594.36	473.01
2014	I Accumulation	7.8100	635.91	503.87
2014 ^A	I Income	7.8100	627.56	503.87
2014	Z Accumulation	14.2372	682.72	537.83
2015 ^B	A Accumulation	2.4492	611.48	511.56
2015 ^B	I Accumulation	7.1662	657.04	550.86
2015 ^B	I Income	7.0700	648.23	543.47
2015 ^B	Z Accumulation	14.0109	709.47	596.55

^A Share class I Income launched on 13 January 2014.

^B As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.98	1.23	0.23
31 July 2015	1.99	1.24	0.24

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table As at 31 July 2015.

- This Fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Exchange Rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
 - Emerging Markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This may mean your money is at greater risk.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 16/03/1987 to 31/07/2015 ^B
Fund - A Accumulation	(5.74)	12.22	1,364.66
Benchmark ^A	(5.95)	5.06	N/A

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	(5.74)	0.11	3.83	0.89	13.53

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A MSCI Emerging Markets Index.

^B Figures for Aberdeen Emerging Markets Unit Trust prior to 24 July 2003.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital losses	1		(83,943)		(93,185)
Revenue	2	53,445		73,872	
Expenses	3	(32,836)		(43,579)	
Finance Costs: interest		-		(2)	
Net revenue before taxation		20,609		30,291	
Taxation	4	(3,792)		(5,437)	
Net revenue after taxation			16,817		24,854
Total return before distributions			(67,126)		(68,331)
Finance costs: distributions	5		(17,222)		(25,808)
Change in net assets attributable to shareholders from investment activities			(84,348)		(94,139)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

		2015		2014	
		£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders			2,310,924		3,331,671
Movement due to sales and repurchases of shares					
Amount receivable on issue of shares		12,931		31,060	
Amount payable on cancellation of shares		(572,896)		(982,737)	
			(559,965)		(951,677)
Stamp duty reserve tax			-		(36)
Capacity management charge			1,935		2,720
Change in net assets attributable to shareholders from investment activities (see above)			(84,348)		(94,139)
Retained distribution on accumulation shares			15,662		22,385
Closing net assets attributable to shareholders			1,684,208		2,310,924

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			1,671,086		2,275,455
Debtors	6	12,752		18,440	
Cash and bank balances		17,128		28,376	
Total other assets			29,880		46,816
Total assets			1,700,966		2,322,271
Liabilities					
Creditors	7	(16,688)		(11,298)	
Distribution payable on income shares		(70)		(49)	
Total liabilities			(16,758)		(11,347)
Net assets attributable to shareholders			1,684,208		2,310,924

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital (losses) investments

	2015	2014
	£'000	£'000
Net capital (losses) on investments during the year comprise:		
Non-derivative securities	(82,903)	(90,156)
Other currency losses	(983)	(1,968)
Transaction costs	(57)	(1,061)
Net capital (losses) on investments	(83,943)	(93,185)

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	54	34
Interest on debt securities	-	3
Other revenue	3	2
Overseas dividends	48,624	68,834
Stock lending revenue	349	54
UK dividends	2,789	4,932
Stock dividends	1,626	-
Underwriting commission	-	13
Total revenue	53,445	73,872

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	70,218	10,919

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £74,513,000 (2014 - £11,496,000) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
ABN AMRO N.V Triparty	-	4,217
BNP Paribas Securities Services	31,041	-
Citigroup Global Markets Limited Triparty	8,058	254
Credit Suisse Securities (Europe)	3,507	-
Deutsche Bank AG London Triparty	20,803	3,998
Merrill Lynch International	7,978	-
Morgan Stanley International & Co PLC Triparty	3,126	3,027
	74,513	11,496

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	27,767	37,455
Operating, administrative and servicing fees	2,369	-
Registration fees	1,004	2,276
	31,140	39,731
<i>Payable to Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	135	319
Safe custody fees	1,276	2,922
	1,411	3,241
<i>Other expenses:</i>		
Audit fee	3	8
Dividend collection charges	201	513
Legal & Professional fee	73	51
Printing and postage fees	8	35
	285	607
Total expenses	32,836	43,579

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas withholding tax	4,983	6,840
Overseas tax reclaims	(1,191)	(1,403)
Total taxation	3,792	5,437

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	20,609	30,291
Corporation tax of 20%	4,122	6,058
Effects of:		
Current year excess management expenses not utilised	4,345	5,643
Irrecoverable overseas withholding tax	3,792	5,020
Non taxable overseas dividends	(7,584)	(10,298)
UK dividends	(558)	(986)
Other non-taxable income	(325)	-
Current tax charge	3,792	5,437

At the year end, there is a potential deferred tax asset of £33,839,000 (2014 - £29,475,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Final	15,732	22,435
Add: Revenue deducted on cancellation of shares	1,531	3,663
Deduct: Revenue received on issue of shares	(41)	(290)
Net distribution for the year	17,222	25,808
Interest	-	2
Total finance costs	17,222	25,810

Details of the distribution per share are set out in the distribution table on page 149.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	16,817	24,854
Add:		
Undistributed revenue brought forward	10	-
Movement between share classes due to conversions	403	964
Deduct:		
Undistributed revenue carried forward	(8)	(10)
Finance cost: distributions	17,222	25,808

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	3,151	2,765
Amounts receivable for issue of shares	143	143
Corporation tax recoverable	22	22
Other debtors	978	854
Overseas withholding tax reclaimable	1,899	2,044
Sales awaiting settlement	6,559	12,612
Total debtors	12,752	18,440

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	2,280	3,345
Amounts payable for cancellation of shares	13,584	7,789
Purchases awaiting settlement	824	164
Total creditors	16,688	11,298

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
Brazilian Real	-	103,775	103,775
Euro	-	22,138	22,138
Hong Kong Dollar	-	231,895	231,895
Hungarian Forint	-	19,891	19,891
Indian Rupee	-	222,807	222,807
Indonesian Rupiah	-	65,091	65,091
Malaysian Ringgit	-	39,040	39,040
Mexican Peso	131	53,947	54,078
New Taiwan Dollar	2,338	78,456	80,794
Philippine Peso	30	70,881	70,911
Polish Zloty	-	26,999	26,999
South African Rand	-	115,400	115,400
South Korean Won	-	90,590	90,590
Thai Baht	-	75,220	75,220
Turkish Lira	-	81,817	81,817
US Dollar	370	289,920	290,290
2014			
Brazilian Real	-	129,686	129,686
Commercial Rand	-	146,087	146,087
Euro	-	19,948	19,948
Hong Kong Dollar	-	318,459	318,459
Hungarian Forint	-	26,216	26,216
Indian Rupee	531	280,654	281,185
Indonesian Rupiah	-	65,364	65,364
Malaysian Ringgit	-	57,015	57,015
Mexican Peso	-	69,055	69,055
New Taiwan Dollar	4	97,746	97,750
Philippine Peso	29	74,262	74,291
Polish Zloty	-	36,213	36,213
South Korean Won	-	133,830	133,830
Thai Baht	-	114,397	114,397
Turkish Lira	-	119,086	119,086
US Dollar	13	492,523	492,536

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 141. During the year the ACD held shares in the Fund and had a holding of 289 accumulation 'A' shares (2014 - 893), 254 income 'I' shares (2014 - 852), 201 accumulation 'I' shares (2014 - 371) and 238 accumulation 'Z' shares (2014 - 334) as at 31 July 2015. £11,663,000 was due to the ACD (2014 - £10,712,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £52,274,000 (2014 - £42,567,000) that were managed by subsidiaries of Aberdeen Asset Management PLC.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £255,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional). The annual management charge on each share class is as follows:

Class 'A': 1.75%

Class 'I': 1.00%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 139.

The distribution per share class is given in the distribution table on page 149. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		96,874		93,932
Commissions	124		94	
Taxes	71		18	
Other costs	17		1	
Total transaction cost		212		113
Gross purchases total		97,086		94,045
Analysis of total sale costs				
Gross sales in year before transaction costs		619,919		1,024,412
Commissions	(808)		(1,433)	
Taxes	(394)		(448)	
Other costs	(131)		(412)	
Total transaction cost		(1,333)		(2,293)
Total sales net of transaction costs		618,586		1,022,119

Distribution table

For the year ended 31 July 2015 (in pence per share)

Final dividend distribution

Group 1: Shares purchased prior to 1 August 2014

Group 2: Shares purchased 1 August 2014 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/2015	Distribution paid 31/10/2014
Share class A Accumulation				
Group 1	2.4492	-	2.4492	3.4407
Group 2	1.9237	0.5255	2.4492	3.4407
Share class I Accumulation				
Group 1	7.1662	-	7.1662	7.8100
Group 2	4.4893	2.6769	7.1662	7.8100
Share class I Income				
Group 1	7.0700	-	7.0700	7.8100
Group 2	2.7755	4.2945	7.0700	7.8100
Share class Z Accumulation				
Group 1	14.0109	-	14.0109	14.2372
Group 2	8.1892	5.8217	14.0109	14.2372

Equalisation

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

Aberdeen Ethical World Equity Fund

For the year ended 31 July 2015

Investment objective & policy

The investment objective is to achieve long-term capital growth. The objective will be achieved through investment in a portfolio of international quality investments chosen on the basis of ethical ("socially responsible") criteria. These criteria include the environment, employee relations, product quality and international operations. The Fund may also invest in fixed interest securities.

Distribution

A final distribution of 1.53p per share will be paid to A income shareholders, 2.06p per share to I income shareholders, 1.9447p per share to A accumulation shareholders and 2.7866p per share to I accumulation shareholders on 31 October 2015. This makes a total of 1.75p to A income shareholders, 2.69p to I income shareholders, 2.2811p to A accumulation shareholders and 3.6354p to I accumulation shareholders for the year to 31 July 2015.

Performance review

The Aberdeen Ethical World Equity - A income shares fell by 3.80% in sterling terms, compared with its benchmark, the FTSE World Index's total return of 12.27%.

Market review

Global equities eked out gains during the 12 months under review, with developed markets generally outperforming their emerging counterparts. At the beginning of the period, asset prices continued to be buoyed by accommodative monetary policy from major central banks. As the European Central Bank launched its quantitative easing programme, disappointing economic data in China and Japan fuelled hopes of further stimulus. However, gains were pared towards the end of the period by escalating instability in the Middle East. Jitters also intensified over the Greek debt talks. The nation closed its banks and imposed capital controls after negotiations with its creditors collapsed. Eventually, optimism returned after parliament passed key reforms that paved the way for an agreement on its third bailout package.

In China, still-underwhelming economic data, along with a sharp fall in its equity markets, led the central bank to cut rates by another 25 basis points in late June. Government measures to prop up the stockmarket fell short: major indices saw their biggest one-day drop in more than eight years towards the end of the period. The manufacturing sector also contracted for the fifth consecutive month, weighing on sentiment around the region. The US appeared on track to raise interest rates this year, as robust consumer spending underpinned economic growth of 2.3% in the second quarter.

Portfolio review

At the stock level, Vale was the major detractor. For most of the reporting period, the miner suffered from lower iron ore prices and concerns over Chinese growth. Its first quarter results showed sales volume increases and cost cutting efforts were not able to offset the broader price declines. Our other commodity holdings, including BHP Billiton and Tenaris, were also among the top detractors from relative performance. BHP Billiton was hurt by lower iron ore prices, while the decline in oil prices and lower sales of premium pipes affected Tenaris.

French mass retailer Casino lagged, reflecting ongoing competition in France and some concerns over Brazilian growth rates.

Against this, Jones Lang Lasalle and Taiwan Semiconductor Manufacturing Company (TSMC) contributed to relative performance. Real-estate services company Jones Lang Lasalle's shares climbed after it won a major contract and delivered solid full-year profits, whereas TSMC posted record net profits in the third quarter that exceeded market expectations, driven by robust orders from Apple for its latest smartphone models. Japanese haematology equipment maker Sysmex was another key contributor to relative return. Its earnings beat expectations, and management forecast double-digit sales and profit growth for the next three years. It also saw strength in its mainstay haematology business, and the launch of a cell-analysis product in the US, which fuelled expectations of further growth in market share.

In portfolio activity, we introduced a few holdings. These were Israel's Check Point Software, which has a strong market position within infrastructure software and network security; US-listed Cognizant, which is expanding internationally and has broad growth opportunities; and Hong Kong-listed Kerry Logistics, a well-run business with strong warehousing capabilities and opportunities to leverage trade growth. We also introduced TJX Companies, a discount apparel and home goods retailer based in the US. Supported by a robust balance sheet, the business is well-positioned to further expand its footprint domestically and across Europe.

Against this, we exited the positions in UK utility company Centrica, owing to increased regulatory and political interference; Petrobras, owing to concerns over its deteriorating business quality and ability to pay its debt; and Eni, on concerns over the sustainability of its dividend. We also divested Korea's Samsung Electronics, Spain's Viscofan and US telecommunications company Verizon, as they failed the fund's ethical screening.

Outlook

Global macroeconomic prospects are unlikely to improve dramatically in the short term, given the persistent headwinds. While the US economy seems to be stabilising, its global peers are on shakier footing. In Europe, manufacturing and services sectors continue to moderate, while the Greek drama plays out in the periphery: the nation appears to have avoided an imminent default after reaching a deal with its creditors on the terms of a third bailout, but concern over the health of the economy remains. Chinese equities continue to sputter despite Beijing's efforts to prop up prices, while its economic slowdown has crimped export demand in many of its key trading partners. As a result, we would not be surprised by continued bouts of volatility in the months ahead. Although our holdings will not be immune from the market noise, their sound fundamentals should position them for earnings growth in the long run.

Global Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 100.23% (2014: 97.72%)			
Asia Pacific 18.36% (2014: 17.60%)			
Australia 0.13% (2014: nil)			
South32	303,469	248	0.13
Hong Kong 5.65% (2014: 3.47%)			
AIA	1,356,600	5,646	2.88
Kerry Logistics Network	2,109,000	2,092	1.06
Swire Pacific 'A'	158,500	1,296	0.66
Swire Pacific 'B'	1,372,500	2,067	1.05
		11,101	5.65
Singapore 6.36% (2014: 5.51%)			
City Developments	435,500	1,901	0.97
Oversea-Chinese Banking Corp	972,140	4,680	2.38
Singapore Telecommunications	3,096,100	5,916	3.01
		12,497	6.36
South Korea nil (2014: 3.27%)			
Taiwan 6.22% (2014: 5.35%)			
Taiwan Mobile	2,557,000	5,398	2.75
TSMC (ADR)	481,500	6,825	3.47
		12,223	6.22
Total Asia Pacific		36,069	18.36
Europe, Middle East & Africa (ex United Kingdom) 22.03% (2014: 22.70%)			
France 5.90% (2014: 5.48%)			
Casino Guichard Perrachon	126,531	6,052	3.07
GDF Suez	192,900	2,387	1.22
Schneider Electric	70,100	3,156	1.61
		11,595	5.90
Germany 1.69% (2014: 1.12%)			
Linde AG	27,300	3,328	1.69
Israel 1.09% (2014: nil)			
Check Point Software Technologies	41,400	2,143	1.09
Italy 2.12% (2014: 4.98%)			
Tenaris (ADR)	258,300	4,161	2.12
South Africa 2.01% (2014: 1.57%)			
MTN	368,700	3,951	2.01

	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Security			
Sweden 5.73% (2014: 4.87%)			
Atlas Copco 'A'	246,000	4,335	2.21
Ericsson	431,300	2,975	1.51
Nordea Bank	491,700	3,946	2.01
		11,256	5.73
Switzerland 3.49% (2014: 3.19%)			
Zurich Insurance	34,900	6,848	3.49
Total Europe, Middle East & Africa (ex United Kingdom)		43,282	22.03
Japan 6.67% (2014: 5.00%)			
Daito Trust Construction Co	54,500	3,691	1.88
Fanuc Corp	43,600	4,655	2.37
Symex Corp	114,700	4,758	2.42
		13,104	6.67
Total Japan		13,104	6.67
Latin America 3.49% (2014: 6.58%)			
Brazil 3.49% (2014: 6.58%)			
Banco Bradesco (ADR)	909,018	4,619	2.35
Vale (ADR) (PREF)	817,000	2,241	1.14
		6,860	3.49
Total Latin America		6,860	3.49
North America 34.32% (2014: 29.22%)			
Canada 6.45% (2014: 6.26%)			
Canadian National Railway	133,000	5,319	2.71
Potash Corporation of Saskatchewan [™]	233,800	4,087	2.08
TELUS	148,400	3,262	1.66
		12,668	6.45
United States 27.87% (2014: 22.96%)			
Cisco Systems	325,400	5,928	3.02
Cognizant Technology Solutions	74,900	3,029	1.54
Comcast	150,200	6,015	3.06
EOG Resources	136,037	6,730	3.43
Jones Lang LaSalle	50,700	5,780	2.94
Oracle	220,800	5,651	2.88
PepsiCo	162,400	10,028	5.10
Schlumberger	91,500	4,856	2.47
TJX	67,500	3,020	1.54
Visa	76,700	3,706	1.89
		54,743	27.87
Total North America		67,411	34.32

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
United Kingdom 15.36% (2014: 16.62%)			
BG	352,000	3,846	1.96
BHP Billiton	320,200	3,786	1.93
Experian	492,700	5,917	3.01
John Wood Group	550,494	3,443	1.75
Spirax-Sarco Engineering	104,420	3,463	1.76
Standard Chartered	490,505	4,808	2.45
Vodafone	1,086,140	2,627	1.34
Weir [∞]	148,800	2,287	1.16
		30,177	15.36
Total United Kingdom		30,177	15.36
Total Equities		196,903	100.23
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
		196,903	100.23
Investment assets		196,903	100.23
Net other liabilities		(452)	(0.23)
Net assets		196,451	100.00

[∞] A portion of this security is on loan at the period end.
Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	35,629,878.62	44,630,365.27	59,097,925.25
A Income shares in issue	32,802,923.23	40,675,005.15	52,347,982.39
I Accumulation shares in issue	18,795,013.88	12,797,185.90	5,004,001.46
I Income shares in issue	32,515,291.00	30,955,659.70	22,475,000.59
Net asset value attributable to			
A Accumulation shareholders (£'000)	64,487	82,913	107,593
A Income shareholders (£'000)	45,039	58,051	74,121
I Accumulation shareholders (£'000)	38,437	26,730	10,191
I Income shareholders (£'000)	48,488	47,990	34,574
Net asset Value of Fund (£'000)	196,451	215,684	226,479
Net asset value pence per share			
A Accumulation	180.99	185.78	182.06
A Income	137.30	142.72	141.59
I Accumulation	204.51	208.87	203.66
I Income	149.12	155.03	153.83

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	2.1701	165.35	135.20
2011	A Income	1.7700	135.02	108.87
2011	I Accumulation	3.2777	182.61	149.84
2011	I Income	2.6300	146.96	118.33
2012	A Accumulation	2.9312	162.65	143.56
2012	A Income	2.3500	128.91	114.80
2012	I Accumulation	4.0754	181.41	159.64
2012	I Income	3.2000	140.12	124.89
2013	A Accumulation	2.8159	190.79	162.79
2013	A Income	2.2200	150.36	128.60
2013	I Accumulation	4.0877	213.21	181.58
2013	I Income	3.1400	163.60	140.00
2014	A Accumulation	2.2524	189.74	165.97
2014	A Income	1.7500	147.40	128.91
2014	I Accumulation	3.5457	213.30	186.14
2014	I Income	2.6700	160.50	140.04
2015 ^A	A Accumulation	2.2811	203.78	178.40
2015 ^A	A Income	1.7500	156.31	136.84
2015 ^A	I Accumulation	3.6354	229.90	201.57
2015 ^A	I Income	2.6900	169.96	149.01

^A As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %
31 July 2014	1.64	1.14
31 July 2015	1.65	1.15

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge and the other operating expenses to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risk of investing in this Fund:
- Exchange Rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 21/05/1999 to 31/07/2015
Fund - A Income	(3.80)	25.53	80.76
Benchmark ^A	12.27	71.91	127.90

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	(3.80)	3.14	17.51	(1.07)	8.83

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A FTSE World Index.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	1		(7,262)		1,334
Revenue	2	6,523		6,519	
Expenses	3	(3,136)		(3,266)	
Net revenue before taxation		3,387		3,253	
Taxation	4	(385)		(264)	
Net revenue after taxation			3,002		2,989
Total return before distributions			(4,260)		4,323
Finance costs: distributions	5		(3,018)		(3,008)
Change in net assets attributable to shareholders from investment activities			(7,278)		1,315

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		215,684		226,479
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	16,167		23,617	
Amount payable on cancellation of shares	(29,609)		(37,165)	
		(13,442)		(13,548)
Stamp duty reserve tax		-		(17)
Unclaimed distributions		2		4
Change in net assets attributable to shareholders from investment activities (see above)		(7,278)		1,315
Retained distribution on accumulation shares		1,485		1,451
Closing net assets attributable to shareholders		196,451		215,684

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			196,903		210,762
Debtors	6	1,956		1,304	
Cash and bank balances		2,454		5,490	
Total other assets			4,410		6,794
Total assets			201,313		217,556
Liabilities					
Creditors	7	(3,690)		(558)	
Distribution payable on income shares		(1,172)		(1,314)	
Total liabilities			(4,862)		(1,872)
Net assets attributable to shareholders			196,451		215,684

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital (losses)/gains on investments

	2015	2014
	£'000	£'000
Net capital (losses) on investments during the year comprise:		
Non-derivative securities	(7,409)	1,350
Other currency gains/(losses)	152	(11)
Transaction costs	(7)	(5)
Class actions	2	-
Net capital (losses)/gains on investments	(7,262)	1,334

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	11	9
Interest on debt securities	420	297
Other revenue	8	-
Overseas dividends	5,083	4,942
Stock lending revenue	19	15
UK dividends	982	1,256
Total revenue	6,523	6,519

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	4,007	4,671

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £4,218,000 (2014 - £4,918,000) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
BNP Paribas Securities Services	4,218	-
Deutsche Bank	-	4,918
	4,218	4,918

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	2,823	2,964
Operating, administrative and servicing fees	139	-
Registration fees	99	193
	3,061	3,157
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	13	26
Safe custody fees	25	47
	38	73
<i>Other expenses:</i>		
Audit fee	3	7
Dividend collection charges	19	16
Legal & Professional fee	14	9
Printing and postage fees	1	4
	37	36
Total expenses	3,136	3,266

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas withholding tax	347	341
Overseas withholding tax reclaims in respect of prior years	16	(77)
Adjustments in respect of prior periods	22	-
Total Taxation	385	264

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	3,387	3,253
Corporation tax of 20%	677	650
Effects of:		
Adjustment in respect of prior years	22	-
Current year excess management expenses not utilised	549	589
Irrecoverable overseas withholding tax	350	341
Non taxable overseas dividends	(1,000)	(988)
Non-taxable UK dividends	(160)	(251)
Other non taxable revenue	(53)	-
Withholding tax reclaims	-	(77)
Current tax charge	385	264

At the year end, there is a potential deferred tax asset of £3,604,000 (2014 - £3,045,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Interim	545	370
Final	2,406	2,601
	2,951	2,971
Add: Revenue deducted on cancellation of shares	133	164
Deduct: Revenue received on issue of shares	(66)	(127)
Net distribution for the year	3,018	3,008
Total finance costs	3,018	3,008

Details of the distribution per share are set out in the distribution table on page 164.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	3,002	2,989
Add:		
Undistributed revenue brought forward	11	6
Movement between share classes due to conversions	10	24
Deduct:		
Undistributed revenue carried forward	(5)	(11)
Finance cost: distributions	3,018	3,008

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	325	351
Amounts receivable for issue of shares	48	499
Currency transactions awaiting settlement	1,359	-
Other debtors	13	-
Overseas withholding tax reclaimable	211	454
Total debtors	1,956	1,304

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	244	295
Amounts payable for cancellation of shares	497	263
Corporation tax payable	22	-
Currency transactions awaiting settlement	1,358	-
Purchases awaiting settlement	1,569	-
Total creditors	3,690	558

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
US Dollar	12	80,051	80,063
Euro	-	14,923	14,923
Japanese Yen	-	13,104	13,104
Singapore Dollar	-	12,497	12,497
Swedish Krona	-	11,256	11,256
Hong Kong Dollar	-	11,101	11,101
Canadian Dollar	47	7,349	7,396
Swiss Franc	-	6,848	6,848
Taiwan Dollar	10	5,398	5,408
Commercial Rand	-	3,951	3,951

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2014			
US Dollar	-	90,995	90,995
Euro	-	21,606	21,606
Singapore Dollar	-	11,884	11,884
Japanese Yen	-	10,788	10,788
Swedish Krona	-	10,482	10,482
Hong Kong Dollar	-	7,484	7,484
Canadian Dollar	-	7,107	7,107
Swiss Franc	-	6,880	6,880
Commercial Rand	-	3,382	3,382
Taiwan Dollar	217	-	217

9. Related parties

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 156. During the year the ACD held shares in the Fund and had a holding of 725 income 'A' shares (2014 - 1,430), 628 accumulation 'A' shares (2014 - 1,122), 711 income 'I' shares (2014 - 1,328), 503 accumulation 'I' shares (2014 - 952) as at 31 July 2015. £450,000 was due to the ACD (2014 - £43,000) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £7,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

10. Shareholder funds

The Fund currently has 2 share classes; Class 'A' (Retail) and Class 'I' (Institutional).

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

Class 'A': 1.50%

Class 'I': 1.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 153. The distribution per share class is given in the distribution table on page 164. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		29,117		25,269
Commissions	30		24	
Taxes	19		26	
Other costs	9			
Total transaction cost		58		50
Gross purchases total		29,175		25,319
Analysis of total sale costs				
Gross sales in year before transaction costs		35,660		39,522
Commissions	(35)		(41)	
Total transaction cost		(35)		(41)
Total sales net of transaction costs		35,625		39,481

Distribution table

For the year ended 31 July 2015 (in pence per share)

Interim dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 January 2015

	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Share class A Accumulation				
Group 1	0.2864	-	0.2864	0.1800
Group 2	-	0.2864	0.2864	0.1800
Share class A Income				
Group 1	0.2200	-	0.2200	0.1400
Group 2	-	0.2200	0.2200	0.1400
Share class I Accumulation				
Group 1	0.8488	-	0.8488	0.7149
Group 2	0.2752	0.5736	0.8488	0.7149
Share class I Income				
Group 1	0.6300	-	0.6300	0.5400
Group 2	0.1687	0.4613	0.6300	0.5400

Final dividend distribution

Group 1 : Shares purchased prior to 1 February 2015

Group 2 : Shares purchased 1 February 2015 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation				
Group 1	1.9947	-	1.9947	2.0724
Group 2	0.9266	1.0681	1.9947	2.0724
Share class A Income				
Group 1	1.5300	-	1.5300	1.6100
Group 2	0.5827	0.9473	1.5300	1.6100
Share class I Accumulation				
Group 1	2.7866	-	2.7866	2.8308
Group 2	1.2557	1.5309	2.7866	2.8308
Share class I Income				
Group 1	2.0600	-	2.0600	2.1300
Group 2	1.0327	1.0273	2.0600	2.1300

Equalisation

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

Aberdeen European Equity Fund

For the year ended 31 July 2015

Investment objective and policy

The Fund aims for maximum capital growth through investment in a broad spread of European securities. The Manager will invest in European companies which offer good prospects for capital growth. Whilst the Fund will invest principally in companies incorporated in Europe, the Manager may also invest in companies which derive an important proportion of their earnings from European trade or operations. It is intended that the Fund will have minimal exposure to the UK. The Manager will also take opportunities as they arise to invest in European emerging markets.

Distribution

A final distribution of 1.6091p per share will be paid to A accumulation shareholders, 2.6263p per share to I accumulation shareholders and 4.2295p per share to Z accumulation shareholders on 31 October 2015.

Corporate activity

Aberdeen European Ex-UK Equity Fund, a sub-fund of Aberdeen Investment Funds UK ICVC III, amalgamated into the Aberdeen European Equity Fund, on the 10 July 2015. On amalgamation, Aberdeen European Ex-UK Equity Fund A accumulation shareholders received 6.71464256 A accumulation shares for every one A accumulation share held, B accumulation shareholders received 5.73891757 I accumulation shares for every one B accumulation share held and C accumulation shareholders received 3.35512927 I accumulation shares for every one C accumulation share held.

Performance review

The Aberdeen European Equity - A accumulation shares rose by 4.20% in sterling terms, compared to an increase of 9.61% in the benchmark FTSE World - Europe Ex UK Index.

Market review

Stockmarkets in Europe rose in the year under review, buoyed by better economic data, the start of the European Central Bank's (ECB's) larger-than-expected quantitative easing, decent earnings news and a raft of M&A activity. On the flip side, risk appetite was undermined by the Swiss central bank's unexpected de-pegging of the franc from the euro, the unfolding Greek debt drama, and a slowdown in China. Uncertainty over the timing of the Fed's normalisation of interest rates, as well as weak commodity prices, dampened the resources sector. However, European equities ended firmer towards the period-end on the back of improvements in the Chinese A-share market, as well as news of Greece's third bailout despite some late profit taking.

Portfolio review

At the stock level, holdings that contributed to relative return included Novo Nordisk, which performed strongly following news that it will resubmit its insulin drug Tresiba to the US FDA for approval. While the regulator had rejected the drug in 2013, the company believes it now has sufficient data to support its application. Also, our lack of exposure to Banco Santander proved beneficial as the bank underperformed owing to concerns over its capital gap to peers and margin pressure

in Spain. Last, Assa Abloy contributed to relative performance benefiting from strong growth in the Americas and successful restructuring activities.

In contrast, holdings that detracted included Fugro, its share price weakened along with the broader oil and gas sector, as the depressed oil price continued to pressure its customer base. Retailer Casino also lagged, reflecting ongoing competition in France and some concerns over Brazilian growth rates. Finally, Vienna Insurance Group cost the fund despite progress made in some of its smaller, problematic markets and underwriting profitability improved. However, it faced headwinds from the low interest-rate environment, weak premium growth and signs of weakness in its Polish business, which weighed on the share price.

In key portfolio activity, divested Air Liquide, reduced our exposure to Schneider Electric and trimmed ENI on the back of concerns over its business outlook. We also pared Dassault Systemes, Essilor, Givaudan, Kongsberg Gruppen as well as L'Oreal on valuation grounds.

Against this, we introduced Swiss lender UBS, given the asset gathering potential of its high-quality wealth management franchise and its reduced reliance on higher risk investment banking activities. We also initiated holdings in oil services company Schoeller-Bleckmann and global consumer and industrial chemicals producer Henkel. Schoeller-Bleckmann's share-price weakness gave us an opportunity to invest in a business with strong positions and technological expertise in niche directional drilling oil markets, while Henkel's allure was its exposure to favourable long-term growth potential in chemicals and consumer products, leading brands and good cash generation. Our final introduction in the period was enzyme producer Novozymes, a market leader backed by powerful structural growth drivers, and the sheer growth in potential enzyme applications, and a robust net-cash balance sheet. We also added to Kion and topped up Swatch back to our preferred levels of exposure.

Outlook

European equity markets have had a volatile year. They recovered some ground approaching year end but risks persist, including uncertainty over Greece, the wider Eurozone fragility, and a weakening growth outlook in China. In Europe, data is likely to remain broadly stable, with growth benefiting from a weaker euro and the lower oil price. In addition, the ECB's policy loosening should help to underpin financial markets. While the short-term outlook for equity returns might well stay difficult, we are more sanguine about the medium to long-term. We believe that globally competitive businesses with genuine pricing power should prosper in the long run and further volatility ought to provide opportunities to add to our preferred holdings.

Pan European Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 94.91% (2014: 98.70%)			
Austria 3.93% (2014: 3.27%)			
Schoeller-Bleckmann Oilfield ^{oo}	107,000	3,899	1.51
Vienna Insurance ^{oo}	280,000	6,243	2.42
		10,142	3.93
Denmark 5.50% (2014: 4.05%)			
Novo Nordisk	295,000	11,152	4.31
Novozymes 'B'	91,000	3,062	1.19
		14,214	5.50
France 12.18% (2014: 18.17%)			
Casino Guichard Perrachon	121,000	5,787	2.24
Dassault Systemes	134,500	6,549	2.54
Essilor International	49,500	4,086	1.58
GDF Suez	329,000	4,072	1.58
L'Oreal	33,000	3,980	1.54
Schneider Electric	155,000	6,979	2.70
		31,453	12.18
Germany 12.67% (2014: 11.30%)			
Fuchs Petrolub	124,000	3,189	1.23
Fuchs Petrolub (PREF)	39,000	1,093	0.42
Henkel	64,000	4,152	1.61
KION Group	184,000	5,392	2.09
Linde AG	82,000	9,997	3.87
MTU Aero Engines	151,000	8,910	3.45
		32,733	12.67
Italy 1.56% (2014: 2.96%)			
ENI	357,000	4,024	1.56
Netherlands 10.26% (2014: 11.30%)			
Fugro ^{oo}	367,000	4,956	1.92
Koninklijke Vopak	136,000	4,583	1.77
Royal Dutch Shell 'A'	422,056	7,823	3.03
Unilever	316,000	9,128	3.54
		26,490	10.26
Norway 2.54% (2014: 4.47%)			
Kongsberg Gruppen	609,000	6,553	2.54
Spain 2.49% (2014: 2.39%)			
Amadeus IT Holdings	229,000	6,438	2.49

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Sweden 15.66% (2014: 16.25%)			
Assa Abloy 'B'	570,000	7,454	2.89
Atlas Copco 'B'	563,000	8,902	3.44
Ericsson	771,000	5,318	2.06
Nordea Bank	974,000	7,817	3.03
Svenska Handelsbanken	578,000	5,697	2.21
Swedish Match	266,000	5,254	2.03
		40,442	15.66
Switzerland 28.12% (2014: 24.54%)			
Givaudan	2,400	2,879	1.11
Holcim	157,000	7,045	2.73
Nestle	200,000	9,754	3.78
Novartis	102,000	6,821	2.64
Roche	56,000	10,421	4.03
Schindler (Participating)	28,000	2,907	1.13
Schindler (Registered)	52,000	5,436	2.10
Swatch	111,000	5,858	2.27
Swatch	4,000	1,110	0.43
Syngenta	30,000	7,959	3.08
UBS	574,000	8,511	3.30
Zurich Insurance	20,000	3,924	1.52
		72,625	28.12
Total Equities		245,114	94.91
Investment Funds 3.98% (2014: nil)			
Aberdeen European Smaller Companies Equity Z-2 [†]	832,708	10,282	3.98
Total Investment Funds		10,282	3.98
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		255,396	98.89
Investment assets		255,396	98.89
Net other assets		2,863	1.11
Net assets		258,259	100.00

[†] Managed by subsidiaries of Aberdeen Asset Management PLC.

[∞] A portion of this security is on loan at the year end.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation Shares in issue	158,166,347.58	137,756,853.50	151,793,724.97
I Accumulation Shares in issue	20,868,333.23	6,182,179.84	6,556,214.28
Z Accumulation Shares in issue	1,977,968.31	4,868,468.31	1,763,868.31
Net asset value attributable to			
A Accumulation shareholders (£'000)	226,235	187,047	212,412
I Accumulation shareholders (£'000)	28,824	8,045	8,725
Z Accumulation shareholders (£'000)	3,200	7,365	2,710
Net asset value of Fund (£'000)	258,259	202,457	223,847
Net asset value pence per share			
A Accumulation	143.04	135.78	139.93
I Accumulation	138.12	130.13	133.09
Z Accumulation	161.78	151.29	153.65

Performance record

Calendar year		Net revenue pence per share	Highest price pence share price	Lowest price pence share price
2011	A Accumulation	1.6711	126.30	92.69
2011	I Accumulation	2.1162	118.49	87.13
2011	Z Accumulation	3.6161	134.11	98.99
2012	A Accumulation	1.4862	121.27	101.98
2012	I Accumulation	1.9138	114.79	96.19
2012	Z Accumulation	3.3275	132.00	110.05
2013	A Accumulation	1.9419	143.11	121.21
2013	I Accumulation	2.7541	135.91	114.75
2013	Z Accumulation	4.2107	156.68	131.97
2014	A Accumulation	1.5015	145.14	124.63
2014	I Accumulation	2.4566	138.96	119.63
2014	Z Accumulation	3.9956	161.37	139.30
2015 ^A	A Accumulation	1.6091	155.44	133.79
2015 ^A	I Accumulation	2.6263	149.75	128.65
2015 ^A	Z Accumulation	4.2295	175.00	150.05

^A As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.66	0.91	0.16
31 July 2015	1.64	0.89	0.14

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risk of investing in this Fund:
- Exchange Rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 08/11/1991 to 31/07/2015 ^B
Fund - A Accumulation	4.20	38.57	442.52
Benchmark ^A	9.61	52.54	776.49

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	4.20	(1.92)	26.14	(4.52)	12.56

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A FTSE Europe ex UK Index.

^B Figures for Aberdeen European Growth Unit Trust prior to 16 December 2005.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		10,031		(8,743)
Revenue	2	5,643		6,395	
Expenses	3	(3,214)		(3,404)	
Net revenue before taxation		2,429		2,991	
Taxation	4	(133)		(535)	
Net revenue after taxation			2,296		2,456
Total return before distributions			12,327		(6,287)
Finance costs: distributions	5		(2,304)		(2,464)
Change in net assets attributable to shareholders from investment activities			10,023		(8,751)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		202,457		223,847
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	1,409		7,242	
Amount receivable on amalgamations ^A	62,256		-	
Amount payable on cancellation of shares	(21,066)		(22,297)	
		42,599		(15,055)
Stamp duty reserve tax		-		(1)
Unclaimed distributions		3		2
Change in net assets attributable to shareholders from investment activities (see above)		10,023		(8,751)
Retained distribution on accumulation shares		3,177		2,415
Closing net assets attributable to shareholders		258,259		202,457

^A Relating to the amalgamation on 10 July 2015 of Aberdeen European Ex-UK Equity Fund, a sub fund of Aberdeen Investment Funds UK ICVC III, into the Fund.

Balance sheet

As at 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Assets					
Investment assets			255,396		199,816
Debtors	6	924		1,392	
Cash and bank balances		10,290		1,823	
Total other assets			11,214		3,215
Total assets			266,610		203,031
Liabilities					
Creditors	7	(8,351)		(574)	
Total liabilities			(8,351)		(574)
Net assets attributable to shareholders			258,259		202,457

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains/(losses) on investments

	2015 £'000	2014 £'000
Net capital gains/(losses) on investments during the year comprise:		
Non-derivative securities	10,189	(8,691)
Other currency losses	(157)	(47)
Transaction costs	(1)	(5)
Net capital gains/(losses) on investments	10,031	(8,743)

2. Revenue

	2015 £'000	2014 £'000
Bank interest	5	32
Other revenue	13	-
Overseas dividends	5,501	6,330
Stock dividends	98	-
Stock lending revenue	26	33
Total Revenue	5,643	6,395

	2015 £'000	2014 £'000
Stock lending details		
Aggregate value of securities on loan at the year end	7,080	8,271

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £7,545,000 (2014 - £8,707,000) was held with the following counterparties:

Counterparty	2015 £'000	2014 £'000
ABN AMRO	117	-
BNP Paribas Securities Services	293	-
Citigroup	258	-
Deutsche Bank	6,877	8,707
	7,545	8,707

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating).

With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	2,918	3,062
Operating, administrative and servicing fees	157	-
Registration fees	88	193
	3,163	3,255
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	12	26
Safe custody fees	32	72
	44	98
<i>Other expenses:</i>		
Audit fee	3	7
Legal & Professional fee	5	13
Printing and postage fees	(1)	31
	7	51
Total expenses	3,214	3,404

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas tax reclaims	(393)	-
Overseas withholding tax	526	535
Total taxation	133	535

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	2,429	2,991
Corporation tax of 20%	486	598
Effects of:		
Current year excess management expenses not utilised	634	667
Irrecoverable overseas withholding tax	133	602
Non taxable overseas dividends	(1,100)	(1,266)
Other non taxable revenue	(20)	-
Withholding tax reclaims	-	(66)
Current tax charge	133	535

At the year end, there is a potential deferred tax asset of £3,792,000 (2014 - £3,158,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Final	3,177	2,415
Add: Revenue deducted on cancellation of shares	62	65
Deduct: Revenue received on issue of shares	(935)	(16)
Net distribution for the year	2,304	2,464
Total finance costs	2,304	2,464

Details of the distribution per unit are set out in the distribution table on page 177.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	2,296	2,456
Add:		
Movement between share classes due to conversions	8	8
Finance cost: distributions	2,304	2,464

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

6. Debtors

	2015	2014
	£'000	£'000
Amounts receivable for issue of shares	1	6
Currency transactions awaiting settlement	50	-
Merger debtor	523	-
Overseas withholding tax reclaimable	350	919
Sales awaiting settlement	-	467
Total debtors	924	1,392

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	319	320
Amounts payable for cancellation of shares	320	254
Currency transactions awaiting settlement	50	-
Purchases awaiting settlement	7,662	-
Total creditors	8,351	574

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
Danish Krone	50	14,214	14,264
Euro	-	111,280	111,280
Norwegian Krone	-	6,553	6,553
Swedish Krona	-	40,442	40,442
Swiss Franc	50	72,625	72,675
2014			
Danish Krone	-	8,197	8,197
Euro	94	99,977	100,071
Norwegian Krone	-	9,046	9,046
Swedish Krona	-	32,895	32,895
Swiss Franc	-	49,701	49,701

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 170. During the year the ACD held shares in the Fund and had a holding of 746 accumulation 'A' shares (2014 - 3,738), 819 accumulation 'I' shares (2014 - 3,769), and 694 accumulation 'Z' shares (2014 - 1,325) as at 31 July 2015. £604,000 was due to the ACD (2014 - £531,000) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £8,500) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional)

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

Class 'A': 1.50%

Class 'I': 0.75%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 168. The distribution per share class is given in the distribution table on page 177. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		92,271		20,705
Commissions	22		18	
Other costs	-		3	
Total transaction cost		22		21
Gross purchases total		92,293		20,726
Analysis of total sale costs				
Gross sales in year before transaction costs		46,997		32,713
Commissions	(31)		(24)	
Total transaction cost		(31)		(24)
Total sales net of transaction costs		46,966		32,689

Distribution table

For the year ended 31 July 2015 (in pence per share)

Final dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased between 1 August 2014 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation				
Group 1	1.6091	-	1.6091	1.5015
Group 2	-	1.6091	1.6091	1.5015
Share class I Accumulation				
Group 1	2.6263	-	2.6263	2.4566
Group 2	0.0700	2.5563	2.6263	2.4566
Share class Z Accumulation				
Group 1	4.2295	-	4.2295	3.9956
Group 2	3.4981	0.7314	4.2295	3.9956

Equalisation

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

Aberdeen European Smaller Companies Equity Fund

For the year ended 31 July 2015

Investment objective and policy

The Fund aims to achieve capital growth primarily by investing in Equity and Equity-Related Securities of European smaller companies. Income is not a consideration.

Investments will generally be confined to smaller companies. In this context, smaller companies generally mean companies which are, at the time of investment, of a market capitalisation appropriate for a small company sector benchmark. Investments in companies which subsequently outgrow the appropriate small company sector benchmark will not be sold unless, in the opinion of the Investment Adviser, this is in the best interests of Shareholders. This Fund may invest in companies listed or incorporated anywhere in the world, as long as the companies' principal activities are in, or their main economic exposure is to, Europe. The Fund may also hold ancillary liquid assets and Investment grade debt and debt related securities.

Distribution

A final distribution of 4.9378p per share will be paid to A accumulation shareholders, 1.5456p per share to I accumulation shareholders and 23.8872p per share to Z accumulation shareholders on 31 October 2015.

Performance review

The Aberdeen European Smaller Companies Equity - A accumulation shares rose by 6.65% in sterling terms, compared to an increase of 10.29% in the benchmark Euromoney Smaller European Companies Europe Including UK Index (formerly known as the HSBC Smaller Companies Europe inc UK Index).

Market review

Small-cap equities in Europe rose in the year under review, buoyed by better economic data, the start of the European Central Bank's (ECB's) larger-than-expected quantitative easing, decent earnings news and a raft of M&A activity. On the flip side, risk appetite was undermined by the Swiss central bank's unexpected de-pegging of the franc from the euro, the unfolding Greek debt drama, and a slowdown in China. Uncertainty over the timing of the Fed's normalisation of interest rates, as well as weak commodity prices, dampened the resources sector. However, European equities ended firmer towards the period-end on the back of improvements in the Chinese A-share market, as well as news of Greece's third bailout despite some late profit taking.

Portfolio review

At the stock level, holdings that contributed to relative return included Croda International, which issued an upbeat first-quarter trading statement, revealing good sales to the life sciences segment and a welcome return to meaningful growth in its personal care division. Also, Sage Group continued to improve its growth rates, with positive performance from newer products and ongoing subscription growth. Last, Dignity performed well in the quarter, following strong results and a further acquisition of 36 funeral locations.

In contrast, holdings that detracted included EnQuest, its performance was affected by uncertainty surrounding the oil price and outlook over the medium term. Similarly, Weir's share price suffered on the back of lower commodity prices and weaker demand for its products, while Fugro weakened along with the broader oil and gas sector, as the depressed oil price continued to pressure its customer base.

In portfolio activity, we sold Schindler, GEA and Sage after a period of gradually reducing our exposure to these larger companies. We also pared Croda, Dignity, Great Portland Estates, Inmarsat, Kongsberg Gruppen, Symrise and Weir Group on valuation grounds, and recycled capital into holdings with better outlooks. This included a number of new introductions: Temenos, the banking software provider with its attractive recurring revenue base and sound financials; Interparfums, the French perfumier, for its a market leadership and strong luxury brands; Burckhardt Compression, a high quality Swiss reciprocating compressor manufacturer with exposure to a variety of growth markets; advanced instrumentation provider Oxford Instruments; speciality chemical company Elementis with its strong customer relationships and high value add products and finally oil services company Schoeller-Bleckmann with its leading edge components for directional drilling. We found these companies attractive from both a quality and valuation perspective. We also added to Aveva, Elringklinger, Enquest, Gerresheimer and Ultra Electronics over the year in view of their attractive valuations.

Outlook

European equity markets have had a volatile year. They recovered some ground approaching year end but risks persist, including uncertainty over Greece, the wider Eurozone fragility, and a weakening growth outlook in China. In Europe, data is likely to remain broadly stable, with growth benefiting from a weaker euro and the lower oil price. In addition, the ECB's policy loosening should help to underpin financial markets. While the short-term outlook for equity returns might well stay difficult, we are more sanguine about the medium to long-term. We believe that globally competitive businesses with genuine pricing power should prosper in the long run and further volatility ought to provide opportunities to add to our preferred holdings.

Pan European Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 97.01% (2014: 98.32%)			
Austria 4.58% (2014: 3.84%)			
Schoeller-Bleckmann Oilfield	42,000	1,531	1.42
Vienna Insurance	152,000	3,388	3.16
		4,919	4.58
Bermuda nil (2014: nil)			
Ashurst Technology Units	3,184,500	-	-
France 5.41% (2014: 3.57%)			
Inter Parfums	91,000	1,675	1.56
Mersen	78,000	1,188	1.11
Virbac	19,300	2,950	2.74
		5,813	5.41
Germany 19.50% (2014: 21.37%)			
ErlingKlinger	156,000	2,412	2.24
Fielmann	42,000	1,783	1.66
Fuchs Petrolub	124,848	3,211	2.99
Gerresheimer	69,000	3,267	3.04
KWS SAAT	8,000	1,681	1.56
MTU Aero Engines	72,000	4,249	3.95
Pfeiffer Vacuum	34,000	2,009	1.87
Symrise	55,000	2,354	2.19
		20,966	19.50
Netherlands 4.57% (2014: 5.47%)			
Fugro	154,000	2,080	1.93
Koninklijke Vopak	84,000	2,830	2.64
		4,910	4.57
Norway 2.88% (2014: 4.88%)			
Kongsberg Gruppen	287,282	3,091	2.88
Spain 4.17% (2014: 4.25%)			
Baron de Ley	22,000	1,402	1.30
Viscofan	80,000	3,081	2.87
		4,483	4.17
Sweden 4.28% (2014: 3.79%)			
Elektro	523,000	2,239	2.08
OPUS	3,657,540	2,365	2.20
		4,604	4.28

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Switzerland 13.07% (2014: 10.61%)			
Barry Callebaut	3,900	2,808	2.61
BELIMO	1,100	1,608	1.50
Burckhardt Compression	6,500	1,583	1.47
Flughafen Zurich	5,500	2,908	2.71
Kaba Holding	8,200	3,376	3.13
Temenos	75,000	1,770	1.65
		14,053	13.07
United Kingdom 38.55% (2014: 40.54%)			
Aveva	187,500	4,135	3.84
Close Brothers	155,000	2,252	2.10
Croda International	72,000	2,189	2.04
Dechra Pharmaceuticals	252,000	2,481	2.31
Dignity	93,000	2,276	2.12
Elementis	850,000	2,185	2.03
EnQuest	3,777,000	1,341	1.25
Euromoney Institutional Investor	354,000	3,692	3.42
Great Portland Estates	208,000	1,732	1.61
Inmarsat	347,000	3,081	2.87
Mothercare	1,100,311	2,985	2.78
Oxford Instruments	157,000	1,438	1.34
Spirax-Sarco Engineering	99,500	3,299	3.06
Ultra Electronic	157,000	2,740	2.55
Victrex	168,000	3,252	3.03
Weir	154,000	2,367	2.20
		41,445	38.55
Total Equities		104,284	97.01
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		104,284	97.01
Investment asset including liabilities		104,284	97.01
Net other assets		3,214	2.99
Net assets		107,498	100.00

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	5,359,221.48	6,003,951.23	7,232,232.88
I Accumulation shares in issue	2,547,695.83	1,333,959.63	146,059.92
Z Accumulation shares in issue	3,830,612.89	1,795,512.89	1,752,512.89
Net asset value attributable to			
A Accumulation shareholders (£'000)	56,817	59,352	72,894
I Accumulation shareholders (£'000)	3,242	1,571	174
Z Accumulation shareholders (£'000)	47,439	20,430	20,023
Net asset value of Fund (£'000)	107,498	81,353	93,091
Net asset value pence per share			
A Accumulation	1,060.17	988.53	1,007.91
I Accumulation	127.24	117.77	119.19
Z Accumulation	1,238.43	1,137.86	1,142.50

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	6.6392	912.23	691.94
2011	Z Accumulation	20.9540	1,002.25	762.98
2012	A Accumulation	7.7375	906.25	738.82
2012 ^A	I Accumulation	-	106.67	98.59
2012	Z Accumulation	21.5602	1,018.09	822.38
2013	A Accumulation	12.3077	1,052.31	913.79
2013	I Accumulation	2.3943	124.80	107.61
2013	Z Accumulation	29.9405	1,200.55	1,027.41
2014	A Accumulation	3.6459	1,065.38	899.24
2014	I Accumulation	1.4015	126.79	107.31
2014	Z Accumulation	22.2341	1,223.73	1,038.38
2015 ^B	A Accumulation	4.9378	1,126.20	984.62
2015 ^B	I Accumulation	1.5456	135.01	117.68
2015 ^B	Z Accumulation	23.8872	1,312.42	1,140.48

^A Accumulation I share class launched on 1 October 2012.

^B As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.64	0.89	0.14
31 July 2015	1.66	0.91	0.16

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Exchange rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
 - Smaller Companies: Shares of smaller companies may be more difficult to buy and sell than those of larger companies. This means that the Investment Manager may not be able to buy and sell at the best time or may suffer losses. This could reduce your returns.
 - A full list of risks applicable to this Fund can be found in the Prospectus.
 - The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 19/10/1990 to 31/07/2015 ^B
Fund - A Accumulation	6.65	50.65	1,024.53
Benchmark ^A	10.29	71.42	960.29

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	6.65	(1.36)	24.30	(5.46)	21.85

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A HSBC Smaller Companies Europe ex UK to 31/10/09 then HSBC Smaller Companies Europe inc UK.

^B Figures for Aberdeen European Smaller Companies Fund, a sub-fund of Aberdeen Investments I, prior to 10 April 2006.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	1		7,015		(1,738)
Revenue	2	2,234		1,975	
Expenses	3	(1,047)		(1,133)	
Finance Costs: Interests		(1)		1	
Net revenue before taxation		1,186		843	
Taxation	4	(136)		(208)	
Net revenue after taxation			1,050		635
Total return before distributions			8,065		(1,103)
Finance costs: distributions	5		(1,053)		(639)
Change in net assets attributable to shareholders from investment activities			7,012		(1,742)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		81,353		93,091
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	27,419		1,394	
Amount payable on cancellation of shares	(9,597)		(12,037)	
		17,822		(10,643)
Dilution charged		92		13
Stamp duty reserve tax		-		(3)
Change in net assets attributable to shareholders from Investment activities (see above)		7,012		(1,742)
Retained distribution on accumulation shares		1,219		637
Closing net assets attributable to shareholders		107,498		81,353

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			104,284		79,989
Debtors	6	12,227		1,491	
Cash and bank balances		1,756		203	
Total other assets			13,983		1,694
Total assets			118,267		81,683
Liabilities					
Creditors	7	(10,769)		(330)	
Total other liabilities			(10,769)		(330)
Net assets attributable to shareholders			107,498		81,353

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains/(losses) on investments

	2015	2014
	£'000	£'000
Net capital gains on investments during the year comprise:		
Non-derivative securities	7,055	(1,735)
Other currency gains/(losses)	(36)	-
Transaction costs	(5)	(3)
Class actions	1	-
Net capital gains/(losses) on investments	7,015	(1,738)

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	4	48
Overseas dividends	1,270	1,166
Stock lending revenue	49	2
UK dividends	911	759
Total revenue	2,234	1,975

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	899	1,009
Operating, administrative and servicing fees	87	-
Registration fees	41	79
	1,027	1,088
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	5	11
Safe custody fees	9	18
	14	29
<i>Other expenses:</i>		
Audit fee	3	7
Legal & professional fee	3	6
Printing and postage fees	-	3
	6	16
Total expenses	1,047	1,133

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Overseas tax reclaims	(107)	(135)
Overseas withholding tax	243	343
Total Taxation	136	208

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	1,186	843
Corporation tax of 20%	237	168
Effects of:		
Current year excess management expenses not utilised	195	215
Irrecoverable overseas withholding tax	136	208
Non taxable overseas dividends	(254)	(233)
Non-taxable UK dividends	(178)	(150)
Current tax charge	136	208

At the year end, there is a potential deferred tax asset of £1,341,000 (2014 - £1,146,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Final	1,219	637
Add: Revenue deducted on cancellation of shares	36	11
Deduct: Revenue received on issue of shares	(203)	(8)
Net distribution for the year	1,052	640
Interest	1	(1)
Total finance costs	1,053	639

Details of the distribution per unit are set out in the distribution table on page 190.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	1,050	635
Add:		
Movement between share classes due to conversions	3	4
Finance cost: distributions	1,053	639

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	47	-
Amounts receivable for issue of shares	8,001	17
Currency transactions awaiting settlement	3,992	-
Overseas withholding tax reclaimable	187	202
Sales awaiting settlement	-	1,272
Total debtors	12,227	1,491

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	92	106
Amounts payable for cancellation of shares	116	106
Corporation tax payable	-	25
Currency transactions awaiting settlement	3,982	-
Purchases awaiting settlement	6,579	93
Total creditors	10,769	330

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
Euro	-	41,092	41,092
Swiss Franc	-	14,053	14,053
Norwegian Krone	-	3,091	3,091
Swedish Krona	-	4,604	4,604
2014			
Euro	28	31,307	31,335
Swiss Franc	-	8,633	8,633
Norwegian Krone	-	3,967	3,967
Swedish Krona	-	3,086	3,086

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 183. During the year the ACD held shares in the Fund and had a holding of 177 accumulation 'A' shares (2014 - 264), 860 accumulation 'I' shares (2014 - 1,705) and 143 accumulation 'Z' shares (2014 - 213) as at 31 July 2015. £7,958,678 was due to the ACD (2014 - £181,000 was due to) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with Depositary (2014 - £2,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Windsor Life Assurance Co Ltd held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 23% of the Fund's units in issue. During the year, Windsor Life Assurance Co Ltd made total purchases of £4,769,535 in the Fund.

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional).

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

Class 'A': 1.50%

Class 'I': 0.75%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 181. The distribution per share class is given in the distribution table on page 190. All share classes have the same rights on winding up.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		39,715		12,372
Commissions	25		12	
Taxes	76		21	
Other Costs	2		1	
Total transaction cost		103		34
Gross purchases total		39,818		12,406
Analysis of total sale costs				
Gross sales in year before transaction costs		22,594		20,935
Commissions	(16)		(16)	
Total transaction cost		(16)		(16)
Total sales net of transaction costs		22,578		20,919

Distribution table

For the year ended 31 July 2015 (in pence per share)

Final dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation				
Group 1	4.9378	-	4.9378	3.6459
Group 2	4.5579	0.3799	4.9378	3.6459
Share class I Accumulation				
Group 1	1.5456	-	1.5456	1.4015
Group 2	1.2197	0.3259	1.5456	1.4015
Share class Z Accumulation				
Group 1	23.8872	-	23.8872	22.2341
Group 2	14.9269	8.9603	23.8872	22.2341

Equalisation

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

Aberdeen Financial Equity Fund

For the period ended 31 July 2015

Investment objective and policy

The Fund aims to provide capital growth, whilst not excluding the occurrence of income, by investing predominantly in Equity and Equity-Related securities issued by financial institutions, such as banking, insurance, financial services and property companies, domiciled globally.

The Fund may also invest in other transferable securities, money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Distribution

A final distribution of 0.08p per share will be paid to I income Shareholders on 31 October 2015.

Corporate activity

Aberdeen Financial Equity Fund, a sub-fund of Aberdeen Investment Funds UK ICVC II, amalgamated into the Aberdeen Financial Equity Fund, on the 19 June 2015. On amalgamation, Aberdeen Financial Equity Fund A income shareholders received one A income share for every one A income share held and B income shareholders received one I income share for every one B income share held.

Performance review

The Aberdeen Financial Equity - A income shares rose by 6.14% in sterling terms, compared to an increase of 13.22% in the benchmark FTSE World/Financials TR.

Market review

Global financial equities eked out gains during the 12 months under review, with developed markets generally outperforming their emerging counterparts. At the beginning of the period, asset prices continued to be buoyed by accommodative monetary policy from major central banks. As the European Central Bank launched its quantitative easing programme, disappointing economic data in China and Japan fuelled hopes of further stimulus. However, gains were pared towards the end of the period by escalating instability in the Middle East. Jitters also intensified over the Greek debt talks. The nation closed its banks and imposed capital controls after negotiations with its creditors collapsed. Eventually, optimism returned after parliament passed key reforms that paved the way for an agreement on its third bailout package.

In China, still-underwhelming economic data, along with a sharp fall in its equity markets, led the central bank to cut rates by another 25 basis points in late June. Government measures to prop up the stockmarket fell short: major indices saw their biggest one-day drop in more than eight years towards the end of the period. The manufacturing sector also contracted for the fifth consecutive month, weighing on sentiment around the region. The US appeared on track to raise interest rates this year, as robust consumer spending underpinned economic growth of 2.3% in the second quarter.

Portfolio review

The review period proved a transition for the fund in light of Aberdeen's takeover of Scottish Widows Investment Partnership. Due to technical difficulties arising from the change in service providers for the portfolio's underlying data, commentary for the entire period was unavailable. The change of management also resulted in a realignment of the portfolio to conform to the Aberdeen model. This necessitated a certain level of turnover of the fund's underlying holdings. Since these adjustments have been completed, however, investors can look forward to a more meaningful account of the fund's performance from the next period.

Outlook

Global macroeconomic prospects are unlikely to improve dramatically in the short term, given the persistent headwinds. While the US economy seems to be stabilising, its global peers are on shakier footing. In Europe, manufacturing and services sectors continue to moderate, while the Greek drama plays out in the periphery: the nation appears to have avoided an imminent default after reaching a deal with its creditors on the terms of a third bailout, but concern over the health of the economy remains. Chinese equities continue to sputter despite Beijing's efforts to prop up prices, while its economic slowdown has crimped export demand in many of its key trading partners. As a result, we would not be surprised by continued bouts of volatility in the months ahead. Although our holdings will not be immune from the market noise, their sound fundamentals should position them for earnings growth in the long run.

Global Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 96.28%			
Austria 1.52%			
Vienna Insurance	38,800	865	1.52
Brazil 6.24%			
Banco Bradesco (ADR)	295,448	1,501	2.64
BM&F Bovespa	492,300	964	1.70
Iguatemi Empresa de Shopping Centers	240,200	1,080	1.90
		3,545	6.24
Canada 3.95%			
Canadian Western Bank	79,500	963	1.69
Royal Bank of Canada	34,200	1,285	2.26
		2,248	3.95
France 3.13%			
ICADE	11,400	545	0.96
Unibail-Rodamco (REIT)	7,200	1,235	2.17
		1,780	3.13
Hong Kong 6.87%			
AIA	524,600	2,184	3.84
Hong Kong Exchanges & Clearing	32,200	559	0.98
Swire Pacific	142,300	1,163	2.05
		3,906	6.87
India 2.28%			
Housing Development Finance Corporation	97,100	1,297	2.28
Japan 8.61%			
AEON Financial Service Co	48,800	814	1.43
Daito Trust Construction Co	17,300	1,172	2.06
Mitsubishi Estate Co	102,245	1,456	2.57
Suruga Bank	105,500	1,452	2.55
		4,894	8.61
Philippines 1.60%			
Bank of the Philippine Islands	682,000	907	1.60
Singapore 4.91%			
City Developments	184,400	805	1.42
DBS Group Holdings	57,100	540	0.95
Oversea-Chinese Banking Corp	300,261	1,445	2.54
		2,790	4.91
South Africa 1.16%			
JSE	87,800	657	1.16

	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Security			
Sweden 4.13%			
Nordea Bank	145,000	1,164	2.05
Svenska Handelsbanken	120,000	1,183	2.08
		2,347	4.13
Switzerland 3.92%			
UBS	40,400	599	1.05
Zurich Insurance	8,300	1,629	2.87
		2,228	3.92
Thailand 1.92%			
Siam Commercial Bank (Alien)	393,900	1,089	1.92
United Kingdom 17.85%			
Close Brothers	81,000	1,177	2.07
Experian	147,200	1,768	3.11
HSBC	301,823	1,750	3.08
Prudential	128,261	1,933	3.39
Rathbone Brothers	53,200	1,211	2.13
Schroders	28,700	908	1.60
Standard Chartered Bank	143,095	1,403	2.47
		10,150	17.85
United States 28.19%			
American Express Co	23,300	1,136	2.00
AMERISAFE	49,100	1,574	2.77
Bank of the Ozarks	39,700	1,122	1.97
BlackRock	4,700	1,013	1.78
Boston Private Financial	150,200	1,209	2.13
Charles Schwab	51,000	1,140	2.01
CME	21,100	1,299	2.28
Digital Realty Trust REIT	20,800	857	1.51
Intercontinental Exchange	6,300	921	1.62
Jones Lang LaSalle	10,100	1,151	2.03
Visa	51,800	2,502	4.39
Wells Fargo	56,761	2,105	3.70
		16,029	28.19
Total Equities		54,732	96.28
Investment Funds 1.59%			
Cashre Tesco Lotus Retail Growth Freehold & Leasehold Property Fund	3,647,300	-	-
Tesco Lotus Retail Growth Freehold & Leasehold Property Fund	3,647,300	902	1.59
		902	1.59
Total Investment Funds		902	1.59
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		55,634	97.87

Derivatives (0.01%)

Forward currency exchange contracts (0.01%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
Citigroup	GBP	AUD	04/08/15	1,091,339	2,334,701	(8)	(0.01)
Deutsche Bank	SGD	GBP	03/08/15	1,202,078	561,455	2	-
Unrealised losses on forward currency exchange contracts						(6)	(0.01)
Unrealised losses on derivatives						(6)	(0.01)
Investment assets						55,628	97.86
Net other assets						1,214	2.14
Net assets						56,842	100.00

Currently forwards positions are not collateralised.

Comparative table

Accounting period	31 Jul 15
A Income shares in issue	2,275,922.48
I Income shares in issue	136,563.69
Net asset value attributable to	
A Income shareholders (£'000)	56,699
I Income shareholders (£'000)	143
Net asset value of Fund (£'000)	56,842
Net asset value pence per share	
A Income	2,491.25
I Income	104.51

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2015 ^{AB}	A Income	-	2,558.35	2,461.09
2015 ^{AB}	I Income	0.08	107.38	103.32

^A The Fund was launched on 19 June 2015.

^B As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %
31 July 2015	1.65	0.90

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
- Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- Specialist: The Fund invests in a specialist sector and it will not perform in line with funds that have a broader investment policy.
- A full list of risks applicable to this Fund can be found in the Prospectus
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 30/11/1970 to 31/07/2015 ^B
Fund - A Income	6.14	31.71	12,692.97
Benchmark ^A	13.22	56.38	N/A

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% Change	6.14	(0.70)	28.72	(5.34)	2.56

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A FTSE World/Financials TR.

^B The Aberdeen Investment Funds ICVC Financial Equity Fund was created by the transfer of the Aberdeen Investment Funds ICVC II Financial Equity Fund into the Aberdeen Investments ICVC range on 19/06/2015. The historical track record shown prior to this date reflects that of the Aberdeen Investment Funds ICVC II Financial Equity Fund.

Figures are as at valuation point.

Statement of total return

For the period ended 31 July 2015

		19 Jun 15 to 31 Jul 15	
	Notes	£'000	£'000
Income			
Net capital gains	1		39
Revenue	2	118	
Expenses	3	(113)	
Net revenue before taxation		5	
Taxation	4	(8)	
Net (expense) after taxation			(3)
Total return before distributions			36
Finance costs: distributions	5		-
Change in net assets attributable to shareholders from investment activities			36

Statement of change in net assets attributable to shareholders

For the period ended 31 July 2015

	19 Jun 15 to 31 Jul 15	
	£'000	£'000
Opening net assets attributable to shareholders		-
Movement due to sales and repurchases of shares		
Amount receivable on issue of shares	57,733	
Amount payable on cancellation of shares	(927)	
		56,806
Change in net assets attributable to shareholders from investment activities (see above)		36
Closing net assets attributable to shareholders		56,842

Balance sheet

As at 31 July 2015

	Notes	2015 £'000	2015 £'000
Assets			
Investment assets			55,636
Debtors	6	2,311	
Cash and bank balances		114	
Total other assets			2,425
Total assets			58,061
Liabilities			
Investment liabilities			(8)
Creditors	7	(1,211)	
Total other liabilities			(1,211)
Total liabilities			(1,219)
Net assets attributable to shareholders			56,842

Notes to the financial statements

For the period ended 31 July 2015

1. Net capital gains on investments

	19 Jun 15 to 31 Jul 15
	£'000
Net capital gains on investments during the year comprise:	
Forward currency contracts	(7)
Non-derivative securities	37
Other currency gains	9
Net capital gains on investments	39

2. Revenue

	19 Jun 15 to 31 Jul 15
	£'000
Overseas dividends	118
Total revenue	118

3. Expenses

	19 Jun 15 to 31 Jul 15
	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>	
Authorised Corporate Director's periodic charge	103
Operating, administrative and servicing fees	10
Total expenses	113

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	19 Jun 15 to 31 Jul 15
	£'000
The tax charge comprises:	
Current tax:	
Overseas withholding tax	12
Overseas tax reclaims	(4)
Total taxation	8

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Factors affecting tax charge for the period

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

Reconciliation of the tax charge for the period:

	19 Jun 15 to 31 Jul 15
	£'000
Net revenue before taxation	6
Corporation tax of 20%	1
Effects of:	
Non taxable overseas dividends	(24)
Irrecoverable overseas withholding tax	8
Current year excess management expenses not utilised	23
Current tax charge	8

No provision for deferred tax has been made in the current accounting period.

The fund has not recognised a deferred tax asset of £22,503 arising as a result of having unutilised management expenses. It is unlikely that the fund will obtain relief for these in the future so no deferred tax asset has been recognised.

There are no factors which affect future tax charges.

5. Finance costs

Distributions and interest

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

	19 Jun 15 to 31 Jul 15
	£'000
Final	-
Net distribution for the year	-
Finance cost: distributions	-

Details of the distribution per share are set out in the distribution table on page 202.

Movement between net revenue and distribution

	19 Jun 15 to 31 Jul 15
	£'000
Net (expense) after taxation	(3)
Add: Income deficit from capital	3
Finance cost: distributions	-

6. Debtors

	2015 £'000
Accrued revenue	75
Amounts receivable for issue of shares	1
Currency transactions awaiting settlement	566
Overseas withholding tax reclaimable	4
Sales awaiting settlement	1,665
Total debtors	2,311

7. Creditors

	2015 £'000
Accrued expenses	81
Currency transactions awaiting settlement	567
Purchases awaiting settlement	563
Total creditors	1,211

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
Brazilian Real	-	2,043	2,043
Canadian Dollar	-	2,248	2,248
Commercial Rand	-	657	657
Euro	-	2,645	2,645
Hong Kong Dollar	-	3,906	3,906
Indian Rupee	-	1,297	1,297
Japanese Yen	-	4,894	4,894
Philippine Peso	-	907	907
Singapore Dollar	-	2,790	2,790
Swedish Krona	-	2,347	2,347
Swiss Franc	-	2,228	2,228
Thai Baht	-	1,991	1,991
US Dollar	-	17,531	17,531

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 196. During the year the ACD held shares in the Fund and had a holding of 40 income 'A' shares, 957 income 'I' shares as at 31 July 2015. £73,000 was due to the ACD at the year end.

The Depositary

No balance was outstanding with the Depositary at the period end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

State Street Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 89% of the Fund's units in issue. During the year, State Street Nominees Limited made total sales of £121,000 in the Fund.

10. Shareholder funds

The Fund currently has 2 share classes; Class 'A' (Retail) and Class 'I' (Institutional).

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

Class 'A': 1.50%

Class 'I': 0.75%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 194. The distribution per share class is given in the distribution table on page 202. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	19 Jun 15 to 31 Jul 15
	£'000
Analysis of total purchase costs	
Purchases in year before transaction costs	1,135
Taxes	1
Total transaction cost	1
Gross purchases total	1,136
Analysis of total sale costs	
Gross sales in year before transaction costs	3,328
Commissions	2
Total transaction cost	2
Total sales net of transaction costs	3,330

Distribution table

For the period ended 31 July 2015 (in pence per share)

Final dividend distribution

Group 2: Shares purchased 19 June 2015 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15
Share class I Income			
Group 1	0.0800	-	0.0800
Group 2	0.0071	0.0729	0.0800

Equalisation

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

Aberdeen Global High Yield Bond Fund

For the period ended 31 July 2015

Investment objective and policy

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

A majority of the portfolio will invest in Debt and debt-related securities issued by companies based in Europe and/or North America.

The Fund may also invest in other transferable securities, including Investment Grade Debt and debt-related securities, Equity and Equity-Related securities, money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

The Fund may also invest to a minority extent in Debt and debt-related securities of companies and governments based in developing countries.

Distribution

A final distribution of 0.43p per share will be paid to A income shareholders, 0.65154p per share to A accumulation shareholders, 0.49p per share to I income shareholders, 0.81160p per share to I accumulation shareholders, 0.51p per share to P income shareholders, 0.61p per share to P gross income shareholders, 0.52p per share to Q income shareholders, 0.62p per share to Q gross income shareholders and 0.87430p per share to Z accumulation shareholders on 31 October 2015.

Performance review

The Aberdeen Global High Yield Bond Fund A Accumulation shares fell by 3.19% in sterling terms, compared with a rise in the benchmark, Barclays Global High Yield Corporate Hedged to GBP, of 1.21%.

Corporate Activity

Aberdeen Global High Yield Bond Fund, a sub-fund of Aberdeen Investment Funds UK ICVC II, amalgamated into the Aberdeen Global High Yield Bond Fund, on the 19 June 2015. On amalgamation, Aberdeen Global High Yield Bond Fund A accumulation shareholders received one A accumulation share for every A accumulation share held, A income shareholders received one A income share for every A income share held, B accumulation shareholders received one I accumulation share for every B accumulation share held, B income shareholders received one I income share for every B income share held, P income shareholders received one P income share for every P income share held, P gross income shareholders received one P gross income share for every P gross income share held, Q income shareholders received one Q income share for every Q income share held, Q gross income shareholders received one Q gross income share for every Q gross income share held and X accumulation shareholders received one Z accumulation share for every X accumulation share held.

Market review

The global high yield markets encountered numerous bouts of volatility over the 12-month period ending 31 July 2015, in response to sharp declines in energy prices, the rebooting of the Greek debt crisis, and speculation regarding US Federal Reserve (Fed) monetary policy. The benchmark Barclays High Yield Global Credit Corporate Index recorded a total return of 1.20%, underperforming global investment-grade bonds, which returned 2.96% for the same period. The European high yield market was the strongest performer, while emerging markets (EM) issues lost ground and were the primary market laggards. The BofA ML U.S. High Yield Master II Index, the US high yield benchmark, posted a modest gain of 0.34% for the annual period. (All index returns are hedged to GBP.)

Global high yield markets took a large step backward at the beginning of the reporting period as credit markets were buffeted by a number of geopolitical events, tepid economic headlines on both sides of the Atlantic, and a skittish investor base. Most notably, Russia's actions in Ukraine roiled markets throughout the quarter as concerns about the possibility of a "hot war" breaking out on NATO's doorstep and the potential impact from pernicious trade sanctions heightened volatility in risk markets.

After a strong start to 2015, global high yield investors found themselves treading water in the second quarter as the asset class was beset by headwinds, including higher interest rates on both sides of the Atlantic, a massive sell-off in the Chinese stock market, and the ongoing Greek fiscal drama. Despite the tensions in Greece, the European high yield market significantly outperformed its US counterpart for the 12-month period.

Portfolio review

For the 12-month period ended 31 July 2015, the Aberdeen Global High Yield Bond Fund underperformed its benchmark, the Barclays High Yield Global Credit Corporate Index, which returned 1.21%. Notably, 95% of this underperformance occurred during the months of November and December 2014, a period when the benchmark West Texas Intermediate (WTI) crude oil price declined 35%, from US\$80.54/barrel at the end of October to US\$53.27 by the end of December. Furthermore, 85% of this benchmark oil price decline occurred in the days leading up to Organization of the Petroleum Exporting Countries' (OPEC) announcement on November 28, 2014 that it would not cut production in the face of material global oversupply. In general, while the high yield market and investors were increasingly sensitive to and wary of further oil price declines from the \$90+/barrel level experienced up until 1 October, it was highly debatable whether OPEC would announce a production cut at this late November meeting. Unfortunately, the Aberdeen Global High Yield Bond Fund was positioned slightly offside at the time of this adverse development, with over 90% of the Fund's underperformance during this trailing 12-month period realized during the five weeks after the OPEC meeting announcement.

The underperformance resulted entirely from individual security selection as the Fund actually produced slight outperformance on a sector allocation basis. At the individual security level, as expected, three of the top five underperformers came from the energy sector (SandRidge, Chaparral and Seventy Seven Energy), generating an aggregate -68 basis points (bps) underperformance. Further layering in adverse credit selection from the commodity - driven and somewhat similar metals and mining sector/coal subsector (our holding in Alpha Natural Resources was the largest underperformer during this period), these four credits generated -120 bps of underperformance. Away from these two challenged sectors (which produced an aggregate of -91bps underperformance), the Fund did generate more respectable performance across the remaining sectors/subsectors. In terms of top sector and individual credit positions for the period, the Fund's top sector allocations were generated out of the retail (Magnolia BC, Petco), building materials (HD Supply) and finance (Onemain) sectors.

Outlook

Global economic growth is slow and has yet to broaden convincingly beyond the U.S. The nation's employment numbers improved steadily over the review period and consumer spending has recently shown a belated reaction to improving payroll data and lower energy prices. However, cheaper energy costs are a double-edged sword, in our view, as they have had a negative impact on already anaemic corporate investment spending. Meanwhile, global governments are reluctant to engage in the infrastructure spending that could be both a substitute and a longer -term encouragement for these lagging corporate investments.

It is not surprising that aggregate measures of corporate credit health are mixed in this type of macroeconomic environment. However, the market appears to be in good technical shape. The net supply of new bonds has been slowing and, in our view, is likely to remain slow into the fourth quarter, while mutual fund managers are maintaining healthy cash balances.

While the overall high yield market may be adequately priced, we believe there still are issue selection opportunities. We think that investors probably will find more relative value from avoiding overpriced securities, as there often is, but there also may be opportunities to invest in "singles and doubles" (to employ a baseball term) that have some upside. We believe that the energy sector contains good examples of both types and we continue to concentrate a good deal of our attention to this industry on a global basis. Away from energy, we believe that there are situations where the market is either overdiscounting credits in problem neighbourhoods or not paying enough for the relative safety of more stable industries and credits.

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Equities 0.30%					
United States 0.30%					
New Cotai Participation			20	396	0.03
WP Rocket Holdings			1,281,479	411	0.03
WP Rocket Holdings 1			3,346,585	1,072	0.08
WP Rocket Holdings 1 'A'			3,346,585	2,144	0.16
				4,023	0.30
Total Equities				4,023	0.30
Bonds 89.42%					
Corporate Bonds 89.12%					
Australia 0.40%					
QBE Insurance	VAR	02/12/44	7,805,000	5,252	0.40
Brazil 1.54%					
Banco Do Brasil (PERP)	VAR	29/06/49	7,725,000	4,243	0.32
JBS USA Finance	5.7500	15/06/25	10,680,000	6,782	0.51
Petrobras Global Finance	6.2500	17/03/24	10,600,000	6,357	0.48
Petrobras Global Finance	7.8750	15/03/19	4,675,000	3,116	0.23
				20,498	1.54
Canada 2.18%					
Air Canada	7.7500	15/04/21	9,608,000	6,619	0.50
Air Canada	8.7500	01/04/20	3,415,000	2,418	0.18
First Quantum Minerals	6.7500	15/02/20	12,320,000	6,079	0.46
Gateway Casinos & Entertainment	8.5000	26/11/20	12,950,000	6,315	0.48
MEG Energy	6.3750	30/01/23	13,300,000	7,586	0.56
				29,017	2.18
Colombia 0.45%					
Pacific Rubiales Energy	5.6250	19/01/25	7,954,000	3,222	0.24
Pacific Rubiales Energy	5.1250	28/03/23	6,920,000	2,805	0.21
				6,027	0.45
France 2.16%					
Credit Agricole (PERP)	VAR	29/01/49	2,555,000	1,699	0.13
Credit Agricole (PERP)	VAR	29/04/49	1,300,000	1,308	0.10
Labco	8.5000	15/01/18	1,500,000	1,105	0.08
Magnolia (EMTN)	9.0000	01/08/20	4,600,000	3,485	0.26
Numericable-SFRS	6.0000	15/05/22	20,680,000	13,484	1.02
Societe Generale (PERP)	VAR	29/12/49	5,990,000	3,898	0.29
Societe Generale (PERP)	VAR	29/06/49	2,500,000	2,798	0.21
Societe Generale (PERP)	VAR	07/04/49	1,250,000	906	0.07
				28,683	2.16

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Germany 0.21%					
Unitymedia Hessen	5.5000	15/01/23	4,324,000	2,823	0.21
Indonesia 1.47%					
Pelabuhan Indonesia II PT	4.2500	05/05/25	16,996,000	10,238	0.77
Pertamina	6.0000	03/05/42	15,840,000	9,326	0.70
				19,564	1.47
Ireland 1.25%					
Ardagh Packaging Finance	6.2500	31/01/19	5,195,000	3,421	0.26
Ardagh Packaging Finance	4.2500	15/01/22	4,318,000	3,088	0.23
Ardagh Packaging Finance	6.0000	30/06/21	800,000	511	0.04
Fly Leasing	6.3750	15/10/21	14,750,000	9,593	0.72
				16,613	1.25
Italy 1.81%					
Enel	VAR	24/09/73	4,269,000	3,207	0.24
Enel	VAR	10/09/75	2,570,000	2,840	0.21
Enel	VAR	15/09/76	1,000,000	1,061	0.08
Wind Acquisition Finance	7.3750	23/04/21	18,845,000	12,801	0.97
Wind Acquisition Finance	4.0000	15/07/20	3,223,000	2,336	0.18
Wind Acquisition Finance	7.0000	23/04/21	2,350,000	1,772	0.13
				24,017	1.81
Jamaica 0.97%					
Digicel	6.0000	15/04/21	11,985,000	7,239	0.55
Digicel	7.0000	15/02/20	8,509,000	5,657	0.42
				12,896	0.97
Luxembourg 2.73%					
Altice	7.7500	15/05/22	8,846,000	5,711	0.43
ArcelorMittal	7.7500	15/10/39	8,250,000	5,102	0.38
Ardagh Finance	8.6250	15/06/19	871,086	583	0.04
Bank of New York Mellon Luxembourg (EMTN)	FRN	15/12/50	9,500,000	4,338	0.33
Coveris	7.8750	01/11/19	6,003,000	3,798	0.29
Intelsat Jackson	6.6250	15/12/22	13,610,000	7,959	0.61
Matterhorn Telecom [®]	4.8750	01/05/23	6,084,000	4,038	0.30
Matterhorn Telecom	3.8750	01/05/22	1,929,000	1,280	0.10
Matterhorn Telecom	3.6250	01/05/22	1,722,000	1,078	0.08
Millicom International Cellular	6.0000	15/03/25	3,251,000	2,057	0.15
Millicom International Cellular	6.6250	15/10/21	485,000	323	0.02
Teksid Aluminum Luxembourg SARL	11.3750	15/07/11	12,974,000	5	-
				36,272	2.73

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Mexico 1.57%					
Alfa	6.8750	25/03/44	4,250,000	2,819	0.21
Axtel	VAR	31/01/20	10,905,000	6,883	0.52
Cemex Finance	9.3750	12/10/22	8,750,000	6,271	0.47
Cobre Del Mayo	10.7500	15/11/18	10,032,000	4,854	0.37
				20,827	1.57
Netherlands 1.17%					
Constellium	8.0000	15/01/23	5,150,000	3,176	0.24
ING Groep (PERP)	VAR	29/12/49	6,410,000	4,031	0.30
InterXion	6.0000	15/07/20	1,510,000	1,139	0.09
Sensata Technologies	5.0000	01/10/25	3,085,000	1,937	0.15
UPC	6.7500	15/03/23	6,800,000	5,272	0.39
				15,555	1.17
Russia Federation 0.52%					
Lukoil International Finance	4.5630	24/04/23	12,215,000	6,967	0.52
Singapore 0.06%					
Puma International Financing	6.7500	01/02/21	1,300,000	848	0.06
South Africa 0.16%					
Sappi Papier	7.5000	15/06/32	3,470,000	2,101	0.16
Spain 0.54%					
Abengoa Finance [™]	6.0000	31/03/21	796,000	434	0.03
Obrascon Huarte Lain	4.7500	15/03/22	4,800,000	3,118	0.23
OHL Investments	4.0000	25/04/18	5,500,000	3,583	0.28
				7,135	0.54
Switzerland 0.92%					
Credit Suisse AG (PERP)	VAR	29/12/49	6,240,000	4,258	0.32
UBS Group (PERP)	VAR	29/12/49	6,050,000	4,004	0.30
VistaJet Malta Finance	7.7500	01/06/20	6,635,000	3,944	0.30
				12,206	0.92

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
United Kingdom 7.97%					
Annington Finance No 5	13.0000	15/01/23	12,971,404	15,435	1.16
Avanti Communications	10.0000	01/10/19	21,562,000	12,987	0.98
Bakkavor Finance 2	8.2500	15/02/18	1,275,538	1,327	0.10
Barclays Bank (PERP)	VAR	29/04/49	3,300,000	3,421	0.26
Barclays (PERP)	VAR	29/12/49	2,970,000	2,141	0.16
Boparan Holdings	5.5000	15/07/21	1,655,000	1,514	0.11
Cabot Financial Luxembourg	10.3750	01/10/19	2,225,000	2,420	0.18
Cabot Financial Luxembourg	6.5000	01/04/21	1,290,000	1,249	0.09
Cabot Financial Luxembourg (EMTN)	8.3750	01/08/20	1,200,000	1,242	0.09
Co-Operative	6.2500	08/07/26	3,500,000	3,788	0.29
Co-operative Group 2011	VAR	08/07/20	1,480,000	1,588	0.12
Galaxy Bidco	6.3750	15/11/20	500,000	508	0.04
Galaxy Finco	7.8750	15/11/21	1,500,000	1,501	0.11
Hastings Insurance Finance	8.0000	21/10/20	6,330,000	6,710	0.50
House of Fraser Funding	8.8750	15/08/18	2,020,000	2,111	0.16
International Personal Finance (EMTN)	5.7500	07/04/21	795,000	532	0.04
Jaguar Land Rover Automotive	5.0000	15/02/22	2,920,000	2,935	0.22
Lloyds Bank (PERP)	VAR	29/12/49	2,998,000	3,199	0.24
Lowell Financing	10.7500	01/04/19	2,317,000	2,502	0.19
Lowell Group Financing (EMTN)	5.8750	01/04/19	900,000	887	0.07
Nationwide Building Society (EMTN) (PERP)	VAR	11/03/49	1,850,000	1,859	0.14
PGH Capital	6.6250	18/12/25	11,696,000	11,883	0.89
Priory Group No 3 (EMTN)	8.8750	15/02/19	3,370,000	3,488	0.26
Royal Bank of Scotland (PERP)	VAR	29/08/49	1,400,000	1,589	0.12
R&R Ice Cream	5.5000	15/05/20	1,300,000	1,334	0.10
Stonegate Pub Co Financing	5.7500	15/04/19	3,610,000	3,664	0.28
Thomas Cook (EMTN)	7.7500	22/06/17	2,647,000	2,806	0.21
Thomas Cook Finance (EMTN)	7.7500	15/06/20	3,920,000	2,970	0.22
Virgin Media Finance	7.0000	15/04/23	500,000	533	0.04
Virgin Media Secured Finance	6.0000	15/04/21	1,350,000	1,414	0.11
Voyage Care Bondco	6.5000	01/08/18	2,000,000	2,070	0.16
William Hill	4.2500	05/06/20	4,300,000	4,338	0.33
				105,945	7.97

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
United States 61.04%					
AAF	12.0000	01/07/19	2,770,520	1,762	0.13
Aircastle	7.6250	15/04/20	12,962,000	9,594	0.72
Alcoa	5.9500	01/02/37	9,150,000	5,805	0.44
Ally Financial	5.1250	30/09/24	6,225,000	4,034	0.30
Altice US Finance I	5.3750	15/07/23	8,457,000	5,447	0.41
American Airlines 2013-2 Class B Pass Through Trust	5.6000	15/07/20	7,530,590	4,958	0.37
AmeriGas Finance	6.5000	20/05/21	5,044,000	3,362	0.25
Arch Coal	7.2500	01/10/20	15,840,000	2,335	0.18
Audatex North America	6.0000	15/06/21	8,552,000	5,597	0.42
Bank of America (PERP)	VAR	29/12/49	12,690,000	8,095	0.61
Belden	5.5000	01/09/22	8,620,000	5,510	0.41
Belden	5.2500	15/07/24	1,738,000	1,094	0.08
Blue Racer Finance	6.1250	15/11/22	16,980,000	11,072	0.83
Building Materials	9.0000	15/09/18	1,713,000	1,176	0.09
Building Materials of America	5.3750	15/11/24	16,910,000	10,862	0.82
California Resources	6.0000	15/11/24	7,310,000	3,794	0.29
California Resources	5.5000	15/09/21	5,740,000	3,035	0.23
Calpine	5.7500	15/01/25	9,385,000	5,864	0.44
Calpine	6.0000	15/01/22	6,919,000	4,689	0.35
Calpine	7.8750	15/01/23	883,000	607	0.05
Carrizo Oil & Gas	6.2500	15/04/23	5,415,000	3,331	0.25
Carrizo Oil & Gas	7.5000	15/09/20	4,710,000	3,033	0.23
CenturyLink	7.6500	15/03/42	14,770,000	8,376	0.63
CenturyLink	5.6250	01/04/20	3,478,000	2,276	0.17
Cenveo	6.0000	01/08/19	34,740,000	19,924	1.51
Chaparral Energy	7.6250	15/11/22	6,448,000	2,417	0.18
Clear Channel Worldwide	7.6250	15/03/20	17,763,000	11,959	0.90
CommScope	5.5000	15/06/24	3,295,000	2,067	0.16
Community Health Systems	6.8750	01/02/22	15,280,000	10,477	0.79
Consolidated Communications	6.5000	01/10/22	2,965,000	1,762	0.13
Constellis Finance	9.7500	15/05/20	7,905,000	4,838	0.36
Continental Airlines 2007-1 Class B Pass Through Trust	6.9030	19/04/22	3,792,107	2,547	0.19
Continental Resources	4.9000	01/06/44	10,730,000	5,414	0.41
Crown Castle International	5.2500	15/01/23	14,560,000	9,774	0.74
Crown Castle International	4.8750	15/04/22	3,855,000	2,535	0.19
CrownRock Finance	7.1250	15/04/21	4,140,000	2,709	0.20
CrownRock Finance	7.7500	15/02/23	3,400,000	2,255	0.17
DR Horton	5.7500	15/08/23	9,820,000	6,702	0.50
DR Horton	4.7500	15/02/23	2,730,000	1,763	0.13
Dynegy	7.6250	01/11/24	13,630,000	9,018	0.68
Dynegy	7.3750	01/11/22	9,020,000	5,980	0.45
Endo Finance	6.0000	15/07/23	10,982,000	7,319	0.55
Energy Future Intermediate	11.7500	01/03/22	5,065,233	3,522	0.26
EP Energy Everest Acquisition Finance	6.3750	15/06/23	6,606,000	3,958	0.30
Equinix	5.3750	01/04/23	10,386,000	6,721	0.51
Evolution Escrow Issuer	7.5000	15/03/22	11,425,000	6,004	0.45
First Data	10.6250	15/06/21	17,367,000	12,409	0.93

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
First Data	11.7500	15/08/21	7,155,000	5,204	0.39
Florida East Coast	9.7500	01/05/20	17,875,000	10,825	0.81
Florida East Coast	6.7500	01/05/19	5,120,000	3,314	0.25
Freescale Semiconductor	5.0000	15/05/21	3,400,000	2,213	0.17
Freescale Semiconductor	6.0000	15/01/22	2,139,000	1,432	0.11
Frontier Communications	9.0000	15/08/31	12,006,000	7,020	0.53
Frontier Communications	6.8750	15/01/25	9,466,000	5,164	0.39
General Electric Capital (PERP)	VAR	29/12/49	5,545,000	4,109	0.31
GenOn Energy	7.8750	15/06/17	9,460,000	6,108	0.46
GenOn Energy	9.5000	15/10/18	5,196,000	3,346	0.25
Goodyear	6.5000	01/03/21	4,349,000	2,951	0.22
Goodyear Tire & Rubber	7.0000	15/05/22	4,328,000	3,020	0.23
Gray Television	7.5000	01/10/20	11,414,000	7,744	0.58
Hardwoods Acquisition	7.5000	01/08/21	10,895,000	6,633	0.50
HCA	5.8750	15/03/22	15,807,000	11,104	0.84
HCA	5.3750	01/02/25	4,680,000	3,067	0.23
HD Supply	11.5000	15/07/20	12,786,000	9,520	0.72
HD Supply	5.2500	15/12/21	4,275,000	2,822	0.21
Headwaters	7.2500	15/01/19	5,189,000	3,450	0.26
Hexion	8.8750	01/02/18	13,489,000	7,520	0.57
Hilcorp Energy Finance	5.7500	01/10/25	866,000	527	0.04
HJ Heinz Finance	7.1250	01/08/39	7,570,000	6,114	0.46
IASIS Healthcare Capital	8.3750	15/05/19	8,508,000	5,677	0.43
iHeartCommunications	11.2500	01/03/21	9,770,000	5,979	0.45
International Lease Finance	6.2500	15/05/19	18,720,000	13,074	0.98
Jones Energy Finance	6.7500	01/04/22	11,898,000	6,938	0.52
KB Home	7.0000	15/12/21	18,068,000	11,969	0.90
Kinder Morgan (MTN)	7.8000	01/08/31	17,030,000	12,334	0.93
Kratos Defense & Security Solutions	7.0000	15/05/19	14,745,000	8,516	0.64
Landry's	9.3750	01/05/20	4,327,000	2,974	0.22
Landry's II	10.2500	01/01/18	3,115,000	2,080	0.16
Level 3 Financing	5.3750	01/05/25	10,930,000	6,820	0.51
Level 3 Financing	5.1250	01/05/23	4,950,000	3,085	0.23
Level 3 Financing	5.3750	15/08/22	4,370,000	2,828	0.21
MGM Resorts International	5.2500	31/03/20	14,717,000	9,549	0.72
MHGE Parent Finance	8.5000	01/08/19	19,217,000	12,499	0.94
Micron Technology	5.6250	15/01/26	10,605,000	6,507	0.49
Momentive Performance	3.8800	24/10/21	23,555,000	13,094	0.99
Momentive Performance	8.8750	15/10/20	23,555,000	-	-
Nationstar Mortgage	6.5000	01/07/21	2,194,000	1,313	0.10
Neiman Marcus	8.7500	15/10/21	9,493,000	6,524	0.49
New Enterprise Stone & Lime	13.0000	15/03/18	18,101,459	12,528	0.94
NewStar Financial	7.2500	01/05/20	7,081,000	4,606	0.35
NRG Energy	7.8750	15/05/21	11,750,000	7,930	0.60
NWH Escrow	7.5000	01/08/21	3,267,000	1,937	0.15
Oasis Petroleum	6.8750	15/03/22	10,355,000	6,105	0.46
Oasis Petroleum	6.8750	15/01/23	10,162,000	5,893	0.44
OneMain Financial	7.2500	15/12/21	22,285,000	14,887	1.13

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
OneMain Financial	6.7500	15/12/19	1,260,000	852	0.06
PaperWorks Industries	9.5000	15/08/19	10,740,000	6,951	0.52
PBF Logistics Finance	6.8750	15/05/23	1,975,000	1,262	0.09
Petco	8.5000	15/10/17	11,062,000	7,279	0.55
Post	7.3750	15/02/22	8,687,000	5,692	0.43
Prospect Medical	8.3750	01/05/19	7,794,000	5,294	0.40
Rite Aid	6.1250	01/04/23	7,905,000	5,262	0.40
Sabine Pass Liquefaction	5.6250	01/02/21	1,730,000	1,131	0.09
Sabine Pass LNG	7.5000	30/11/16	11,880,000	7,917	0.60
Sabine Pass LNG	7.5000	30/11/16	7,655,000	5,102	0.38
Sanchez Energy	6.1250	15/01/23	5,055,000	2,624	0.20
Service International	5.3750	15/05/24	11,325,000	7,693	0.58
Sinclair Television	5.3750	01/04/21	11,262,000	7,343	0.55
Sinclair Television	6.1250	01/10/22	8,085,000	5,349	0.40
Sinclair Television	5.6250	01/08/24	1,437,000	906	0.07
Spectrum Brands	5.7500	15/07/25	4,670,000	3,082	0.23
Springs Industries	6.2500	01/06/21	9,781,000	6,237	0.47
Sprint	7.8750	15/09/23	15,410,000	9,468	0.71
Sprint	7.1250	15/06/24	3,243,000	1,902	0.14
Sprint Communications	7.0000	15/08/20	16,889,000	10,403	0.78
Standard Pacific	5.8750	15/11/24	11,960,000	7,875	0.59
Standard Pacific	8.3750	15/01/21	2,539,000	1,916	0.14
Standard Pacific	6.2500	15/12/21	1,740,000	1,190	0.09
State Street Capital Trust IV	FRN	15/06/37	6,275,000	3,503	0.26
Steel Dynamics	5.5000	01/10/24	1,595,000	1,012	0.08
Steel Dynamics	5.1250	01/10/21	1,095,000	700	0.05
Summit Materials Finance	10.5000	31/01/20	5,140,000	3,557	0.27
Sun Products	7.7500	15/03/21	11,970,000	6,961	0.52
Tenet Healthcare	8.1250	01/04/22	20,234,000	14,547	1.09
Texas Competitive Electric	11.5000	01/10/20	3,280,000	1,114	0.08
T-Mobile USA	6.6330	28/04/21	6,060,000	4,111	0.31
T-Mobile USA	6.2500	01/04/21	5,473,000	3,674	0.28
TransDigm	6.0000	15/07/22	14,250,000	9,109	0.69
TransDigm	6.5000	15/07/24	6,840,000	4,405	0.33
Trinseo Materials Finance	6.7500	01/05/22	830,000	535	0.04
Trinseo Materials Operating	6.3750	01/05/22	10,224,000	7,293	0.55
Triumph	5.2500	01/06/22	8,615,000	5,438	0.41
United Continental	6.0000	01/12/20	18,209,000	12,165	0.92
United Rentals	6.1250	15/06/23	3,466,000	2,288	0.17
United Rentals North America	5.5000	15/07/25	4,150,000	2,543	0.19
United Rentals North American	5.7500	15/11/24	4,705,000	2,947	0.22
US Airways	6.1250	01/06/18	4,250,000	2,846	0.21
US Airways 2011-1 Class A Pass Through Trust	7.1250	22/10/23	3,393,573	2,525	0.19
Valeant Pharmaceuticals	6.3750	15/10/20	22,565,000	15,236	1.16
VWR Funding	7.2500	15/09/17	8,610,000	5,683	0.43
Wise Alloys Finance	8.7500	15/12/18	5,755,000	3,772	0.28
WR Grace & Co-Conn	5.6250	01/10/24	6,755,000	4,415	0.33
WR Grace & Co-Conn	5.1250	01/10/21	6,755,000	4,372	0.33

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Zayo Capital	6.0000	01/04/23	18,835,000	12,109	0.91
Zayo Capital	6.3750	15/05/25	1,870,000	1,185	0.09
Zebra Technologies	7.2500	15/10/22	5,390,000	3,782	0.28
				811,192	61.04
Total Corporate Bonds				1,184,438	89.12
Corporate Convertible Bonds 0.03%					
United States 0.03%					
Alpha Natural Resources	3.7500	15/12/17	15,195,000	389	0.03
Total Corporate Convertible Bonds				389	0.03
Government Bonds 0.27%					
Ivory Coast 0.27%					
Ivory Coast (Government of)	6.3750	03/03/28	5,900,000	3,630	0.27
Total Government Bonds				3,630	0.27
Total Bonds				1,188,457	89.42
Investment Funds 2.21%					
United Kingdom 2.21%					
Aberdeen ICVC III - Europe High Yield Bond Fund X-2 [†]	0.0000	00/01/00	20,000,000	29,394	2.21
Total Investment Funds				29,394	2.21
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				1,221,874	91.93

Derivatives 0.70%

Forward currency exchange contracts 0.41%

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
Royal Bank of Canada	CHF	GBP	11/08/15	25,000	16,808	-	-
Citigroup	EUR	GBP	11/08/15	1,211,000	860,105	(3)	-
Citigroup	GBP	USD	11/08/15	10,000,000	15,534,010	45	-
Citigroup	GBP	USD	11/08/15	10,228,288	16,108,500	(95)	(0.01)
HSBC	GBP	CHF	11/08/15	1,136,201	1,667,000	24	-
Deutsche Bank	GBP	EUR	11/08/15	1,141,266	1,584,000	20	-
Citigroup	GBP	USD	16/10/15	362,020,190	568,049,500	(2,186)	(0.16)
JPM Chase	GBP	USD	20/11/15	370,241,654	580,824,000	(2,229)	(0.17)
Deutsche Bank	GBP	USD	11/08/15	377,010,330	591,795,000	(2,249)	(0.17)
JPM Chase	GBP	USD	13/08/15	382,832,370	582,824,000	9,318	0.71
HSBC	GBP	EUR	11/08/15	48,262,601	67,708,000	316	0.02
HSBC	GBP	CAD	11/08/15	6,689,671	13,041,500	266	0.02
UBS	GBP	EUR	11/08/15	747,717	1,054,000	1	-
JPM Chase	USD	GBP	13/08/15	582,824,000	371,272,774	2,242	0.17
Royal Bank of Canada	USD	GBP	11/08/15	8,100,000	5,216,961	(26)	-
Unrealised gains on forward currency exchange contracts						5,444	0.41

Swaps 0.29%

Counterparty	Ccy	Termination	Notional	Fund Pays	Fund receives	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
JPM Chase	USD	20/03/20	16,040,000	5.00%	Transocean	937	0.07
Citigroup	USD	20/09/18	6,360,000	5.00%	Bombardier	118	0.01
JPM Chase	USD	20/09/20	5,225,000	5.00%	Bombardier	347	0.03
Citigroup	USD	20/06/20	41,000,000	CDXNAHY	5.00%	1,666	0.12
JPM Chase	USD	20/06/20	20,000,000	CDXNAHY	5.00%	813	0.06
Unrealised gains on swap contracts						3,881	0.29
Unrealised gains on derivatives						9,325	0.70
Investment assets^A						1,231,199	92.63
Net other assets						97,981	7.37
Net assets						1,329,180	100.00

Currently forwards positions are not collateralised.

^A Including derivative liabilities.

[†] Managed by subsidiaries of Aberdeen Asset Management PLC.

[°] Stocklending

Of the total investments above, £ 80,146,000, 6.10% were invested in unrated securities and £ 1,039,260,000, 79.02% were invested in securities below investment grade.

Comparative table

	31 Jul 15
A Accumulation Shares in issue	239,459.67
A Income Shares in issue	289,502,486.76
I Accumulation Shares in issue	313,065.75
I Income Shares in issue	3,700,659.65
P Gross Income Shares in issue	1,565,800.66
P Income Shares in issue	31,701,326.47
Q Gross Income Shares in issue	37,262,223.83
Q Income Shares in issue	480,502,811.23
Z Accumulation Shares in issue	367,405,181.57
Net Asset Value attributable to	
A Accumulation shareholders (£'000)	350
A Income shareholders (£'000)	278,408
I Accumulation shareholders (£'000)	478
I Income shareholders (£'000)	3,391
P Gross Income shareholders (£'000)	1,390
P Income shareholders (£'000)	29,260
Q Gross Income shareholders (£'000)	33,094
Q Income shareholders (£'000)	443,455
Z Accumulation shareholders (£'000)	539,354
Net asset Value of Fund (£'000)	1,329,180
Net asset value per share	
A Accumulation	146.36
A Income	96.17
I Accumulation	152.57
I Income	91.62
P Gross Income	88.80
P Income	92.30
Q Gross Income	88.81
Q Income	92.29
Z Accumulation	146.80

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2015 ^{AB}	A Accumulation	0.65154	148.46	146.00
2015 ^{AB}	A Income	0.43000	97.98	96.35
2015 ^{AB}	I Accumulation	0.81160	154.65	152.18
2015 ^{AB}	I Income	0.49000	93.37	91.88
2015 ^{AB}	P Gross Income	0.61000	90.52	89.18
2015 ^{AB}	P Income	0.51000	94.06	92.57
2015 ^{AB}	Q Gross Income	0.62000	90.53	89.20
2015 ^{AB}	Q Income	0.52000	94.05	92.57
2015 ^{AB}	Z Accumulation	0.87430	148.73	146.42

^A The Fund was launched on 19 June 2015.

^B As at 31 July 2015.

Ongoing charges figure

	Share class A	Share class I	Share class P	Share class Q	Share class Z
31 July 2015	1.61	0.76	0.57	0.47	0.11

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 3 because funds of this type have experienced low to medium rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
- Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 20/01/2006 to 31/07/2015 ⁸
Fund - A Accumulation	(3.19)	30.23	46.77
Benchmark ^A	1.21	44.99	N/A

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% Change	(3.19)	7.75	10.35	4.51	8.25

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A 50% Credit Suisse HY Dev Countries Hedged to GBP & 50% BofA ML European Currency Original HY 5% Capped Hedged to GBP to 31/08/11 thereafter 100% Barclays Global High Yield Corporate Hedged to GBP.

⁸ The Aberdeen Investment Funds ICVC Global High Yield Bond Fund was created by the transfer of the Aberdeen Investment Funds ICVC II Global High Yield Bond Fund into the Aberdeen Investments ICVC range on 19/06/2015. The historical track record shown prior to this date reflects that of the Aberdeen Investment Funds ICVC II Global High Yield Bond Fund which launched on 05/07/2004. Figures are as at valuation point.

Statement of total return

For the period ended 31 July 2015

	Notes	19 Jun 15 to 31 Jul 15	
		£'000	£'000
Income			
Net capital (losses)	1		(21,722)
Revenue	2	10,200	
Expenses	3	(904)	
Net revenue before taxation		9,296	
Taxation	4	-	
Net revenue after taxation			9,296
Total return before distributions			(12,426)
Finance costs: distributions	5		(9,264)
Change in net assets attributable to shareholders from investment activities			(21,690)

Statement of change in net assets attributable to shareholders

For the period ended 31 July 2015

	19 Jun 15 to 31 Jul 15	
	£'000	£'000
Opening net assets attributable to shareholders		-
Movement due to sales and repurchases of shares		
Amount receivable on issue of shares	1,375,126	
Amount payable on cancellation of shares	(27,472)	
		1,347,654
Change in net assets attributable to shareholders from Investment activities (see above)		(21,690)
Retained distribution on accumulation shares		3,216
Closing net assets attributable to shareholders		1,329,180

Balance sheet

As at 31 July 2015

	Notes	2015	
		£'000	£'000
Assets			
Investment assets			1,237,987
Debtors	6	31,207	
Cash and bank balances		77,866	
Total other assets			109,073
Total assets			1,347,060
Liabilities			
Investment liabilities			(6,788)
Creditors	7	(6,928)	
Distribution payable on income shares		(4,164)	
Total other liabilities			(11,092)
Total liabilities			(17,880)
Net assets attributable to shareholders			1,329,180

Notes to the financial statements

For the period ended 31 July 2015

1. Net capital (losses) on investments

	19 Jun 15 to 31 Jul 15
	£'000
Net capital (losses) on investments during the period comprise:	
Derivative contracts	88
Forward currency contracts	46,381
Non-derivative securities	(1,626)
Other currency losses	(66,565)
Net capital (losses) on investments	(21,722)

2. Revenue

	19 Jun 15 to 31 Jul 15
	£'000
Bank interest	1
Interest on debt securities	10,199
Total revenue	10,200

	2015
	£'000
Stock lending details	
Aggregate value of securities on loan at the year end	1,748

The aggregate value of securities at the year end and during the year subject to stock ending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £2,015,000 was held with the following counterparties:

	2015
	£'000
Counterparty	
J.P. Morgan Securities Limited	2,015

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating).

With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

3. Expenses

	19 Jun 15 to 31 Jul 15
	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>	
Authorised Corporate Director's periodic charge	787
Operating, administrative and servicing fees	117
Total expenses	904

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

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

Reconciliation of the tax charge for the year:

	19 Jun 15 to 31 Jul 15
	£'000
Net revenue before taxation	9,296
Corporation tax of 20%	1,859
Effects of:	
Tax deductible interest distributions	(1,859)
Current tax charge	-

No provision for deferred tax has been made in the current accounting period.

There are no factors which affect future tax charges.

5. Finance costs

Distributions and interest

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

	19 Jun 15 to 31 Jul 15
	£'000
Final	9,171
	9,171
Add: Revenue deducted on cancellation of shares	100
Deduct: Revenue received on issue of shares	(7)
Total finance costs	9,264

Details of the distribution per share are set out in the distribution table on page 225.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Movement between net revenue and distribution

	19 Jun 15 to 31 Jul 15
	£'000
Net revenue after taxation	9,296
Deduct:	
Undistributed revenue carried forward	(32)
Finance cost: distributions	9,264

6. Debtors

	19 Jun 15 to 31 Jul 15
	£'000
Accrued bond interest purchased	14,792
Accrued revenue	9,460
Amounts receivable for issue of shares	481
Overseas withholding tax reclaimable	31
Sales awaiting settlement	6,443
Total debtors	31,207

7. Creditors

	19 Jun 15 to 31 Jul 15
	£'000
Accrued expenses	649
Amounts payable for cancellation of shares	2,156
Income tax payable	1,809
Merger creditor	116
Purchases awaiting settlement	2,198
Total creditors	6,928

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at the end of the period is set out in the following table: This is consistent with the exposure during the current period.

	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
Canadian dollar	-	6,315	-	6,315
Euro	7,386	41,448	-	48,834
Swiss Franc	-	1,078	-	1,078
UK Sterling	41,858	106,640	9,988	158,486
US Dollar	100,123	998,663	6,124	1,104,910

	Floating Rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
2015				
Euro	-	-	(3)	(3)
UK Sterling	(3,770)	-	(6,759)	(10,529)
US Dollar	-	-	(26)	(26)

Fixed rate financial assets

Currency	Weighted average interest rate (%)	Weighted average period for which rate is fixed (Years)
	2015	2015
Canadian dollar	8.38	5.33
Euro	6.39	10.39
Swiss Franc	4.39	6.76
UK Sterling	5.49	11.77
US Dollar	6.67	8.46

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

Tracking Error (TE) – (for Aberdeen Global High Yield Bond Fund)

The market risk of the Fund is monitored by the Investment Manager using tracking error risk analysis. Tracking error measures the expected magnitude of divergence of returns between the fund and benchmark over a given time. It reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis.

Model assumptions:

System:	Barclays Global Risk Model – Barclays Point
VaR methodology:	Historical parametric approach
Confidence level:	N/A
Holding period:	1 month
Decay factor for exponential smoothing of the historical market data:	N/A
Historical observation period:	Unconditional average (1 year half-life EWMA calibration is also optional)

The table of data below indicated the tracking error, contribution to tracking error for each risk factor i.e. expected divergence of returns of the Fund and its benchmark for the predefined various risk factors (foreign exchange risk, interest rate risk, inflation risk, credit spreads risk, default risk, and other idiosyncratic risk).

TE table

	FX risk	Interest rate risk	Inflation risk	Credit spread risk	Idiosyncratic risk	Credit default risk	Total TE	Annualised Total TE
31 July 2015	0.00	0.02	0.00	0.13	0.15	0.04	0.35	1.21

Objectives and limitations of TE methodology

The Barclays Global Risk Model (GRM) is a fixed income multi-factor risk model using the historical parametric approach where the model derives its risk measure using variances and correlations calculated from historical returns.

Under the Barclays GRM, the volatilities of individual securities are broken down into the sum of the systematic risk components, idiosyncratic risk components and credit default risk components. Systematic risk is derived from systematic return as the component of total return due to movements in the common (market-wide) risk factors. Idiosyncratic return is the residual component that cannot be explained by the systematic factors and is uncorrelated across issuers. Credit default risk is a unique concept of Barclays GRM and arises from exposure to the default risk of bonds rated Baa or lower and is assumed to be independent of both the systematic risk and idiosyncratic risk.

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

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 217. During the period the ACD held shares in the Fund and had a holding of 685 accumulation 'A' shares, 1,034 income 'A' shares, 655 accumulation 'I' shares, 1,074 income 'P' shares, 1,110 income gross 'P' shares, 1,074 income 'Q' shares, 1,121 income gross 'Q' and 680 accumulation 'Z' shares as at 31 July 2015. £8,000 was due to the ACD at the period end.

The Depositary

No balance was outstanding with the Depositary at the period end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material unitholders

State Street Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 47% of the Fund's units in issue. During the year, State Street Nominees Limited made total sales of £3,700,000 in the Fund.

10. Shareholder funds

The Fund currently has 7 share classes; Class 'A' (Retail), Class 'I' (Institutional), Class 'P' (Institutional), Class 'P' Gross (Institutional), Class 'Q' (Institutional), Class 'Q' Gross (Institutional) and Class 'Z' (Institutional).

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

Class 'A': 1.50%
Class 'I': 0.65%
Class 'P': 0.46%
Class 'P' Gross: 0.46%
Class 'Q': 0.46%
Class 'Q' Gross: 0.46%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 214. The distribution per share class is given in the distribution table on page 225. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	19 Jun 15 to 31 Jul 15
	£'000
Analysis of total purchase costs	
Purchases in period before transaction costs	1,310,638
Total transaction cost	-
Gross purchases total	1,310,638
Analysis of total sale costs	
Gross sales in period before transaction costs	86,938
Total transaction cost	-
Total sales net of transaction costs	86,938

Distribution table

For the period ended 31 July 2015 (in pence per share)

Final interest distribution

Group 2 : Shares purchased 19 June to 31 July 2015

	Gross revenue	Income tax (%)	Net revenue	Equalisation	Distribution paid 31/10/2015
Share class A Accumulation					
Group 1	0.81443	0.16289	0.65154	-	0.65154
Group 2	0.01846	0.00369	0.01477	0.63677	0.65154
Share class A Income					
Group 1	0.53750	0.10750	0.43000	-	0.43000
Group 2	0.21675	0.04335	0.17340	0.25660	0.43000
Share class I Accumulation					
Group 1	1.01450	0.20290	0.81160	-	0.81160
Group 2	0.28935	0.05787	0.23148	0.58012	0.81160
Share class I Income					
Group 1	0.61250	0.12250	0.49000	-	0.49000
Group 2	0.25873	0.05175	0.20698	0.28302	0.49000
Share class P Income					
Group 1	0.63750	0.12750	0.51000	-	0.51000
Group 2	0.25335	0.05067	0.20268	0.30732	0.51000
Share class P Gross Income					
Group 1	0.61000	-	0.61000	-	0.61000
Group 2	0.38968	-	0.38968	0.22032	0.61000
Share class Q Income					
Group 1	0.65000	0.13000	0.52000	-	0.52000
Group 2	0.22769	0.04554	0.18215	0.33785	0.52000
Share class Q Gross Income					
Group 1	0.62000	-	0.62000	-	0.62000
Group 2	0.29214	-	0.29214	0.32786	0.62000
Shares class Z Accumulation					
Group 1	1.09287	0.21857	0.87430	-	0.87430
Group 2	1.09287	0.21857	0.87430	-	0.87430

Equalisation

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

Aberdeen High Yield Bond Fund

For the year ended 31 July 2015

Investment objective and policy

The investment objective is to provide an attractive level of income with the opportunity for some long-term capital return.

The Fund will be primarily invested in non-Investment grade Debt and debt related securities issued by companies, governments, government related bodies and supranational institutions that are domiciled in the UK or a European Country and/or non-Investment grade Debt and debt related securities issued by companies which conduct a significant proportion of their business activities in the UK or a European Country which, in the investment advisor's opinion, are likely to produce a high yield.

The Fund investments may be of any credit quality and may include securities not paying interest currently and securities in default following purchase.

The Fund may also invest in other transferable securities, money market instruments, cash, near cash, deposits, shares in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates). Derivatives may be used for efficient portfolio management and hedging purposes.

Under normal circumstances, the Fund may hold up to 10% of its net assets in cash or near cash assets. However, the Fund may from time to time adopt temporary defensive positions in response to adverse political, economic or bond market events in which case up to 100% of the Fund's net assets may be held in cash or near cash assets including short term Debt and debt related securities listed and traded on an eligible market or OTC market.

Distribution

A final distribution of 0.37p per share was paid to A income shareholders, 0.49147p per share to A accumulation shareholders, 0.49p per share to I income shareholders and 0.57820p per share to I accumulation shareholders on 31 August 2015. This made a total of 4.89p for A income shareholders, 6.33807p for A accumulation shareholders, 5.57p for I income shareholders and 6.41791p for I accumulation shareholders for the year to 31 July 2015.

Performance review

The Aberdeen High Yield Bond - A Accumulation shares rose by 2.64%, compared to an increase of 4.11% by the benchmark, Merrill Lynch European Currency High Yield Constrained (Hedged GBP 100%).

Market review

European high yield markets have performed reasonably well over the period after enduring a volatile start, posting a first negative quarterly return in nine quarters. The final quarter of 2014 also returned a somewhat disappointing 0.7%, yet first quarter 2015 rebounded strongly to return 3%. The latter end of last year saw a number of risks arise globally, highlighted by the decline in oil price, mounting Russian tensions, political instability in Greece and a broader emerging market slow down.

A sharp drop in oil price positively impacted the asset class, however, with the market also reacting strongly to the European Central Bank's decision to undertake full sovereign quantitative easing in March earlier this year. Consequently, the market experienced a glut of demand for European high yield with a succession of record breaking inflows, matched by issuance totalling €34 billion (the second largest quarterly supply number on record) as companies looked to take advantage of record low yields. The quality of that issuance was high with close to 60% BB rated and only 5% CCC rated. New issuance in July continued strongly as banks and corporates did a flurry of business before the seasonal summer lull.

Year-to-date performance stands at 2.64% (as at 31 July), up from 1.79% at the end of June. Over the period as a whole, the index spread over bunds widened just over 72 basis points from 357 to 429 basis points. June was a particularly volatile month for spreads as Greek concerns weighed down the asset class.

Portfolio review

The fund outperformed its benchmark during the period, delivering first quartile performance against its peer group. Through reducing our exposure to CCC rated bonds, we have marginally reduced our risk in the fund over the year. With regards to new issuance, we continue to remain disciplined. We have reduced our strike rate, while slightly increasing our weighting to BB rated bonds, in order to extend the duration in the fund following a selloff in government bonds.

The on-going desire of companies wishing to lock in cheaper funding costs continue. This, in turn, has led to the average coupon on the market dropping below 6%. In terms of the number of holdings in the fund we now have 154 holdings which delivers diversification benefits. The percentage in CCC rated bonds is 6.3% versus a benchmark number of 4.6%.

Outlook

Given the strong start to the year we think there is limited capital upside opportunity for the remainder for the year. Default risk remains benign due to the low cost of debt, extended debt maturity profiles and refinancing markets. Supporting monetary policy in Europe should also continue to provide liquidity and help improve the economic picture. As such, we are more concerned with government bond risk than credit risk in the short to medium term which justifies our short duration position (relative to the market).

Our concerns are tilted towards an unstable Greece, a likely rate rise in the US and any knock-on effects that may have, as well as the on-going slow-down in emerging markets.

Aberdeen Fixed Income Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Bonds 93.86% (2014: 94.14%)					
Corporate Bonds 93.86% (2014: 94.14%)					
Austria 0.30% (2014: 1.92%)					
Wienerberger (PERP)	6.5000	29/12/49	139,000	103	0.30
Belgium 0.73% (2014: 2.74%)					
Telenet Finance VI Luxembourg	4.8750	15/07/27	370,000	253	0.73
Croatia 0.33% (2014: 1.21%)					
Agrokor	9.8750	01/05/19	150,000	114	0.33
Czech Republic 0.96% (2014: 1.03%)					
CE Energy	7.0000	01/02/21	450,000	333	0.96
Sazka (STEP)	9.0000	12/07/21	134,111	-	-
				333	0.96
France 11.45% (2014: 11.10%)					
Albea Beauty	8.7500	01/11/19	440,000	334	0.96
AXA (EMTN) (PERP)	VAR	29/11/49	460,000	329	0.95
CEGEDIM	6.7500	01/04/20	650,000	494	1.43
Cerba European Lab	7.0000	01/02/20	300,000	222	0.64
HomeVi	6.8750	15/08/21	775,000	576	1.67
Labco	8.5000	15/01/18	110,000	81	0.23
Lion/Seneca France 2	7.8750	15/04/19	120,000	73	0.21
Magnolia (EMTN)	9.0000	01/08/20	415,000	314	0.91
Novafives	4.5000	30/06/21	500,000	331	0.96
Novalis	3.0000	30/04/22	183,000	124	0.36
Numericable	5.6250	15/05/24	300,000	219	0.63
Numericable	5.3750	15/05/22	113,000	84	0.24
Oberthur Technologies Holding	9.2500	30/04/20	387,000	296	0.86
Orange (PERP)	VAR	29/12/49	150,000	155	0.45
Paprec	5.2500	01/04/22	116,000	84	0.24
Paprec	7.3750	01/04/23	100,000	73	0.21
Rexel	3.2500	15/06/22	250,000	173	0.50
				3,962	11.45
Germany 5.23% (2014: 7.85%)					
Alba	8.0000	15/05/18	650,000	450	1.30
Deutsche Raststaetten	6.7500	30/12/20	500,000	381	1.10
Galapagos Holdings	7.0000	15/06/22	150,000	100	0.29
KraussMaffei (EMTN)	8.7500	15/12/20	360,000	275	0.80
ProGroup	5.1250	01/05/22	100,000	73	0.21
Safari Holding Verwaltungs	8.2500	15/02/21	420,000	312	0.90
Xefin Lux (EMTN)	FRN	01/06/19	310,000	219	0.63
				1,810	5.23

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Greece 0.54% (2014: 0.22%)					
Intralot Capital	6.0000	15/05/21	300,000	188	0.54
Ireland 1.00% (2014: 2.00%)					
Ardagh Packaging Finance	9.2500	15/10/20	250,000	187	0.54
Ardagh Packaging Finance	4.2500	15/01/22	225,000	161	0.46
				348	1.00
Israel nil (2014: 0.23%)					
Italy 3.43% (2014: 4.25%)					
Bormioli Rocco Holdings	10.0000	01/08/18	200,000	145	0.42
Cerved Technologies	6.3750	15/01/20	300,000	222	0.64
Cerved Technologies (EMTN)	8.0000	15/01/21	100,000	76	0.22
Enel	VAR	15/09/76	160,000	170	0.49
Gamenet	7.2500	01/08/18	467,000	315	0.91
Wind Acquisition Finance	7.0000	23/04/21	344,000	259	0.75
				1,187	3.43
Lithuania 0.91% (2014: 1.10%)					
Bite Finance	FRN	15/02/18	450,000	314	0.91
Luxembourg 1.93% (2014: nil)					
Altice	7.2500	15/05/22	200,000	145	0.42
Convatec Healthcare	10.8750	15/12/18	550,000	410	1.19
Onex Wizard Acquisition Co II	7.7500	15/02/23	150,000	112	0.32
				667	1.93
Netherlands 4.92% (2014: 0.43%)					
InterXion	6.0000	15/07/20	650,000	490	1.43
LGE VI	7.1250	15/05/24	400,000	313	0.90
Stork Technical Services	11.0000	15/08/17	330,000	228	0.66
TMF Group Holding	9.8750	01/12/19	100,000	76	0.22
UPC	6.7500	15/03/23	375,000	291	0.84
UPCB Finance IV	4.0000	15/01/27	200,000	133	0.38
Ziggo Secured Finance	3.7500	15/01/25	250,000	171	0.49
				1,702	4.92
Poland 0.24% (2014: 0.25%)					
Play Finance 1	6.5000	01/08/19	110,000	81	0.24
Romania 0.32% (2014: 0.59%)					
Cables Communications Systems	7.5000	01/11/20	150,000	112	0.32
Serbia 0.98% (2014: 1.04%)					
Adria Bidco	7.8750	15/11/20	450,000	339	0.98

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
South Africa 0.51% (2014: nil)					
Sappi Papier	3.3750	01/04/22	260,000	175	0.51
Spain 5.35% (2014: 6.56%)					
Aldesa Financial Services (EMTN)	7.2500	01/04/21	200,000	130	0.38
Befesa Zinc (EMTN)	8.8750	15/05/18	385,000	284	0.82
Campofrio Food	3.3750	15/03/22	239,000	170	0.49
Cirsa Funding Luxembourg	5.8750	15/05/23	128,000	86	0.25
Cirsa Funding Luxemburg	8.7500	15/05/18	177,027	128	0.37
Obrascon Huarte Lain	4.7500	15/03/22	600,000	391	1.13
Obrascon Huarte Lain	5.5000	15/03/23	210,000	136	0.39
PortAventura Entertainment Barcelona	7.2500	01/12/20	250,000	184	0.53
PortAventura Entertainment Barcelona	FRN	01/12/19	250,000	176	0.51
Telefonica Europe (PERP)	VAR	29/09/49	200,000	166	0.48
				1,851	5.35
Sweden 3.83% (2014: 2.08%)					
Corral Petroleum Holdings	15.0000	31/12/17	520,031	363	1.05
Unilabs Subholding AB	8.5000	15/07/18	400,000	295	0.85
Verisure Holdings	8.7500	01/09/18	900,000	667	1.93
				1,325	3.83
Switzerland 2.50% (2014: 1.78%)					
Dufry Finance	4.5000	01/08/23	244,000	178	0.51
Dufry Finance (EMTN)	4.5000	15/07/22	100,000	74	0.21
Matterhorn Telecom	3.8750	01/05/22	495,000	328	0.95
Selecta	6.5000	15/06/20	420,000	286	0.83
				866	2.50
United Kingdom 43.18% (2014: 45.71%)					
Alliance Automotive Finance	6.2500	01/12/21	170,000	127	0.37
Alliance Automotive Finance	FRN	01/12/21	120,000	85	0.25
Bakkavor Finance 2	8.2500	15/02/18	115,643	120	0.35
Boparan Finance (EMTN)	4.3750	15/07/21	100,000	65	0.19
Boparan Holdings	5.5000	15/07/21	400,000	366	1.06
Boparan Holdings	5.2500	15/07/19	220,000	211	0.61
Brakes Capital	7.1250	15/12/18	150,000	156	0.45
Brighthouse	7.8750	15/05/18	375,000	363	1.05
Cabot Financial Luxembourg	6.5000	01/04/21	270,000	261	0.76
Cabot Financial Luxembourg (EMTN)	8.3750	01/08/20	150,000	155	0.45
Co-operative Group 2011	VAR	08/07/20	310,000	333	0.96
Debenhams	5.2500	15/07/21	375,000	374	1.08
EDU UK Bondco (EMTN)	8.8750	15/09/18	300,000	296	0.85
Elli Finance UK	8.7500	15/06/19	450,000	440	1.27
Galaxy Bidco	6.3750	15/11/20	200,000	203	0.59
Galaxy Bidco	FRN	15/11/19	100,000	100	0.29
Galaxy Finco	7.8750	15/11/21	100,000	100	0.29

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Grainger	5.0000	16/12/20	250,000	258	0.75
Hastings Insurance Finance	FRN	21/10/19	525,000	525	1.52
Hastings Insurance Finance	8.0000	21/10/20	160,000	170	0.49
House of Fraser Funding	8.8750	15/08/18	300,000	314	0.91
IDH Finance	6.0000	01/12/18	300,000	303	0.88
IDH Finance	FRN	01/12/18	300,000	300	0.87
IDH Finance	8.5000	01/06/19	200,000	203	0.59
Iglo Foods Bondco	FRN	15/06/20	375,000	267	0.77
International Personal Finance (EMTN)	5.7500	07/04/21	768,000	514	1.48
Iron Mountain Europe	6.1250	15/09/22	165,000	171	0.49
Kerling	10.6250	01/02/17	180,000	132	0.38
Ladbrokes Finance	7.6250	05/03/17	180,000	192	0.56
Lloyds Bank (EMTN) (PERP)	13.0000	29/01/49	300,000	520	1.50
Lloyds Bank (PERP)	VAR	31/12/49	335,000	342	0.99
Lowell Financing	10.7500	01/04/19	600,000	648	1.87
Lowell Group Financing (EMTN)	5.8750	01/04/19	100,000	99	0.28
Matalan Finance	6.8750	01/06/19	750,000	728	2.11
Merlin Entertainments	2.7500	15/03/22	175,000	118	0.34
Mizzen Bondco	7.0000	01/05/21	284,100	277	0.80
Moto Finance	6.3750	01/09/20	225,000	229	0.66
Moy Park Bondco	6.2500	29/05/21	100,000	103	0.30
PGH Capital	6.6250	18/12/25	744,000	755	2.19
PGH Capital	5.7500	07/07/21	400,000	433	1.25
Priory	8.8750	15/02/19	250,000	259	0.75
Rea Finance	9.5000	31/12/17	300,000	317	0.91
R&R Ice Cream	9.2500	15/05/18	210,000	151	0.43
Silk Bidco	7.5000	01/02/22	220,000	163	0.47
Stonegate Pub Co Financing	5.7500	15/04/19	100,000	102	0.29
TES Finance	6.7500	15/07/20	200,000	198	0.57
TES Finance	FRN	15/07/20	200,000	192	0.55
Tesco (EMTN)	6.1250	24/02/22	310,000	336	0.97
Thames Water Kemble Finance (EMTN)	5.8750	15/07/22	185,000	185	0.53
THPA Finance	8.2410	15/03/28	265,000	305	0.88
Virgin Media Secured Finance	6.2500	28/03/29	160,000	167	0.48
Virgin Media Secured Finance	5.5000	15/01/25	153,000	156	0.45
Virgin Media Secured Finance	6.0000	15/04/21	108,000	113	0.33
Virgin Media Secured Finance (EMTN)	5.1250	15/01/25	100,000	100	0.29
Voyage Care Bondco	6.5000	01/08/18	338,000	350	1.01
1st Credit Holdings	11.0000	10/06/20	450,000	493	1.42
				14,943	43.18
United States 5.22% (2014: 2.05%)					
Crown European	3.3750	15/05/25	500,000	329	0.95
International Game Technology	4.1250	15/02/20	250,000	177	0.51
International Game Technology	4.7500	15/02/23	170,000	117	0.34
Kloeckner Pentaplast of America	7.1250	01/11/20	267,000	192	0.56
MPT Operating Partnership (EMTN)	5.7500	01/10/20	530,000	400	1.15
Rapid	6.6250	15/11/20	225,000	160	0.46

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Trinseo Materials Operating	6.3750	01/05/22	150,000	107	0.31
Valeant Pharmaceuticals	4.5000	15/05/23	468,000	326	0.94
				1,808	5.22
Total Corporate Bonds				32,481	93.86
Total Bonds				32,481	93.86
Equities nil (2014: 0.15%)					
Czech Republic nil (2014: 0.15%)					
Bestsport Services			212,791	-	-
Total Equities				-	-
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				32,481	93.86

Derivatives 0.05% (2014: 0.55%)

Forward currency exchange contracts 0.05% (2014: 0.55%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
Barclays Capital	GBP	EUR	11/08/15	3,252,743	4,589,000	3	0.01
Citigroup	GBP	EUR	11/08/15	3,252,454	4,589,000	3	0.01
Deutsche Bank	GBP	EUR	11/08/15	3,253,018	4,589,000	3	-
Goldman Sachs	GBP	EUR	11/08/15	3,252,844	4,589,000	3	0.01
HSBC	GBP	EUR	11/08/15	3,252,293	4,589,000	3	0.01
JPM Chase	GBP	EUR	11/08/15	3,251,334	4,587,000	3	0.01
Unrealised gains on forward currency exchange contracts						18	0.05
Unrealised gains on derivatives						18	0.05
Investment assets						32,499	93.91
Net other assets						2,109	6.09
Net assets						34,608	100.00

Currently forwards positions are not collateralised.

Of the total investments above, £18,000, 0.24% (2014: £1,417,000, 3.89%) were invested in unrated securities and £6,010,000, 81.38% (2014: £31,572,000, 86.87%) were invested in securities below investment grade.

* A portion of this security is on loan at the year end.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	2,274,432.28	5,207,052.25	7,519,291.88
A Income shares in issue	10,093,971.55	13,556,831.97	15,969,869.36
I Accumulation shares in issue	4,283,211.10	4,117,251.35	226,162.77
I Income shares in issue	16,487,710.70	11,716,795.65	731,292.12
Net asset value attributable to			
A Accumulation shareholders (£'000)	2,782	6,188	8,238
A Income shareholders (£'000)	9,259	12,734	14,638
I Accumulation shareholders (£'000)	5,314	4,934	249
I Income shareholders (£'000)	17,253	12,485	756
Net asset value of Fund (£'000)	34,608	36,341	23,881
Net asset value pence per share			
A Accumulation	122.33	118.83	109.56
A Income	91.73	93.93	91.66
I Accumulation	124.05	119.84	109.89
I Income	104.64	106.56	103.40

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011 ^A	A Accumulation	5.07193	103.40	82.07
2011 ^A	A Income	4.96000	102.67	78.66
2012	A Accumulation	7.29460	106.81	85.52
2012	A Income	6.67000	93.73	80.55
2012 ^B	I Accumulation	1.13313	106.83	99.88
2012 ^B	I Income	1.13000	105.66	99.88
2013	A Accumulation	7.41695	115.38	106.76
2013	A Income	6.31000	96.14	90.73
2013	I Accumulation	7.65149	116.00	106.84
2013	I Income	7.33000	108.56	102.53
2014	A Accumulation	6.43659	120.66	114.97
2014	A Income	5.14000	96.21	90.95
2014	I Accumulation	6.42272	121.62	115.59
2014	I Income	5.77000	109.11	103.32
2015 ^C	A Accumulation	3.72178	123.11	117.67
2015 ^C	A Income	2.84000	93.48	90.98
2015 ^C	I Accumulation	3.80346	124.82	118.95
2015 ^C	I Income	3.27000	106.60	103.49

^A The Fund was launched on 9 March 2011.

^B Share class I launched on 1 October 2012.

^C As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %
31 July 2014	1.40	0.85
31 July 2015	1.40	0.85

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Exchange rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
 - Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
 - A full list of risks applicable to this Fund can be found in the Prospectus.
 - The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	Since launch 09/03/2011 to 31/07/2015
Fund - A Accumulation	2.64	21.50
Benchmark ^A	4.11	45.56

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012
% change	2.64	8.57	15.83	(3.16)

Source: Lipper, BofA Merrill Lynch, Total Return, NAV to NAV, UK Net income reinvested, £.

^A BofA Merrill Lynch European Currency High Yield Constrained (Hedged GBP 100%) Index.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	1		(391)		836
Revenue	2	2,281		2,143	
Expenses	3	(362)		(374)	
Net revenue before taxation		1,919		1,769	
Taxation	4	-		-	
Net revenue after taxation			1,919		1,769
Total return before distributions			1,528		2,605
Finance costs: distributions	5		(2,234)		(2,107)
Change in net assets attributable to shareholders from investment activities			(706)		498

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	£'000	2015		2014	
		£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders			36,341		23,881
Movement due to sales and repurchases of shares					
Amount receivable on issue of shares	10,265			24,864	
Amount payable on cancellation of shares	(11,754)			(13,557)	
			(1,489)		11,307
Dilution charged			-		70
Change in net assets attributable to shareholders from investment activities (see above)			(706)		498
Retained distribution on accumulation shares			462		585
Closing net assets attributable to shareholders			34,608		36,341

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			32,499		34,491
Debtors	6	822		1,058	
Cash and bank balances		1,881		1,615	
Total other assets			2,703		2,673
Total assets			35,202		37,164
Liabilities					
Investment liabilities			-		(24)
Creditors	7	(476)		(683)	
Distribution payable on income shares		(118)		(116)	
Total other liabilities			(594)		(799)
Total liabilities			(594)		(823)
Net assets attributable to shareholders			34,608		36,341

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital (losses)/gains on investments

	2015	2014
	£'000	£'000
Net capital (losses)/gains on investments during the year comprise:		
Forward currency contracts	2,274	1,750
Non-derivative securities	(2,537)	(888)
Other currency losses	(125)	(19)
Transaction costs	(3)	(7)
Net capital (losses)/gains on investments	(391)	836

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	1	1
Interest on debt securities	2,280	2,143
Overseas dividends	(1)	(1)
Stock lending revenue	1	-
Total revenue	2,281	2,143

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	1,888	-

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £2,133,000 (2014 - nil) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
BNP Paribas	744	-
Citigroup	301	-
JP Morgan	727	-
Nomura	361	-
	2,133	-

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating).

With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating:

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling.

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	315	337
Operating, administrative and servicing fees	25	-
Registration fees	15	27
	355	364
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	2	4
Safe custody fees	3	5
	5	9
<i>Other expenses:</i>		
Audit fee	4	9
Legal & Professional fee	(3)	5
Printing and postage fees	1	1
Expense cap refunded by Authorised Fund Manager	-	(14)
	2	1
Total expenses	362	374

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	1,919	1,769
Corporation tax of 20%	384	354
Effects of:		
Tax deductible interest distributions	(384)	(354)
Current tax charge	-	-

The Fund has not recognised a deferred tax asset in 2015 (2014 - nil).

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
First interim	190	157
Second interim	185	160
Third interim	186	177
Fourth interim	174	161
Fifth interim	193	202
Sixth interim	185	159
Seventh interim	147	172
Eighth interim	207	190
Ninth interim	178	175
Tenth interim	173	182
Eleventh interim	217	189
Final	192	207
	2,227	2,131
Add: Revenue deducted on cancellation of shares	37	42
Deduct: Revenue received on issue of shares	(30)	(66)
Gross distribution for the year	2,234	2,107
Total finance costs	2,234	2,107

Details of the distribution per share are set out in the distribution table on page 242.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	1,919	1,769
Add:		
Undistributed revenue brought forward	1	1
Movement between share classes due to conversions	1	1
Authorised Corporate Director's periodic charge paid from capital	315	337
Deduct:		
Undistributed revenue carried forward	(2)	(1)
Finance cost: distributions	2,234	2,107

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	603	700
Amounts receivable for issue of shares	214	353
Overseas withholding tax reclaimable	5	5
Total debtors	822	1,058

7. Creditors

	2015 £'000	2014 £'000
Accrued expenses	35	39
Amounts payable for cancellation of shares	212	290
Income tax payable	68	65
Other creditors	68	68
Purchases awaiting settlement	93	221
Total creditors	476	683

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at the year end is set out in the following table:

This is consistent with the exposure during both the current year and prior year.

	Floating rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
Euro	1,486	17,774	-	19,260
UK Sterling	2,574	12,528	18	15,120
2014				
Euro	2,122	17,578	549	20,249
UK Sterling	4,038	11,623	195	15,856

	Floating rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
2015				
Euro				
UK Sterling	-	-	-	-
2014				
UK Sterling	-	-	(24)	(24)

Fixed rate financial assets

	Weighted average interest rate (%) 2015	Weighted average period for which rate is fixed (Years) 2015	Weighted average interest rate (%) 2014	Weighted average period for which rate is fixed (Years) 2014
Euro	6.37	7.44	7.14	6.51
UK Sterling	7.02	8.71	7.59	9.53

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

Value at risk (VaR)

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

Model assumptions:

System:	Advanced Portfolio Technologies (APT)
VaR methodology:	Parametric
Confidence level:	99%
Holding period:	1 week (5 days)
Decay factor for exponential smoothing of the historical market data:	nil
Historical observation period:	180 weeks

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

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2015	0.00%	0.06%	-	1.18%	1.24%
31 July 2014	0.00%	0.02%	-	1.66%	1.68%
31 July 2013	0.00%	0.01%	-	1.74%	1.75%
31 July 2012	2.25%	0.18%	-	1.07%	3.50%

Objectives and limitations of the VaR Methodology

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

This method accurately prices all types of complex non-linear positions as well as simple linear instruments. It also provides a full distribution of potential portfolio gains and losses, which need not be symmetrical. If the underlying risk factors exhibit non-normal behaviour such as fat-tails or mean-reversion, then the resulting VaR will include these effects. However, tail risk can only be examined if the historical data set includes tail events. The distribution is calculated by using daily historical time-series data with implementation of an exponential adjustment.

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

Even though positions may change throughout the day, the VaR only represents the risk of the portfolios at the close of each business day, and it does not account for any losses that may occur beyond the 99% confidence level. In practice, the actual trading results will differ from the VaR calculation and, in particular, the calculation does not provide a meaningful indication of profits and losses in stressed market conditions. To determine the reliability of the VaR models, actual outcomes are monitored regularly to test the validity of the assumptions and the parameters used in the VaR calculation. Market risk positions are also subject to regular stress tests to ensure that the fund would withstand an extreme market event.

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 234. During the year the ACD held shares in the Fund and had a holding of 1,082 income 'A' shares (2014 - 2,107), 814 accumulation 'A' shares (2014 - 1,673), 958 income 'I' shares (2014 - 1,941) and 879 accumulation 'I' shares (2014 - 1,710) as at 31 July 2014. £24,000 was due from the ACD (2014 - £27,000) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £2,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Hargreaves Lansdown Nominees Ltd held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 32% of the Fund's units in issue. During the year, Hargreaves Lansdown Nominees Ltd made total sales of £7,928,196 and total purchases of £5,846,358 in the Fund.

10. Shareholder funds

The Fund currently has 2 share classes; Class 'A' (Retail) and Class 'I' (Institutional).

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

Class 'A': 1.25%

Class 'I': 0.70%

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 table on page 232. The distribution per share class is given in the distribution table on page 242. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		20,538		22,814
Gross purchases total		20,538		22,814
Analysis of total sale costs				
Gross sales in year before transaction costs		19,818		10,378
Total sales net of transaction costs		19,818		10,378

Distribution table

For the year ended 31 July 2015 (in pence per share)

First Interim interest distribution

Group 1: Shares purchased prior to 1 August 2014

Group 2: Shares purchased 1 August 2014 to 31 August 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 30/09/14	Distribution paid 30/09/13
Shares class A Accumulation						
Group 1	0.66418	0.13284	0.53134	-	0.53134	0.57374
Group 2	0.30478	0.06096	0.24382	0.28752	0.53134	0.57374
Shares class A Income						
Group 1	0.52500	0.10500	0.42000	-	0.42000	0.48000
Group 2	0.22529	0.04506	0.18023	0.23977	0.42000	0.48000
Shares class I Accumulation						
Group 1	0.66070	0.13214	0.52856	-	0.52856	0.57391
Group 2	0.20555	0.04111	0.16444	0.36412	0.52856	0.57391
Shares class I Income						
Group 1	0.58750	0.11750	0.47000	-	0.47000	0.54000
Group 2	0.23250	0.04650	0.18600	0.28400	0.47000	0.54000

Second Interim interest distribution

Group 1: Shares purchased prior to 1 September 2014

Group 2: Shares purchased 1 September 2014 to 30 September 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/10/14	Distribution paid 31/10/13
Shares class A Accumulation						
Group 1	0.65123	0.13025	0.52098	-	0.52098	0.56470
Group 2	0.26434	0.05287	0.21147	0.30951	0.52098	0.56470
Shares class A Income						
Group 1	0.51250	0.10250	0.41000	-	0.41000	0.47000
Group 2	0.24029	0.04806	0.19223	0.21777	0.41000	0.47000
Shares class I Accumulation						
Group 1	0.64946	0.12989	0.51957	-	0.51957	0.56619
Group 2	0.29892	0.05978	0.23914	0.28043	0.51957	0.56619
Shares class I Income						
Group 1	0.57500	0.11500	0.46000	-	0.46000	0.53000
Group 2	0.21736	0.04347	0.17389	0.28611	0.46000	0.53000

Third Interim interest distribution

Group 1: Shares purchased prior to 1 October 2014

Group 2: Shares purchased 1 October 2014 to 31 October 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 30/11/14	Distribution paid 30/11/13
Shares class A Accumulation						
Group 1	0.65410	0.13082	0.52328	-	0.52328	0.57964
Group 2	0.33451	0.06690	0.26761	0.25567	0.52328	0.57964
Shares class A Income						
Group 1	0.51250	0.10250	0.41000	-	0.41000	0.48000
Group 2	0.12006	0.02401	0.09605	0.31395	0.41000	0.48000
Shares class I Accumulation						
Group 1	0.65228	0.13046	0.52182	-	0.52182	0.57979
Group 2	0.20613	0.04123	0.16490	0.35692	0.52182	0.57979
Shares class I Income						
Group 1	0.57500	0.11500	0.46000	-	0.46000	0.54000
Group 2	0.16512	0.03302	0.13210	0.32790	0.46000	0.54000

Fourth interim interest distribution

Group 1: Shares purchased prior to 1 November 2014

Group 2: Shares purchased 1 November 2014 to 30 November 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/12/14	Distribution paid 31/12/13
Shares class A Accumulation						
Group 1	0.60895	0.12179	0.48716	-	0.48716	0.49765
Group 2	0.21569	0.04314	0.17255	0.31461	0.48716	0.49765
Shares class A Income						
Group 1	0.47500	0.09500	0.38000	-	0.38000	0.41000
Group 2	0.09486	0.01897	0.07589	0.30411	0.38000	0.41000
Shares class I Accumulation						
Group 1	0.61243	0.12249	0.48994	-	0.48994	0.49643
Group 2	0.26333	0.05267	0.21066	0.27928	0.48994	0.49643
Shares class I Income						
Group 1	0.53750	0.10750	0.43000	-	0.43000	0.46000
Group 2	0.21957	0.04391	0.17566	0.25434	0.43000	0.46000

Fifth interim interest distribution

Group 1: Shares purchased prior to 1 December 2014

Group 2: Shares purchased 1 December 2014 to 31 December 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/01/15	Distribution paid 31/01/14
Shares class A Accumulation						
Group 1	0.69191	0.13838	0.55353	-	0.55353	0.56078
Group 2	0.50905	0.10181	0.40724	0.14629	0.55353	0.56078
Shares class A Income						
Group 1	0.53750	0.10750	0.43000	-	0.43000	0.46000
Group 2	0.23669	0.04734	0.18935	0.24065	0.43000	0.46000
Shares class I Accumulation						
Group 1	0.68645	0.13729	0.54916	-	0.54916	0.56362
Group 2	0.22589	0.04518	0.18071	0.36845	0.54916	0.56362
Shares class I Income						
Group 1	0.60000	0.12000	0.48000	-	0.48000	0.52000
Group 2	0.24274	0.04855	0.19419	0.28581	0.48000	0.52000

Sixth interim interest distribution

Group 1: Shares purchased prior to 1 January 2015

Group 2: Shares purchased 1 January 2015 to 31 January 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 28/02/15	Distribution paid 28/02/14
Shares class A Accumulation						
Group 1	0.66286	0.13257	0.53029	-	0.53029	0.52679
Group 2	0.25307	0.05061	0.20246	0.32783	0.53029	0.52679
Shares class A Income						
Group 1	0.51250	0.10250	0.41000	-	0.41000	0.43000
Group 2	0.16205	0.03241	0.12964	0.28036	0.41000	0.43000
Shares class I Accumulation						
Group 1	0.66090	0.13218	0.52872	-	0.52872	0.52281
Group 2	0.16861	0.03372	0.13489	0.39383	0.52872	0.52281
Shares class I Income						
Group 1	0.57500	0.11500	0.46000	-	0.46000	0.48000
Group 2	0.10356	0.02071	0.08285	0.37715	0.46000	0.48000

Seventh interim interest distribution

Group 1: Shares purchased prior to 1 February 2015

Group 2: Shares purchased 1 February 2015 to 28 February 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/03/15	Distribution paid 31/03/14
Shares class A Accumulation						
Group 1	0.53591	0.10718	0.42873	-	0.42873	0.57842
Group 2	0.10471	0.02094	0.08377	0.34496	0.42873	0.57842
Shares class A Income						
Group 1	0.41250	0.08250	0.33000	-	0.33000	0.47000
Group 2	0.14836	0.02967	0.11869	0.21131	0.33000	0.47000
Shares class I Accumulation						
Group 1	0.53395	0.10679	0.42716	-	0.42716	0.57987
Group 2	0.11180	0.02236	0.08944	0.33772	0.42716	0.57987
Shares class I Income						
Group 1	0.46250	0.09250	0.37000	-	0.37000	0.53000
Group 2	0.10290	0.02058	0.08232	0.28768	0.37000	0.53000

Eighth interim interest distribution

Group 1: Shares purchased prior to 1 March 2015

Group 2: Shares purchased 1 March 2015 to 31 March 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Shares class A Accumulation						
Group 1	0.76598	0.15320	0.61278	-	0.61278	0.60603
Group 2	0.45510	0.09102	0.36408	0.24870	0.61278	0.60603
Shares class A Income						
Group 1	0.58750	0.11750	0.47000	-	0.47000	0.49000
Group 2	0.31746	0.06349	0.25397	0.21603	0.47000	0.49000
Shares class I Accumulation						
Group 1	0.76756	0.15351	0.61405	-	0.61405	0.60472
Group 2	0.21986	0.04397	0.17589	0.43816	0.61405	0.60472
Shares class I Income						
Group 1	0.66250	0.13250	0.53000	-	0.53000	0.55000
Group 2	0.27879	0.05576	0.22303	0.30697	0.53000	0.55000

Ninth interim interest distribution

Group 1: Shares purchased prior to 1 April 2015

Group 2: Shares purchased 1 April 2015 to 30 April 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/05/15	Distribution paid 31/05/14
Shares class A Accumulation						
Group 1	0.65520	0.13104	0.52416	-	0.52416	0.52214
Group 2	0.08280	0.01656	0.06624	0.45792	0.52416	0.52214
Shares class A Income						
Group 1	0.50000	0.10000	0.40000	-	0.40000	0.42000
Group 2	0.24772	0.04954	0.19818	0.20182	0.40000	0.42000
Shares class I Accumulation						
Group 1	0.65498	0.13100	0.52398	-	0.52398	0.51939
Group 2	0.31535	0.06307	0.25228	0.27170	0.52398	0.51939
Shares class I Income						
Group 1	0.56250	0.11250	0.45000	-	0.45000	0.47000
Group 2	0.18774	0.03755	0.15019	0.29981	0.45000	0.47000

Tenth interim interest distribution

Group 1: Shares purchased prior to 1 May 2015

Group 2: Shares purchased 1 May 2015 to 31 May 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 30/06/15	Distribution paid 30/06/14
Shares class A Accumulation						
Group 1	0.62510	0.12502	0.50008	-	0.50008	0.51196
Group 2	0.22142	0.04428	0.17714	0.32294	0.50008	0.51196
Shares class A Income						
Group 1	0.47500	0.09500	0.38000	-	0.38000	0.41000
Group 2	0.16770	0.03354	0.13416	0.24584	0.38000	0.41000
Shares class I Accumulation						
Group 1	0.62849	0.12570	0.50279	-	0.50279	0.51055
Group 2	0.20574	0.04115	0.16459	0.33820	0.50279	0.51055
Shares class I Income						
Group 1	0.53750	0.10750	0.43000	-	0.43000	0.46000
Group 2	0.13497	0.02699	0.10798	0.32202	0.43000	0.46000

Eleventh interim interest distribution

Group 1: Shares purchased prior to 1 June 2015

Group 2: Shares purchased 1 June 2015 to 30 June 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/07/15	Distribution paid 31/07/14
Shares class A Accumulation						
Group 1	0.79284	0.15857	0.63427	-	0.63427	0.51418
Group 2	0.49761	0.09952	0.39809	0.23618	0.63427	0.51418
Shares class A Income						
Group 1	0.60000	0.12000	0.48000	-	0.48000	0.41000
Group 2	0.25175	0.05035	0.20140	0.27860	0.48000	0.41000
Shares class I Accumulation						
Group 1	0.79245	0.15849	0.63396	-	0.63396	0.51271
Group 2	0.40052	0.08010	0.32042	0.31354	0.63396	0.51271
Shares class I Income						
Group 1	0.67500	0.13500	0.54000	-	0.54000	0.46000
Group 2	0.29555	0.05911	0.23644	0.30356	0.54000	0.46000

Final interest distribution

Group 1: Shares purchased prior to 1 July 2015

Group 2: Shares purchased 1 July 2015 to 31 July 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/08/15	Distribution paid 31/08/14
Shares class A Accumulation						
Group 1	0.61434	0.12287	0.49147	-	0.49147	0.52899
Group 2	0.26051	0.05210	0.20841	0.28306	0.49147	0.52899
Shares class A Income						
Group 1	0.46250	0.09250	0.37000	-	0.37000	0.42000
Group 2	0.21697	0.04339	0.17358	0.19642	0.37000	0.42000
Shares class I Accumulation						
Group 1	0.72275	0.14455	0.57820	-	0.57820	0.55965
Group 2	0.20652	0.04130	0.16522	0.41298	0.57820	0.55965
Shares class I Income						
Group 1	0.61250	0.12250	0.49000	-	0.49000	0.50000
Group 2	0.22211	0.04442	0.17769	0.31231	0.49000	0.50000

Equalisation

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

Aberdeen Japan Equity Fund

For the year ended 31 July 2015

Investment objective and policy

The investment objective is to produce capital growth. The objective will be achieved through investment in a diversified portfolio of Japanese securities.

Distribution

A final distribution of 1.3150p per share will be paid to I accumulation shareholders and 2.7927p per share to Z accumulation shareholders on 31 October 2015.

Performance review

The Aberdeen Japan Equity - A accumulation shares rose by 15.12% in sterling terms, compared to an increase of 17.74% in its benchmark, the Topix Index.

Market review

Japanese equities rose in the year under review, reaching fresh 15-year highs. Initially the economy was weighed down by the effects of the hike in consumption taxes in last April, and contracted for two consecutive quarters. However, a slew of government stimulus measures proved mitigating, along with hopes of further expansionary measures. In the latter half, the shift in more public pension funds' assets into equities aided the stockmarket. The lower yen and cheaper energy prices fuelled hopes of improving economic data and better corporate earnings. Towards the period end, equities were buoyed by upbeat corporate earnings and firmer sentiment on the back of improvements in the Chinese A-share market, as well as news of Greece's third bailout deal. Investors were also cheered by the central bank's move to maintain its record stimulus programme and its optimism about achieving its inflation target. However, gains were capped by worries over the impending normalisation of US interest rates.

Portfolio review

At the stock level, holdings that contributed to relative return included Pigeon Corp, as its shares rose after it posted good first-quarter results on the back of robust demand for baby bottles in China and Japan. Also contributing to performance was a lack of exposure to Softbank, which we do not hold because of the evolving nature of its business. Last, Sysmex, based in Kobe, reported good results for the end-June quarter, supported by good demand for its diagnostic equipment and reagents.

In contrast, holdings that detracted included Daito Trust, which retreated on the back of concerns over a weak order book. Also costing the fund was Rinnai, which saw its shares weaken on the back of worries that its sales in China will slow amid a decelerating economy. Finally, Shin-Etsu Chemical also detracted as its shares were dampened by weak silicon wafer prices, as well as the impact of a supply disruption in the US for a key component for its polyvinyl chloride (PVC) business.

In portfolio activity, we sold McDonald's Holdings Japan on the back of the company's deteriorating business outlook. Against this, we introduced USS into the portfolio. The company, the country's leading used-car auction site operator, has steadily grown its market share through acquisitions and expansion of its auction sites. In addition, the company has been progressive in returning excess cash to shareholders. We also initiated a holding in Japan Exchange Group, which operates both the Tokyo Stock Exchange and the Osaka Exchange. These are essentially monopolistic businesses with high operating leverage. In addition, the company has been proactive in returning excess capital to shareholders.

Outlook

In the near term, the stockmarket is likely to be affected by the central bank's easy money policies, along with improvements in corporate governance. On the economic front, little has changed and growth is likely to slow. Persistent deflationary expectations and lacklustre wage growth will continue to dampen consumption. Despite these macro-economic challenges, we are confident in the long-term prospects of our holdings, given their experience in dealing with the difficult economic headwinds.

Japanese Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 98.39% (2014: 98.68%)			
Basic Materials 8.68% (2014: 8.45%)			
Chemicals 8.68% (2014: 8.45%)			
Kansai Paint Co	1,537,000	16,043	3.05
Shin-Etsu Chemical Co	771,800	29,596	5.63
		45,639	8.68
Total Basic Materials		45,639	8.68
Consumer Goods 30.07% (2014: 32.48%)			
Automobiles & Parts 9.87% (2014: 11.79%)			
Aisin Seiki Co	141,700	3,687	0.70
Denso Corp	258,900	8,210	1.56
F.C.C. Co	389,000	3,905	0.74
Honda Motor Co	653,700	13,426	2.55
Toyota Motor Corp	531,400	22,650	4.32
		51,878	9.87
Household Goods & Home Construction 4.41% (2014: 4.40%)			
Makita Corp	369,600	13,037	2.48
Rinnai Corp	129,200	5,854	1.11
Sekisui House	452,000	4,309	0.82
		23,200	4.41
Leisure Goods 1.39% (2014: 1.59%)			
Shimano Inc	82,300	7,309	1.39
Personal Goods 8.81% (2014: 10.28%)			
ASICS Corp	592,200	10,920	2.08
Mandom Corp	311,200	8,241	1.57
Pigeon Corp	645,400	12,568	2.39
Unicharm Corp	948,900	14,599	2.77
		46,328	8.81
Tobacco 5.59% (2014: 4.42%)			
Japan Tobacco	1,180,100	29,372	5.59
Total Consumer Goods		158,087	30.07
Consumer Services 10.39% (2014: 10.02%)			
General Retailers 5.97% (2014: 4.43%)			
Seven & i Holdings	899,960	26,616	5.06
USS Co	423,800	4,772	0.91
		31,388	5.97

	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Security			
Travel & Leisure 4.42% (2014: 5.59%)			
East Japan Railway Co	367,200	23,228	4.42
Total Consumer Services		54,616	10.39
Financials 12.96% (2014: 7.61%)			
Banks 4.09% (2014: 3.47%)			
Bank of Yokohama	3,316,000	13,509	2.57
Suruga Bank	579,900	7,981	1.52
		21,490	4.09
Financial Services 3.11% (2014: 1.51%)			
AEON Financial Service Co ^o	622,700	10,387	1.98
Japan Exchange	267,000	5,952	1.13
		16,339	3.11
Real Estate Investment & Services 5.76% (2014: 2.63%)			
Daito Trust Construction Co	246,400	16,689	3.17
Mitsubishi Estate Co	955,000	13,606	2.59
		30,295	5.76
Total Financials		68,124	12.96
Health Care 9.98% (2014: 9.91%)			
Health Care Equipment & Services 2.64% (2014: 2.07%)			
Sysmex Corp	334,000	13,855	2.64
Pharmaceuticals & Biotechnology 7.34% (2014: 7.84%)			
Astellas Pharma Inc	1,984,800	19,110	3.63
Chugai Pharmaceutical Co	838,600	19,519	3.71
		38,629	7.34
Total Health Care		52,484	9.98
Industrials 17.53% (2014: 21.31%)			
Electronic & Electrical Equipment 4.21% (2014: 4.27%)			
Keyence Corp	68,457	22,116	4.21
Industrial Engineering 13.32% (2014: 13.93%)			
Amada Co	3,249,700	20,405	3.87
Daikin Industries Ltd	352,000	14,598	2.78
FANUC Corp	158,400	16,910	3.22
Nabtesco Corp	1,286,100	18,114	3.45
		70,027	13.32
Total Industrials		92,143	17.53

	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Security			
Technology 4.82% (2014: 6.10%)			
Software & Computer Services 2.08% (2014: 1.67%)			
Yahoo Japan Corp	3,901,100	10,936	2.08
Technology Hardware & Equipment 2.74% (2014: 4.43%)			
Canon Inc	703,450	14,427	2.74
Total Technology		25,363	4.82
Telecommunications 3.96% (2014: 2.80%)			
Mobile Telecommunications 3.96% (2014: 2.80%)			
KDDI Corp	1,277,400	20,809	3.96
Total Telecommunications		20,809	3.96
Total Equities		517,265	98.39
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		517,265	98.39
Investment assets including liabilities		517,265	98.39
Net other assets		8,473	1.61
Net assets		525,738	100.00

* A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation Shares in issue	31,059,195.88	48,822,921.88	67,675,839.19
I Accumulation Shares in issue	255,687,055.09	213,936,288.20	192,246,259.80
Z Accumulation Shares in issue	4,428,713.04	6,331,813.06	4,407,013.06
Net asset value attributable to			
A Accumulation shareholders (£'000)	53,216	72,642	99,728
I Accumulation shareholders (£'000)	463,868	334,467	295,527
Z Accumulation shareholders (£'000)	8,654	10,583	7,188
Net asset value of Fund (£'000)	525,738	417,692	402,443
Net asset value pence per share			
A Accumulation	171.34	148.79	147.36
I Accumulation	181.42	156.34	153.72
Z Accumulation	195.40	167.13	163.10

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	0.3469	120.56	100.80
2011	I Accumulation	1.0780	124.22	103.70
2011	Z Accumulation	2.2940	129.37	107.65
2012	A Accumulation	0.6529	124.89	111.12
2012	I Accumulation	1.2642	129.68	114.77
2012	Z Accumulation	2.5593	136.99	120.12
2013	A Accumulation	0.2442	157.18	122.10
2013	I Accumulation	1.2090	163.70	126.80
2013	Z Accumulation	2.4412	173.45	133.97
2014	A Accumulation	0.0097	158.75	130.86
2014	I Accumulation	1.1120	167.19	137.14
2014	Z Accumulation	2.3691	179.12	146.20
2015 ^A	A Accumulation	-	187.90	151.93
2015 ^A	I Accumulation	1.3150	198.52	160.19
2015 ^A	Z Accumulation	2.7927	213.34	171.81

^A As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.62	0.87	0.12
31 July 2015	1.63	0.88	0.13

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
- Exchange rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- Concentrated portfolio: The Fund may hold a limited number of investments. If one of these investments declines in value this can have a greater impact on the fund's value than if it held a larger number of investments.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 11/08/1992 to 31/07/2015 ^B
Fund - A Accumulation	15.12	67.32	242.36
Benchmark ^A	17.74	52.47	133.65

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	15.12	0.33	25.15	0.42	15.26

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A Topix (Tokyo First Section).

^B Figures for Aberdeen Japan Growth Unit Trust prior to 27 November 1998

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains	1		66,703		4,670
Revenue	2	8,729		7,041	
Expenses	3	(4,596)		(4,015)	
Net revenue before taxation		4,133		3,026	
Taxation	4	(870)		(632)	
Net revenue after taxation			3,263		2,394
Total return before distributions			69,966		7,064
Finance costs: distributions	5		(3,323)		(2,430)
Change in net assets attributable to shareholders from investment activities			66,643		4,634

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		417,692		402,443
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	150,782		109,598	
Amount payable on cancellation of shares	(112,865)		(101,518)	
		37,917		8,080
Change in net assets attributable to shareholders from investment activities (see above)		66,643		4,634
Retained distribution on accumulation shares		3,486		2,534
Closing net assets attributable to shareholders		525,738		417,691

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			517,265		412,188
Debtors	6	1,810		1,396	
Cash and bank balances		7,149		5,433	
Total other assets			8,959		6,829
Total assets			526,224		419,017
Liabilities					
Creditors	7	(486)		(1,326)	
Total liabilities			(486)		(1,326)
Net assets attributable to shareholders			525,738		417,691

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains on investments

	2015	2014
	£'000	£'000
Net capital gains on investments during the year comprise:		
Non-derivative securities	67,181	4,981
Other currency losses	(477)	(306)
Transaction costs	(1)	(5)
Net capital gains on investments	66,703	4,670

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	8	4
Overseas dividends	8,696	7,018
Stock lending revenue	25	19
Total revenue	8,729	7,041

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	3,354	7,265

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £3,779,000 (2014 - £7,650,000) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
BNP Paribas Securities Services	1,233	1,013
Deutsche Bank	-	5,915
Morgan Stanley	2,546	722
	3,779	7,650

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating).

With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	4,001	3,530
Operating, administrative and servicing fees	314	-
Registration fees	205	353
	4,520	3,883
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	27	47
Safe custody fees	43	78
	70	125
<i>Other expenses:</i>		
Audit fee	3	7
Legal & Professional fee	2	2
Printing and postage fees	1	(2)
	6	7
Total expenses	4,596	4,015

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas tax reclaims	-	(59)
Overseas withholding tax	870	691
Total Taxation	870	632

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	4,133	3,026
Corporation tax of 20%	827	605
Effects of:		
Current year excess management expenses not utilised	912	799
Irrecoverable overseas withholding tax	870	632
Non taxable overseas dividends	(1,739)	(1,404)
Current tax charge	870	632

At the year end, there is a potential deferred tax asset of £6,634,000 (2014 - £5,722,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Final	3,486	2,534
Add: Revenue deducted on cancellation of shares	184	155
Deduct: Revenue received on issue of shares	(347)	(259)
Net distribution for the year	3,323	2,430
Total finance costs	3,323	2,430

Details of the distribution per unit are set out in the distribution table on page 261.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	3,263	2,394
Add:		
Movement between share classes due to conversions	47	36
Income deficit from capital	13	-
Finance cost: distributions	3,323	2,430

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	878	664
Amounts receivable for issue of shares	902	674
Overseas withholding tax reclaimable	30	58
Total debtors	1,810	1,396

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	421	382
Amounts payable for cancellation of shares	65	304
Purchases awaiting settlement	-	640
Total creditors	486	1,326

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
Japanese Yen	-	517,265	517,265
2014			
Japanese Yen	-	412,188	412,188

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 254. During the year the ACD held shares in the Fund and had a holding of 656 accumulation 'A' shares (2014 - 1,410), 633 accumulation 'I' shares (2014 - 1,310), and 539 accumulation 'Z' shares (2014 - 1,278) as at 31 July 2015. £473,000 was due from the ACD (2014 - £12,000) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £11,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Windsor Life Assurance Co Ltd held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 69% of the Fund's units in issue. During the year, Windsor Life Assurance Co Ltd made total purchases of £27,134,138 in the Fund.

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional).

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

Class 'A': 1.50%

Class 'I': 0.75%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 251. The distribution per share class is given in the distribution table on page 261. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		94,881		64,858
Commissions	50		54	
Total transaction cost		50		54
Gross purchases total		94,931		64,912
Analysis of total sale costs				
Gross sales in year before transaction costs		57,078		59,925
Commissions	(43)		(54)	
Total transaction cost		(43)		(54)
Total sales net of transaction costs		57,035		59,871

Distribution table

For the year ended 31 July 2015 (in pence per share)

Final dividend distribution

Group 1: Shares purchased prior to 1 August 2014

Group 2: Shares purchased 1 August 2014 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation				
Group 1	-	-	-	0.0097
Group 2	-	-	-	0.0097
Share class I Accumulation				
Group 1	1.3150	-	1.3150	1.1120
Group 2	0.6841	0.6309	1.3150	1.1120
Share class Z Accumulation				
Group 1	2.7927	-	2.7927	2.3691
Group 2	1.2872	1.5055	2.7927	2.3691

Equalisation

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

Aberdeen Latin American Equity Fund

For the year ended 31 July 2015

Investment objective & policy

The Fund's investment objective is long-term total return to be achieved by investing in equities and equity-related securities of Latin American companies or companies with significant activities in Latin America.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Distribution

A final distribution of 0.6420p per share will be paid to A accumulation shareholders and 1.2898p per share to I accumulation shareholders on 31 October 2015.

Performance review

The Aberdeen Latin American Equity - A accumulation shares fell by 27.73% in sterling terms, compared to a decrease of 24.84% in the benchmark, MSCI Emerging Markets Latin America 10/40 NR Index.

Market review

Latin American equities fell in the one year under review, as concerns persisted over lacklustre economic growth, weak commodities prices and disappointing growth figures from China. Risk aversion was also heightened by tensions in the Middle East. Most regional currencies fell sharply against the US dollar, while economic data remained lacklustre. Brazil's central bank increased its inflation forecast and expects a steeper economic contraction this year. Over the review period, dissatisfaction over the economy and the unfolding Petrobras corruption scandal culminated in mass demonstrations calling for president Rousseff's impeachment. Although sentiment improved after the government accelerated efforts to meet its fiscal targets by cutting spending and raising taxes, political tension within the ruling coalition and the low ability of the federal government to push its fiscal adjustment program through Congress did little in regaining investors' confidence. Meanwhile, Mexico cut its GDP forecast for the year following a drop in oil output, while weaker demand from the US dragged on its exports. Chile also posted weaker-than-expected growth; however, retail sales in both countries remained relatively resilient.

Portfolio review

Mexican airport operator Asur and OMA were key contributors to relative performance, continuing to benefit from robust growth in traffic and commercial revenues. Meanwhile, solid results throughout the period supported FEMSA. In Brazil, retailer Lojas Renner continued to post solid results, underpinned by impressive sales growth and good cost control.

Conversely, our holding in Vale was a key detractor from performance. For most of the reporting period, the miner continued to suffer from lower iron ore prices and concerns over Chinese growth. Its first-quarter results showed sales volume increases and cost cutting efforts were not able to offset the broader price declines. Elsewhere, our lack of exposure to America Movil detracted from returns. The Mexican telecom operator rebounded after it announced plans to divest assets to avoid regulatory restrictions given its dominant market position. Infrastructure company Grana y Montero's shares were weak, owing to slower economic growth in Peru and concerns about its future project pipeline.

In portfolio activity, we exited the position in Petrobras in December, on growing concerns about governance shortcomings, escalating leverage, and the increasing politicisation of the company. Against this, we introduced three stocks: Banco Santander Mexico, a well-run lender with an established domestic market position; Arca Contal, Mexico's second-largest Coca-Cola bottler with well-run operations and solid growth prospects; and Iguatemi, a leading Brazilian mall owner and operator with a portfolio of well-located malls and a strong tenant base.

Outlook

Market sentiment is likely to remain lacklustre in the near term with several lingering concerns. Foremost is when the Fed will start normalising monetary policy. China is another worry: a worse-than-anticipated economic slowdown could dent confidence further, especially among Latin American exporters. Meanwhile, regional economic news remains muted, with forecasts for GDP growth this year continuing their downward slide. However, we think central banks are generally moving in the right direction.

In Brazil, the decision to continue hiking interest rates will weigh on consumption and investment in the near term. But government spending cuts, part of efforts to maintain the nation's investment-grade rating, should go some way towards restoring credibility with investors. In Mexico, policymakers are lowering fiscal spending to cope with an oil price slump. The bright spot, however, is that domestic consumption remains resilient, and exports are likely to be supported by a strengthening US economy.

On the corporate front, we are unlikely to see drastic improvements in earnings growth, given the challenging environment. But our strategy of investing in financially sound companies with sustainable businesses should help ensure healthy returns over the long term.

Global Emerging Markets Equity Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 98.13% (2014: 99.46%)			
Argentina 2.27% (2014: 3.03%)			
Tenaris (ADR)	185,000	2,980	2.27
Brazil 58.35% (2014: 66.32%)			
Ambev	1,403,844	5,119	3.90
Arezzo Industria e Comercio	812,687	3,270	2.49
Banco Bradesco	487,960	2,512	1.91
Banco Bradesco (ADR)	1,431,720	7,277	5.55
Banco Bradesco (PREF)	151,200	775	0.59
BM&F Bovespa	1,197,250	2,344	1.78
Bradespar (PREF)	699,000	1,271	0.97
BRF (ADR)	336,750	4,512	3.44
CIA Hering	352,250	778	0.59
Iguatemi Empresa de Shopping Centers	277,750	1,249	0.95
Itau Unibanco	610,759	3,270	2.49
Itau Unibanco Holding (ADR)	958,683	5,333	4.06
Localiza Rent a Car	364,150	1,917	1.46
Lojas Renner	288,900	5,887	4.49
Multiplan Empreendimentos	627,190	5,495	4.18
Natura Cosméticos	528,000	2,511	1.91
OdontoPrev	906,000	1,882	1.43
Souza Cruz	544,000	2,482	1.89
TOTVS	270,000	1,778	1.35
Ultrapar Participacoes (ADR)	369,000	4,847	3.69
Vale (ADR) [∞]	934,651	3,144	2.39
Vale (ADR) (PREF)	1,099,989	3,017	2.30
Valid Solucoes	174,000	1,622	1.24
WEG	591,900	2,078	1.58
Wilson Sons (BDR)	391,507	2,258	1.72
		76,628	58.35
Chile 9.25% (2014: 7.65%)			
Banco Santander Chile (ADR)	297,692	3,854	2.94
Embotelladora Andina (PREF)	2,184,000	3,187	2.43
Parque Arauco	1,725,089	2,027	1.54
S.A.C.I. Falabella	741,000	3,075	2.34
		12,143	9.25
Colombia 3.40% (2014: 3.29%)			
Almacenes Exito	446,420	2,129	1.62
Bancolombia	400,000	2,332	1.78
		4,461	3.40

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Mexico 23.45% (2014: 17.80%)			
Arca Continental	384,000	1,486	1.13
FEMSA (ADR)	119,700	6,951	5.29
Grupo Aeroportuario del Centro Norte (ADR)	129,299	3,675	2.80
Grupo Aeroportuario del Sureste (ADR)	33,000	3,160	2.41
Grupo Financiero Banorte	1,733,767	5,902	4.49
Grupo Financiero Santander Mexico	1,162,000	1,338	1.02
Kimberly-Clark de Mexico	1,599,000	2,386	1.82
Organizacion Soriana 'B'	1,112,673	1,429	1.09
Walmart de México y Centroamérica	2,860,750	4,469	3.40
		30,796	23.45
Peru 1.41% (2014: 1.37%)			
Grana y Montero (ADR)	488,105	1,845	1.41
Total Equities		128,853	98.13
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		128,853	98.13
Investment assets		128,853	98.13
Net other assets		2,459	1.87
Net assets		131,312	100.00

^o A portion of this security is on loan at the period end.
Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	147,926,208.58	152,198,774.86	82,851,589.40
I Accumulation shares in issue	48,887,728.90	23,718,296.95	727,807.96
Net asset value attributable to			
A Accumulation shareholders (£'000)	97,693	135,417	78,308
I Accumulation shareholders (£'000)	33,619	21,815	706
Net asset value of Fund (£'000)	131,312	157,232	79,014
Net asset value pence per share			
A Accumulation	66.04	88.97	94.52
I Accumulation	68.77	91.97	96.95

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011 ^A	A Accumulation	0.6263	107.48	81.58
2012	A Accumulation	0.8622	105.39	86.62
2012 ^B	I Accumulation	-	107.37	99.19
2013	A Accumulation	0.6462	118.93	86.17
2013	I Accumulation	1.4601	121.63	88.66
2014	A Accumulation	0.8792	99.15	69.90
2014	I Accumulation	1.5962	102.55	72.45
2015 ^C	A Accumulation	0.6420	82.05	64.97
2015 ^C	I Accumulation	1.2898	85.10	67.65

^A The Fund was initially launched on 18 January 2011. The first true price for performance purposes was calculated on 9 February 2011 following a launch period where the price was held at 100p.

^B Share class I Accumulation launched on 1 October 2012.

^C As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %
31 July 2014	2.04	1.29
31 July 2015	2.03	1.28

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Exchange rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
 - Emerging markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This may mean your money is at greater risk.
 - A full list of risks applicable to this Fund can be found in the Prospectus.
 - The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report		Since launch
	31/07/2014 to 31/07/2015	07/02/2011 to 31/07/2015	
Fund - A Accumulation	(27.73)	(34.17)	(34.17)
Benchmark ^A	(24.84)	(36.49)	(36.49)

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012
% change	(27.73)	(3.73)	(2.98)	(3.17)

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A MSCI EM Latin America 10/40 NR Index.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	1		(44,238)		696
Revenue	2	4,416		3,571	
Expenses	3	(2,710)		(1,988)	
Net revenue before taxation		1,706		1,583	
Taxation	4	(333)		(333)	
Net revenue after taxation			1,373		1,250
Total return before distributions			(42,865)		1,946
Finance costs: distributions	5		(1,385)		(1,295)
Change in net assets attributable to shareholders from investment activities			(44,250)		651

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		157,232		79,014
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	30,789		98,599	
Amount payable on cancellation of shares	(14,039)		(22,973)	
		16,750		75,626
Dilution charged		-		224
Change in net assets attributable to shareholders from investment activities (see above)		(44,250)		651
Retained distribution on accumulation shares		1,580		1,717
Closing net assets attributable to shareholders		131,312		157,232

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			128,853		156,382
Debtors	6	2,996		526	
Cash and bank balances		3,195		2,920	
Total other assets			6,191		3,446
Total assets			135,044		159,828
Liabilities					
Creditors	7	(2,230)		(2,596)	
Bank overdrafts		(1,502)		-	
Total liabilities			(3,732)		(2,596)
Net assets attributable to shareholders			131,312		157,232

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains/(losses) on investments

	2015	2014
	£'000	£'000
The net capital (losses)/gains on investments during the year comprise:		
Non-derivative securities	(44,375)	1,164
Other currency gains/(losses)	153	(454)
Transaction costs	(16)	(14)
Net capital (losses)/gains on investments	(44,238)	696

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	4	2
Overseas dividends	4,378	3,569
Stock lending revenue	34	-
Total revenue	4,416	3,571

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	2,994	-

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £3,152,000 (2014 - nil) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
Citigroup	3,152	-
	3,152	-

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating).

With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	2,329	1,710
Operating, administrative and servicing fees	184	-
Registration fees	70	91
	2,583	1,801
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	9	12
Safe custody fees	85	110
	94	122
<i>Other expenses:</i>		
Audit fee	3	7
Dividend collection charges	28	55
Legal & Professional fee	1	1
Printing and postage fees	1	2
	33	65
Total expenses	2,710	1,988

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas withholding tax	333	333
Total taxation	333	333

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	1,706	1,583
Corporation tax of 20%	341	317
Effects of:		
Current year excess management expenses not utilised	208	94
Irrecoverable overseas withholding tax	333	278
Non taxable overseas dividends	(549)	(356)
Current tax charge	333	333

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

At the year end, there is a potential deferred tax asset of £594,000 (2014 - £385,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Final	1,580	1,717
Add: Revenue deducted on cancellation of shares	67	92
Deduct: Revenue received on issue of shares	(262)	(514)
Net distribution for the year	1,385	1,295
Total finance costs	1,385	1,295

Details of the distribution per share are set out in the distribution table on page 274.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	1,373	1,250
Add:		
Movement between share classes due to conversions	12	45
Finance cost: distributions	1,385	1,295

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	215	267
Amounts receivable for issue of shares	2,255	259
Currency transactions awaiting settlement	479	-
Other debtors	47	-
Total debtors	2,996	526

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	213	270
Amounts payable for cancellation of shares	212	1,455
Currency transactions awaiting settlement	479	-
Purchases awaiting settlement	1,326	871
Total creditors	2,230	2,596

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
US Dollar	-	50,594	50,594
Brazilian Real	(1,107)	48,498	47,391
Mexico Peso	17	17,010	17,027
Chilian Peso	-	8,290	8,290
Colombian Peso	(396)	4,461	4,065
2014			
US Dollar	40	78,291	78,331
Brazilian Real	319	50,288	50,607
Mexico Peso	-	14,734	14,734
Chilian Peso	-	7,964	7,964
Colombian Peso	-	5,164	5,164

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 267. During the year the ACD held shares in the Fund and had a holding of 1,565 accumulation 'A' shares (2014 - 5,580) and 1,488 accumulation 'I' shares (2014 - 2,141) as at 31 July 2015. £1,865,000 was due from the ACD (due to 2014 - £1,440,000) at the year end..

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £16,712) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

South Yorkshire Pension Authority held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 48% of the Fund's units in issue. During the year, South Yorkshire Pension Authority made total purchases of £3,864,542 in the Fund.

Hargreaves Lansdown Nominees Ltd held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 34% of the Fund's units in issue. During the year, Hargreaves Lansdown Nominees Ltd made total sales of £15,316,058 and total purchases of £16,487,071 in the Fund.

10. Shareholder funds

The Fund currently has 2 share classes; Class 'A' (Retail) and Class 'I' (Institutional).

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

Class 'A': 1.75%

Class 'I': 1.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 265. The distribution per share class is given in the distribution table on page 274. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		31,068		89,194
Commissions	50		64	
Other costs	5		9	
Total transaction cost		55		73
Gross purchases total		31,123		89,267
Analysis of total sale costs				
Gross sales in year before transaction costs		14,291		12,167
Commissions	(13)		(13)	
Other costs	(1)		-	
Total transaction cost		(14)		(13)
Total sales net of transaction costs		14,277		12,154

Distribution table

For the year ended 31 July 2015 (in pence per share)

Final dividend distribution

Group 1: Shares purchased prior to 1 August 2014

Group 2: Shares purchased 1 August 2014 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/2015	Distribution paid 31/10/2014
Share class A Accumulation				
Group 1	0.6420	-	0.6420	0.8792
Group 2	0.2508	0.3912	0.6420	0.8792
Share class I Accumulation				
Group 1	1.2898	-	1.2898	1.5962
Group 2	0.5456	0.7442	1.2898	1.5962

Equalisation

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

Aberdeen Managed Distribution Fund

For the year ended 31 July 2015

Investment objective and policy

The Fund aims to achieve both capital growth and an attractive level of income from a diversified portfolio. The Fund may invest in transferable securities and may also hold units in collective investment schemes (in particular, schemes managed by the Investment Adviser), money market instruments, warrants, derivatives and forward transactions, cash and near cash deposits.

Distribution

A final distribution of 1.11p per share will be paid to A income shareholders, 1.6671p per share to A accumulation shareholders, 0.89p per share to I income shareholders, 0.9658p per share to I accumulation shareholders and 1.6241p per share to Z accumulation shareholders on 31 October 2015. This made a total of 4.06p for A income shareholders, 6.0302p for A accumulation shareholders, 3.50p for I income shareholders, 3.7538p for I accumulation shareholders and 6.0864 for Z accumulation shareholders for the year to 31 July 2015.

Performance review

The Aberdeen Managed Distribution - A accumulation shares rose by 3.22% in sterling terms over the period, compared with a gain in its benchmark composite index of 7.43%.

Market review

The UK equity market underperformed its global counterparts, hampered by the dramatic fall in commodity prices. Given the sizeable number of global energy and mining companies listed in London, swings in commodity prices tend to have a severe impact on UK indices. Consumer-related industries did well, with many sectors returning more than 20%. Technology, however, was the best performer, led by software providers.

On the economic front, the UK saw sustained growth, particularly in services and industrial production. Consumers kept spending, although exporters struggled because of sterling's relative strength against the euro. The economy grew at 2.6% last year despite a disappointing fourth quarter. The European Central Bank's announcement of quantitative easing should support UK exporters, with benefits likely to flow through in the second half of this year.

UK bond markets were solid over the review period as yields fell. The All Stocks index returned 9.14%, far outperforming the 5.4% gain from equities.

Portfolio review

For most of the period we retained our pro-risk stance, preferring equities and alternatives over fixed income. However, more recently, our outlook for risk assets has weakened, resulting in some reduction to exposure.

The portfolio underperformed its composite benchmark, given the underweight to fixed income, coupled with weak relative returns from the equity segment. The equity fund endured a difficult period around the turn of the calendar year, when exposure to oil-related stocks detracted significantly from performance. Although the fixed-income assets produced robust returns as gilt yields fell, our underweight to this asset class hurt overall returns. Early in 2015, we reflected our positive view on European high-yield assets, which proved a beneficial strategy.

The infrastructure positions performed well, as premiums continued to rise. This component increased by 5.9% in value, although the Absolute Return Bond fund, which also makes up the alternatives segment, rose a modest 0.7%, detracting from total returns.

Outlook

Global macroeconomic prospects are unlikely to improve dramatically in the short term, given the persistent headwinds. While the US economy seems to be stabilising, its global peers are on shakier footing. In Europe, manufacturing and services sectors continue to moderate, while the Greek drama plays out in the periphery: its Eurozone membership appears to hang in the balance as discussions on a new bailout programme continue. Chinese equities continue to sputter despite Beijing's efforts to prop up prices, while its economic slowdown has crimped export demand in many of its key trading partners. As a result, we would not be surprised by continued bouts of volatility in the months ahead. Although our holdings will not be immune from the market noise, their sound fundamentals should position them for earnings growth in the long run.

Multi-Asset Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 57.31% (2014: 58.82%)			
Basic Materials 3.79% (2014: 3.44%)			
Chemicals 1.68% (2014: 0.87%)			
Croda International	38,000	1,155	0.95
Elementis	343,000	882	0.73
		2,037	1.68
Mining 2.11% (2014: 2.57%)			
BHP Billiton	215,500	2,548	2.11
Total Basic Materials		4,585	3.79
Consumer Goods 6.58% (2014: 6.81%)			
Automobiles & Parts 0.87% (2014: 0.90%)			
GKN	330,000	1,051	0.87
Food Producers 0.69% (2014: 3.09%)			
Associated British Foods	26,000	838	0.69
Personal Goods 2.38% (2014: nil)			
Unilever	99,000	2,878	2.38
Tobacco 2.64% (2014: 2.82%)			
British American Tobacco	84,000	3,193	2.64
Total Consumer Goods		7,960	6.58
Consumer Services 4.77% (2014: 5.36%)			
Food & Drug Retailers 0.76% (2014: 1.18%)			
Tesco	427,000	921	0.76
General Retailers 0.87% (2014: 0.69%)			
Inchcape	131,000	1,052	0.87
Media 1.95% (2014: 2.33%)			
Pearson	196,000	2,358	1.95
Travel & Leisure 1.19% (2014: 1.16%)			
Compass	140,000	1,435	1.19
Total Consumer Services		5,766	4.77
Financials 17.76% (2014: 17.41%)			
Banks 4.46% (2014: 5.04%)			
HSBC	526,000	3,049	2.52
Standard Chartered	239,000	2,343	1.94
		5,392	4.46

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Equity Investment Instruments 7.49% (2014: 6.86%)			
3i Infrastructure (Post Conversion)	701,535	1,186	0.98
Amedeo Air Four Plus	640,000	664	0.55
Cashre 3i Infrastructure	779,483	133	0.11
Dunedin Smaller Companies Investment Trust†	489,000	1,050	0.87
Greencoat UK Wind	1,309,865	1,484	1.22
HICL Infrastructure	957,912	1,460	1.20
John Laing Environmental	406,209	428	0.35
John Laing Infrastructure Fund	1,138,156	1,377	1.14
Renewables Infrastructure	1,248,599	1,295	1.07
		9,077	7.49
Financial Services 3.66% (2014: 2.96%)			
Close Brothers	77,000	1,119	0.92
Provident Financial	50,000	1,487	1.23
Schroders (non voting)	75,000	1,826	1.51
		4,432	3.66
Life Insurance 2.15% (2014: 2.55%)			
Prudential	172,500	2,600	2.15
Total Financials		21,501	17.76
Health Care 4.87% (2014: 4.84%)			
Pharmaceuticals & Biotechnology 4.87% (2014: 4.84%)			
AstraZeneca	68,000	2,938	2.43
GlaxoSmithKline	212,000	2,959	2.44
		5,897	4.87
Total Health Care		5,897	4.87
Industrials 5.14% (2014: 5.10%)			
Aerospace & Defense 3.40% (2014: 3.18%)			
Cobham	613,000	1,601	1.33
DP Aircraft	453,146	301	0.25
Rolls-Royce	154,500	1,227	1.01
Ultra Electronic	56,290	982	0.81
		4,111	3.40
Industrial Engineering 0.79% (2014: 0.95%)			
Weir	62,000	953	0.79
Support Services 0.95% (2014: 0.97%)			
Experian	96,000	1,153	0.95
Total Industrials		6,217	5.14

	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Security			
Oil & Gas 5.63% (2014: 7.00%)			
Oil & Gas Producers 4.48% (2014: 5.76%)			
BG	88,000	961	0.79
BP [∞]	432,000	1,708	1.41
Royal Dutch Shell 'B' [∞]	148,224	2,758	2.28
		5,427	4.48
Oil Equipment, Services & Distribution 1.15% (2014: 1.24%)			
John Wood Group	222,000	1,389	1.15
Total Oil & Gas		6,816	5.63
Technology 2.22% (2014: 1.54%)			
Software & Computer Services 2.22% (2014: 1.54%)			
Aveva	42,000	926	0.77
Sage	337,000	1,756	1.45
		2,682	2.22
Total Technology		2,682	2.22
Telecommunications 2.86% (2014: 2.75%)			
Mobile Telecommunications 2.86% (2014: 2.75%)			
Inmarsat	147,000	1,305	1.08
Vodafone	889,000	2,150	1.78
		3,455	2.86
Total Telecommunications		3,455	2.86
Utilities 3.69% (2014: 4.57%)			
Gas, Water & Multi-utilities 3.69% (2014: 4.57%)			
Centrica	997,882	2,659	2.20
National Grid	211,000	1,800	1.49
		4,459	3.69
Total Utilities		4,459	3.69
Total Equities		69,338	57.31
Investment Funds 42.54% (2014: 41.29%)			
Aberdeen ICVC II - Absolute Return Bond Fund [†]	3,157,386	4,057	3.35
Aberdeen Global - Select Euro High Yield Bond Fund D-2 [†]	93,786	1,215	1.00
Aberdeen Global II - Sterling Bond Fund Z-1 [†]	19,907,094	22,434	18.55
Aberdeen Global II - Sterling Credit Bond Fund Z-2 [†]	4,433,065	8,914	7.37
Aberdeen Global II - Sterling Government Bond Fund Z-1 [†]	6,856,969	9,561	7.90
Aberdeen ICVC - World Strategic Bond Fund Z-2 [†]	4,933,642	4,987	4.12
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1 [†]	300	300	0.25
		51,468	42.54
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		120,806	99.85

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
Derivatives nil (2014: 0.16%)							
Forward currency exchange contracts nil (2014: nil)							
UBS	GBP	USD	04/09/15	309,353	487,000	(3)	-
Unrealised losses on forward currency exchange contracts							
Options nil (2014: 0.16%)							
Unrealised losses on derivatives							
						(3)	-
Investment assets^A						120,803	99.85
Net other assets						186	0.15
Net assets						120,989	100.00

Currently forwards positions are not collateralised.

^A Including derivative liabilities.

[®] A portion of this security is on loan at the year end.

[†] Managed by subsidiaries of Aberdeen Asset Management PLC.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	31,764,193.59	43,262,963.16	51,782,539.33
A Income shares in issue	4,330,853.07	7,227,571.43	9,472,747.07
I Accumulation shares in issue	31,067,580.12	16,773,433.45	2,183,553.16
I Income shares in issue	11,040,894.87	6,892,395.15	1,062,234.03
Z Accumulation shares in issue	3,542,057.30	3,879,057.30	-
Net asset value attributable to			
A Accumulation shareholders (£'000)	60,166	78,807	92,002
A Income shareholders (£'000)	5,414	8,970	11,802
I Accumulation shareholders (£'000)	36,666	18,946	2,394
I Income shareholders (£'000)	11,909	7,346	1,131
Z Accumulation shareholders (£'000)	6,834	7,129	-
Net asset value of Fund (£'000)	120,989	121,198	107,329
Net asset value pence per share			
A Accumulation	189.41	182.16	177.67
A Income	125.01	124.10	124.58
I Accumulation	118.02	112.96	109.63
I Income	107.86	106.58	106.48
Z Accumulation	192.95	183.79	-

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	5.2527	153.38	141.13
2011	A Income	4.0100	113.84	105.59
2012	A Accumulation	4.9386	165.22	153.26
2012	A Income	3.6400	118.70	111.79
2012 ^A	I Accumulation	0.4800	101.75	99.52
2012 ^A	I Income	0.4800	101.25	99.04
2013	A Accumulation	5.1648	181.41	164.50
2013	A Income	3.6700	128.35	118.19
2013	I Accumulation	3.1803	111.88	101.26
2013	I Income	3.1300	109.62	100.76
2013 ^B	Z Accumulation	0.5114	181.38	174.51
2014	A Accumulation	5.1892	186.98	175.07
2014	A Income	3.6000	127.45	120.93
2014	I Accumulation	3.2263	116.19	108.30
2014	I Income	3.1000	109.40	103.91
2014	Z Accumulation	4.8036	189.42	175.82
2015 ^C	A Accumulation	6.0302	197.60	184.71
2015 ^C	A Income	4.0600	132.87	124.18
2015 ^C	I Accumulation	3.7538	123.08	114.80
2015 ^C	I Income	3.5000	114.58	107.03
2015 ^C	Z Accumulation	6.0864	200.96	187.20

^A I Income share class launched on 1 October 2012.

^B Z accumulation share class launched on 21 August 2013.

^C As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.44	0.82	0.26
31 July 2015	1.44	0.80	0.21

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element of 0.10% (2014 - 0.14%) to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 08/12/2003 to 31/07/2015 ^B
Fund - A Accumulation	3.22	41.94	98.93
Benchmark ^A	7.43	49.00	126.27

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	3.22	2.79	10.33	8.50	11.75

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A 50% FTSE All Share, 50% BofA Merrill Lynch Sterling Broad Market Index.

^B Figures for Aberdeen Managed Distribution Fund prior to 17 November 2006.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains	1		2,170		710
Revenue	2	4,429		3,667	
Expenses	3	(1,348)		(1,314)	
Net revenue before taxation		3,081		2,353	
Taxation	4	(9)		(1)	
Net revenue after taxation			3,072		2,352
Total return before distributions			5,242		3,062
Finance costs: distributions	5		(4,035)		(3,320)
Change in net assets attributable to shareholders from investment activities			1,207		(258)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		121,198		107,329
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	17,586		31,306	
Amount payable on cancellation of shares	(22,436)		(20,039)	
		(4,850)		11,267
Stamp duty reserve tax		-		(46)
Change in net assets attributable to shareholders from investment activities (see above)		1,207		(258)
Retained distribution on accumulation shares		3,434		2,906
Closing net assets attributable to shareholders		120,989		121,198

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			120,806		121,520
Debtors	6	907		884	
Cash and bank balances		-		334	
Total other assets			907		1,218
Total assets			121,713		122,738
Liabilities					
Investment liabilities			(3)		-
Creditors	7	(575)		(1,418)	
Distribution payable on income shares		(146)		(122)	
Total other liabilities			(721)		(1,540)
Total liabilities			(724)		(1,540)
Net assets attributable to shareholders			120,989		121,198

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains on investments

	2015	2014
	£'000	£'000
Net capital gains on investments during the year comprise:		
Derivative contracts	286	(21)
Forward currency contracts	(19)	-
Non-derivative securities	1,895	752
Other currency gains/(losses)	9	(15)
Transaction costs	(1)	(6)
Net capital gains on investments	2,170	710

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	1	1
Interest on debt securities	1,431	1,193
Overseas dividends	465	292
Stock dividends	-	154
Stock lending revenue	4	5
UK dividends	2,528	2,022
Total revenue	4,429	3,667

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	4,190	4,270

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £4,411,000 (2014 - £4,495,000) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
ABN AMRO	1,652	4,116
BNP Paribas Securities Services	2,759	-
Deutsche Bank	-	379
	4,411	4,495

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating).

With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	1,205	1,184
Operating, administrative and servicing fees	70	-
Registration fees	57	103
	1,332	1,287
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	8	14
Safe custody fees	2	4
	10	18
<i>Other expenses:</i>		
Audit fee	3	7
Printing and postage fees	1	2
Legal & professional fees	2	-
	6	9
Total expenses	1,348	1,314

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas tax reclaims written off	-	1
Overseas withholding tax	9	-
Total taxation	9	1

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	3,081	2,353
Corporation tax of 20%	616	470
Effects of:		
Current year excess management expenses not utilised	(17)	23
Irrecoverable overseas withholding tax	9	1
Non taxable overseas dividends	(93)	(58)
Non taxable UK dividends	(506)	(404)
Other non taxable revenue	-	(31)
Current tax charge	9	1

At the year end, there is a potential deferred tax asset of £6,000 (2014 - £23,000) in relation to surplus management expenses.

It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
First interim	845	563
Second interim	833	780
Third interim	1,284	1,109
Final	1,033	900
	3,995	3,352
Add: Revenue deducted on cancellation of shares	112	70
Deduct: Revenue received on issue of shares	(72)	(102)
Net distribution for the year	4,035	3,320
Total finance costs	4,035	3,320

Details of the distribution per share are set out in the distribution table on page 290.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	3,072	2,352
Add:		
Authorised Corporate Director's periodic charge paid from capital	1,205	1,185
Undistributed revenue brought forward	5	2
Deduct:		
Tax relief on capital expenses	(241)	(214)
Equalisation on RDR conversions	(1)	-
Undistributed revenue carried forward	(5)	(5)
Finance cost: distributions	4,035	3,320

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	575	644
Amounts receivable for issue of shares	293	240
Income tax receivable	34	-
Overseas withholding tax reclaimable	5	-
Total debtors	907	884

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	109	131
Amounts payable for cancellation of shares	399	136
Other creditors	67	-
Purchases awaiting settlement	-	1,151
Total creditors	575	1,418

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
US Dollar	-	301	301
2014			
US Dollar	251	3,887	4,138

Derivative Exposure

As at 31 July 2015, the Fund has no open derivative contracts. (Total commitments 2014 - (£110,880)). As at 31 July 2015 the impact of the use of derivatives upon the Fund is considered insignificant.

10. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 282. During the year the ACD held shares in the Fund and had a holding of 888 income 'A' shares (2014 - 1,690), 555 accumulation 'A' shares (2014 - 1,175), 1,008 income 'I' shares (2014 - 1,900), 930 accumulation 'I' shares (2014 - 1,867) and 561 accumulation 'Z' shares (2014 - 1,151) as at 31 July 2015. £200,000 was due to the ACD (2014 - £17,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £52,518,000 (2014 - £51,004,000) that were managed by subsidiaries of Aberdeen Asset Management PLC.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £2,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

11. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional).

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

Class 'A': 1.25%

Class 'I': 0.60%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 279. The distribution per share class is given in the distribution table on page 290. All share classes have the same rights on winding up.

12. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		39,833		61,270
Commissions	7		11	
Taxes	45		129	
Other costs	-		1	
Total transaction cost	52			141
Gross purchases total		39,885		61,411
Analysis of total sale costs				
Gross sales in year before transaction costs		42,310		46,303
Commissions	(11)		(8)	
Total transaction cost	(11)			(8)
Total sales net of transaction costs		42,299		46,295

Distribution table

For the year ended 31 July 2015 (in pence per share)

First interim dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 October 2014

	Net revenue	Equalisation	Distribution paid 31/01/15	Distribution paid 31/01/14
Share class A Accumulation				
Group 1	1.2476	-	1.2476	0.9270
Group 2	0.5449	0.7027	1.2476	0.9270
Share class A Income				
Group 1	0.8500	-	0.8500	0.6500
Group 2	0.3416	0.5084	0.8500	0.6500
Share class I Accumulation				
Group 1	0.7737	-	0.7737	0.5766
Group 2	0.3298	0.4439	0.7737	0.5766
Share class I Income				
Group 1	0.7300	-	0.7300	0.5600
Group 2	0.3099	0.4201	0.7300	0.5600
Share class Z Accumulation				
Group 1	1.2538	-	1.2538	0.5114
Group 2	0.6258	0.6280	1.2538	0.5114

Second interim dividend distribution

Group 1 : Shares purchased prior to 1 November 2014

Group 2 : Shares purchased 1 November 2014 to 31 January 2015

	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Share class A Accumulation				
Group 1	1.2119	-	1.2119	1.2041
Group 2	0.7572	0.4547	1.2119	1.2041
Share class A Income				
Group 1	0.8200	-	0.8200	0.8400
Group 2	0.5221	0.2979	0.8200	0.8400
Share class I Accumulation				
Group 1	0.7897	-	0.7897	0.7452
Group 2	0.4899	0.2998	0.7897	0.7452
Share class I Income				
Group 1	0.7400	-	0.7400	0.7200
Group 2	0.4586	0.2814	0.7400	0.7200
Share class Z Accumulation				
Group 1	1.2852	-	1.2852	1.2097
Group 2	0.8272	0.4580	1.2852	1.2097

Third interim dividend distribution

Group 1 : Shares purchased prior to 1 February 2015

Group 2 : Shares purchased 1 February 2015 to 30 April 2015

	Net revenue	Equalisation	Distribution paid 31/07/15	Distribution paid 31/07/14
Share class A Accumulation				
Group 1	1.9036	-	1.9036	1.7032
Group 2	1.0107	0.8929	1.9036	1.7032
Share class A Income				
Group 1	1.2800	-	1.2800	1.1800
Group 2	0.8705	0.4095	1.2800	1.1800
Share class I Accumulation				
Group 1	1.2246	-	1.2246	1.0734
Group 2	0.5826	0.6420	1.2246	1.0734
Share class I Income				
Group 1	1.1400	-	1.1400	1.0300
Group 2	0.4625	0.6775	1.1400	1.0300
Share class Z Accumulation				
Group 1	1.9233	-	1.9233	1.7157
Group 2	1.1202	0.8031	1.9233	1.7157

Final dividend distribution

Group 1 : Shares purchased prior to 1 May 2015

Group 2 : Shares purchased 1 May 2015 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation				
Group 1	1.6671	-	1.6671	1.3549
Group 2	1.0455	0.6216	1.6671	1.3549
Share class A Income				
Group 1	1.1100	-	1.1100	0.9300
Group 2	0.2189	0.8911	1.1100	0.9300
Share class I Accumulation				
Group 1	0.9658	-	0.9658	0.8311
Group 2	0.4658	0.5000	0.9658	0.8311
Share class I Income				
Group 1	0.8900	-	0.8900	0.7900
Group 2	0.4596	0.4304	0.8900	0.7900
Share class Z Accumulation				
Group 1	1.6241	-	1.6241	1.3668
Group 2	0.8767	0.7474	1.6241	1.3668

Equalisation

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

Aberdeen Multi-Asset Fund

For the year ended 31 July 2015

Investment objective and policy

The investment objective of Aberdeen Multi-Asset Fund is to provide long term total return from a diversified portfolio. The Fund may invest in transferable securities and may also hold units in collective investment schemes (in particular, schemes managed by the Investment Adviser), money market instruments, warrants, derivatives and forward transactions, cash and near cash and deposits.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Distribution

A final distribution of 1.92p per share will be paid to A income shareholders, 2.1942p per share to A accumulation shareholders, 1.56p per share to I income shareholders and 3.1952p per share to I accumulation shareholders on 31 October 2015. This makes a total of 3.13p for A income shareholders, 3.5685p for A accumulation shareholders, 2.69p for I income shareholders and 5.4873p for I accumulation shareholders for the year to 31 July 2015.

Performance review

The Aberdeen Multi-Asset Fund A Accumulation shares rose by 2.27% in sterling terms over the period, compared with a gain in its benchmark composite index of 8.76%.

Market review

The UK equity market underperformed its global counterparts, hampered by the dramatic fall in commodity prices. Given the relatively large number of global energy and mining companies listed in London, swings in commodity prices tend to have a severe impact on UK indices. Within fixed income markets, returns were fairly buoyant, with gains of more than 9% from Gilts. The alternatives markets also performed well, most notably infrastructure assets and private equity.

However, the UK economy showed definite signs of improvement. Interest rates were kept at a record low of 0.5%, which continued to help stimulate activity. Meanwhile, the tightening labour market and growing recruitment difficulties fed slowly into a pick-up in wage growth, boosting consumer spending.

Elsewhere, European markets were dampened by worries about the effects of Greece's much-publicised problems. In part to help mitigate these risks, the European Central Bank finally launched its full-scale "quantitative easing" at the start of 2015. The move was also an attempt to reinvigorate growth in the region.

Japan was the best-performing major market over the period, buoyed by aggressive monetary stimulus. The central bank announced plans to expand purchases of government bonds, injecting around ¥80 trillion a year into the economy. One of the policy consequences was the weakening of the yen, proving a boon to exporters.

The US market produced anaemic returns, with investors increasingly concerned about future interest rate increases. However, the strength of the US dollar against sterling helped enhance returns to UK-based investors.

Portfolio review

The portfolio maintained a pro-risk stance for the majority of the period, although this position was pared slightly in the final months. This view was reflected in our positions in high-yield bonds and an overweight to equities. Within alternatives, some new positions were added to further diversify the portfolio.

The global equity component underperformed broad global equity indices, driven primarily by the underweight to the US equity market and the US dollar. Furthermore, an off-benchmark allocation to certain Latin American markets also dampened returns. On a more positive note, a tactical allocation to Japanese equities – by way of the Aberdeen Japan Equity Fund – was rewarded.

The allocation to alternatives aided the overall performance. Infrastructure positions rose 13.59%, as many issues traded at significant premiums in the market and provided a steady return with attractive yields. Private equity increased by 10.42% in value.

While the underweight to UK gilts hurt performance, an allocation to European high-yield bonds in early 2015 benefited the portfolio.

Outlook

Global macroeconomic prospects are unlikely to improve dramatically in the short term, given the persistent headwinds. While the US economy seems to be stabilising, its global peers are on shakier footing. In Europe, manufacturing and services sectors continue to moderate, while the Greek drama plays out in the periphery: its Eurozone membership appears to hang in the balance as discussions on a new bailout programme continue. Chinese equities continue to sputter despite Beijing's efforts to prop up prices, while its economic slowdown has crimped export demand in many of its key trading partners. As a result, we would not be surprised by continued bouts of volatility in the months ahead. Although our holdings will not be immune from the market noise, their sound fundamentals should position them for earnings growth in the long run.

Multi-Asset Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Alternative Investments 16.00% (2014: 14.35%)			
Aberdeen Private Equity Fund†	4,422,133	3,936	0.60
Amundi Funds - Absolute Volatility World Equities	3,165	2,565	0.39
Blackrock (Lux)	29,583	3,030	0.46
Blackrock Strategic Funds - Fixed Income Strategies	21,932	2,257	0.34
DB Platinum IV DBX Systematic Alpha Index Fund	23,528	2,922	0.45
Fundlogic Alternative	2,240	2,515	0.38
GAM Star Fund - Keynes Quantitative Strategies Institutional	168,318	2,067	0.32
GLG Investments VI PLC - GLG European Equity Alternative	25,034	2,854	0.44
Greencoat UK Wind	8,854,897	10,028	1.53
HICL Infrastructure	6,770,964	10,319	1.58
John Laing Environmental ^{oo}	2,217,903	2,337	0.36
John Laing Infrastructure Fund	8,466,666	10,245	1.56
Lyxor Tiedemann Arbitrage Strategy Fund	28,696	2,894	0.44
Merrill Lynch Investment Solutions Columbus Circle Investors Healthcare Long-Short	19,028	3,001	0.46
Morgan Stanley Diversified Alpha Plus Fund	147,223	4,589	0.70
NGAM Investment Fund	2,424,188	3,258	0.50
Pantheon International	883,224	11,561	1.77
Renewables Infrastructure ^{oo}	7,635,843	7,922	1.21
Riverstone Energy ^{oo}	755,000	7,074	1.08
3i Infrastructure (Post Conversion) ^{oo}	5,550,538	9,380	1.43
		104,754	16.00
Asia Pacific 5.82% (2014: 4.13%)			
AIA	1,047,900	4,361	0.67
BHP Billiton	597,000	7,061	1.09
BHP Billiton	244,600	3,039	0.46
City Developments	397,200	1,734	0.26
Jardine Matheson	50,400	1,746	0.27
Rio Tinto	134,500	3,344	0.51
Samsung Electronics (GDR) (PREF)	18,201	4,558	0.70
Singapore Telecommunications	1,964,700	3,754	0.57
South32	597,000	488	0.07
Swire Pacific 'B'	1,209,100	1,821	0.28
TSMC (ADR)	435,800	6,177	0.94
		38,083	5.82

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Europe, Middle East & Africa (ex United Kingdom) 8.21% (2014: 9.23%)			
Atlas Copco 'A'	192,227	3,387	0.52
Casino Guichard Perrachon	74,068	3,542	0.54
Ericsson	356,600	2,460	0.38
Experian	654,000	7,855	1.19
Henkel Non-Voting Preference	23,700	1,809	0.28
MTN	235,200	2,521	0.38
Nestle	96,700	4,716	0.72
Nordea Bank	343,500	2,757	0.42
Novartis	87,700	5,865	0.90
Roche	32,600	6,066	0.93
Royal Dutch Shell 'A'	190,400	3,529	0.54
Schneider Electric	55,800	2,512	0.38
Tenaris (ADR)	209,200	3,370	0.51
Zurich Insurance	17,300	3,395	0.52
		53,784	8.21
Investment Funds 18.58% (2014: 15.16%)			
Aberdeen ICVC II - Absolute Return Bond Fund†	13,155,894	16,903	2.58
Aberdeen Global - Euro High Yield Bond A-2†	200,067	6,572	1.00
Aberdeen Global - Japanese Equity Fund X-2†	7,133,958	17,801	2.72
Aberdeen Global II - Sterling Bond Fund Z-1†	48,561,899	54,729	8.37
Aberdeen Global II - Sterling Credit Bond Fund Z-2†	3,585,823	7,210	1.10
Aberdeen Global II - Sterling Government Bond Fund Z-2†	4,172,459	9,696	1.48
Aberdeen ICVC - World Strategic Bond Fund Z-2†	6,624,481	6,696	1.02
Aberdeen Liquidity Fund (Lux) Sterling Fund Z-1†	2,060	2,060	0.31
		121,667	18.58
Japan 2.01% (2014: 1.71%)			
Daito Trust Construction Co	27,481	1,861	0.28
Fanuc Corp	24,900	2,658	0.41
Japan Tobacco	174,300	4,339	0.66
Shin-Etsu Chemical Co	113,000	4,333	0.66
		13,191	2.01
Latin America 1.52% (2014: 2.40%)			
Banco Bradesco (ADR)	811,110	4,121	0.63
FEMSA (ADR)	67,700	3,932	0.60
Vale (ADR) (PREF)	694,800	1,906	0.29
		9,959	1.52

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
North America 10.52% (2014: 11.25%)			
Baxalta Warrants	85,000	1,788	0.27
Baxter International	85,000	2,183	0.33
Canadian National Railway	79,700	3,187	0.49
Chevron	38,900	2,204	0.34
Cognizant Technology Solutions	63,300	2,560	0.39
Comcast	86,700	3,472	0.53
CVS Caremark	86,400	6,227	0.95
EOG Resources	115,198	5,699	0.87
Johnson & Johnson	69,300	4,452	0.68
North America Income Trust ^{†^#}	1,027,867	8,258	1.26
Oracle	187,800	4,807	0.73
PepsiCo	91,400	5,644	0.86
Philip Morris International	72,700	3,985	0.61
Potash Corporation of Saskatchewan [∞]	163,000	2,850	0.44
Praxair [∞]	35,300	2,582	0.39
Schlumberger	62,800	3,333	0.51
TJX	57,000	2,550	0.39
Visa	64,700	3,126	0.48
		68,907	10.52
United Kingdom 36.56% (2014: 41.45%)			
Aberdeen UK Tracker Trust [†]	1,415,538	4,459	0.68
Aggreko [∞]	326,000	3,912	0.60
Amedeo Air Four Plus	3,500,000	3,631	0.55
Associated British Foods [∞]	118,500	3,820	0.58
AstraZeneca	167,000	7,214	1.10
Aveva	185,000	4,079	0.62
BG	850,000	9,286	1.43
BP [∞]	840,000	3,322	0.51
British American Tobacco	279,500	10,623	1.63
Cashre 3i Infrastructure	6,611,708	1,124	0.17
Centrica	2,604,482	6,941	1.06
Cobham [∞]	2,401,000	6,274	0.96
Compass	726,000	7,442	1.14
Croda International	259,000	7,874	1.20
DP Aircraft	2,500,000	1,658	0.25
Dunedin Smaller Companies Investment Trust [†]	1,538,000	3,303	0.50
Elementis	1,605,000	4,125	0.63
GKN	1,692,000	5,389	0.82
GlaxoSmithKline	491,000	6,854	1.05
HIE Ventures	769	-	-
HSBC	1,545,000	8,956	1.37
HSBC	637,433	3,667	0.56
Inchcape	677,000	5,436	0.83
Inmarsat	584,000	5,186	0.79
John Wood Group	1,154,140	7,219	1.10
Pearson	718,000	8,638	1.32

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Persimmon	262,000	5,363	0.82
Prudential	648,000	9,769	1.50
Rolls-Royce	1,141,000	9,060	1.38
Royal Dutch Shell 'A'	450,684	8,293	1.27
Sage [∞]	1,430,000	7,450	1.14
Schroders (non voting)	282,177	6,871	1.05
Spirax-Sarco Engineering	148,500	4,924	0.75
Standard Chartered	943,092	9,244	1.41
Standard Chartered (Hong Kong Listing)	427,895	4,167	0.64
Tesco [∞]	1,768,000	3,814	0.58
Ultra Electronic	286,894	5,006	0.76
Unilever	341,000	9,912	1.52
Vodafone	2,083,000	5,038	0.77
Weir [∞]	367,000	5,641	0.86
Whitbread	83,000	4,308	0.66
		239,292	36.56
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		649,637	99.22
Derivatives nil (2014: 0.24%)			
Options nil (2014: 0.24%)			
Investment assets		649,637	99.22
Net other assets		5,102	0.78
Net assets		654,739	100.00

[†] Managed by subsidiaries of Aberdeen Asset Management PLC.

[∞] A portion of this security is on loan at the year end.

[^] Unapproved/unquoted security.

[#] Regional investment vehicle.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	168,551,466.77	183,735,923.55	200,723,716.76
A Income shares in issue	6,052,048.10	8,085,477.01	10,160,505.60
I Accumulation shares in issue	113,057,542.52	121,520,621.53	122,552,701.92
I Income shares in issue	4,422,361.21	2,436,413.19	996,536.17
Net asset value attributable to			
A Accumulation shareholders (£'000)	372,666	394,128	425,767
A Income shareholders (£'000)	11,593	15,270	19,176
I Accumulation shareholders (£'000)	265,479	274,831	272,071
I Income shareholders (£'000)	5,001	2,717	1,111
Net asset value of Fund (£'000)	654,739	686,946	718,125
Net asset value pence per share			
A Accumulation	221.10	214.51	212.12
A Income	191.55	188.86	188.73
I Accumulation	234.82	226.16	222.00
I Income	113.09	111.50	111.45

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	2.6182	183.75	162.59
2011	A Income	2.4200	169.73	148.43
2011	I Accumulation	3.5842	189.99	168.31
2012	A Accumulation	2.4834	191.69	175.09
2012	A Income	2.2600	172.61	159.07
2012	I Accumulation	3.4795	199.78	181.82
2012 ^A	I Income	-	102.18	98.78
2013	A Accumulation	2.4938	218.64	192.05
2013	A Income	2.2400	196.19	172.94
2013	I Accumulation	4.0258	228.51	200.18
2013	I Income	2.0500	116.10	102.38
2014	A Accumulation	2.2407	221.36	202.24
2014	A Income	1.9000	194.87	179.51
2014	I Accumulation	4.0006	233.91	212.47
2014	I Income	2.0000	115.32	106.00
2015 ^B	A Accumulation	3.5685	235.60	216.70
2015 ^B	A Income	3.1300	206.16	190.79
2015 ^B	I Accumulation	5.4873	249.70	229.21
2015 ^B	I Income	2.6900	121.91	113.00

^A I Income share class launched on 1 October 2012.

^B As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %
31 July 2014	1.68	0.95
31 July 2015	1.69	0.96

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element of 0.16% (2014 - 0.12%) to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 4 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Exchange rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
 - Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full risk of risks applicable to this Fund can be found in the Prospectus
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 09/05/2005 to 31/07/2015
Fund - A Accumulation	2.27	39.83	94.66
Benchmark ^A	8.76	55.36	124.68

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	2.27	1.63	14.36	4.01	13.11

Source: Lipper, BPSS, Total Return, NAV to NAV, UK Net income reinvested, £.

^A Composite Benchmark (40% FTSE ALL Share, 25% MSCI World ex UK, 15% FTSE A Brit All Stocks, 5% HFRI Offshore Conservative, 5% FTSE Small Cap, 7.5% 7 Day Libid, 2.5% Macquarie Global Infrastructure 100 Index).

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		10,945		(93)
Revenue	2	21,726		18,883	
Expenses	3	(8,578)		(8,881)	
Net revenue before taxation		13,148		10,002	
Taxation	4	(323)		(631)	
Net revenue after taxation			12,825		9,371
Total return before distributions			23,770		9,278
Finance costs: Distributions	5		(13,132)		(9,397)
Change in net assets attributable to shareholders from investment activities			10,638		(119)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		686,946		718,125
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	11,906		18,164	
Amount payable on cancellation of shares	(67,287)		(58,204)	
		(55,381)		(40,040)
Stamp duty reserve tax		-		(51)
Change in net assets attributable to shareholders from investment activities (see above)		10,638		(119)
Retained distribution on accumulation shares		12,536		9,031
Closing net assets attributable to shareholders		654,739		686,946

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			649,637		686,393
Debtors	6	5,047		1,622	
Cash and bank balances		3,692		538	
Total other assets			8,739		2,160
Total assets			658,376		688,553
Liabilities					
Creditors	7	(3,452)		(1,449)	
Distribution payable on income shares		(185)		(158)	
Total liabilities			(3,637)		(1,607)
Net assets attributable to shareholders			654,739		686,946

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains/(losses) on investments

	2015	2014
	£'000	£'000
Net capital gains/(losses) on investments during the year comprise:		
Derivative contracts	2,468	(453)
Non-derivative securities	8,500	410
Other currency losses	(11)	(42)
Transaction costs	(12)	(10)
Class actions	-	2
Net capital gains/(losses) on investments	10,945	(93)

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	2	4
Interest on debt securities	3,234	1,639
Other revenue	1	19
Overseas dividends	8,384	7,271
Stock dividends	932	1,721
Stock lending revenue	40	57
UK dividends	9,133	8,172
Total revenue	21,726	18,883

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	24,295	32,034

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £25,718,000 (2014 - £33,730,000) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
ABN AMRO	3,423	20,687
Barclays Bank	2,913	-
BNP Paribas Securities Services Triparty	14,993	-
Citigroup Global Markets Limited Triparty	235	-
Deutsche Bank	4,154	12,570
JP Morgan	-	131
Merrill Lynch	-	342
	25,718	33,730

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating:

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	7,825	8,048
Operating, administrative and servicing fees	309	-
Registration fees	312	621
	8,446	8,669
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	42	84
Safe custody fees	32	65
	74	149
<i>Other expenses:</i>		
Audit fee	3	7
Dividend collection charges	25	22
Legal & professional fees	28	21
Printing and postage fees	2	13
	58	63
Total expenses	8,578	8,881

Irrecoverable VAT is included in the above expenses where relevant.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Overseas tax reclaims written off	-	59
Overseas withholding tax	586	572
Overseas withholding tax reclaims in respect of prior years	(299)	-
Adjustments in respect of prior years	36	-
Total taxation	323	631

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	13,148	10,002
Corporation tax of 20%	2,630	2,000
Effects of:		
Adjustments in respect of prior years	36	-
Current year excess management expenses not utilised	765	1,431
Irrecoverable overseas withholding tax	287	631
Non taxable overseas dividends	(1,677)	(1,453)
Non taxable stock dividends	(186)	(344)
Non taxable UK dividends	(1,827)	(1,634)
Realised gains on non-reporting offshore funds	295	-
Current tax charge	323	631

At the year end, there is a potential deferred tax asset of £5,644,000 (2014 - £4,879,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Interim	5,348	2,636
Final	7,496	6,606
	12,844	9,242
Add: Revenue deducted on cancellation of shares	359	245
Deduct: Revenue received on issue of shares	(71)	(90)
Net distribution for the year	13,132	9,397
Total finance costs	13,132	9,397

Details of the distribution per share are set out in the distribution table on page 307.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	12,825	9,371
Add:		
Movement between share classes due to conversion	13	22
Tax effect of items in capital account	294	-
Undistributed revenue brought forward	17	21
Deduct:		
Undistributed revenue carried forward	(17)	(17)
Finance cost: distributions	13,132	9,397

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	1,337	1,081
Amounts receivable for issue of shares	118	111
Income tax receivable	91	-
Overseas withholding tax reclaimable	258	430
Sales awaiting settlement	3,243	-
Total debtors	5,047	1,622

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	685	808
Amounts payable for cancellation of shares	1,090	578
Corporation tax payable	36	-
Other creditors	38	38
Purchases awaiting settlement	1,603	25
Total creditors	3,452	1,449

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
Australian Dollar	-	3,526	3,526
Canadian Dollar	33	2,850	2,883
Commercial Rand	-	2,520	2,520
Euro	-	11,393	11,393
Hong Kong Dollar	-	14,016	14,016
Japanese Yen	-	13,191	13,191
Singapore Dollar	-	5,488	5,488
Swedish Krona	-	8,604	8,604
Swiss Franc	-	20,042	20,042
US Dollar	24	85,268	85,292
2014			
Australian Dollar	-	3,796	3,796
Canadian Dollar	-	3,653	3,653
Commercial Rand	-	2,891	2,891
Euro	23	16,062	16,085
Hong Kong Dollar	-	16,225	16,225
Japanese Yen	-	11,732	11,732
Singapore Dollar	-	5,318	5,318
Swedish Krona	-	7,679	7,679
Swiss Franc	-	23,191	23,191
US Dollar	-	95,003	95,003

Derivative Exposure

As at 31 July 2015, the Fund has no open option contracts. (Total commitments 2014 - (£957,600)). As at 31 July 2015 the impact of the use of derivatives upon the Fund is considered insignificant.

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 299. During the year the ACD held shares in the Fund and had a holding of 551 income 'A' shares (2014 - 1,050), 496 accumulation 'A' shares (2014 - 2,402), 930 income 'I' shares (2014 - 1,808) and 428 accumulation 'I' shares (2014 - 924) as at 31 July 2015. £1,061,000 was due to the ACD (2014 - £1,248,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £141,623,000 (2014 - £132,311,000) that were managed by subsidiaries of Aberdeen Asset Management PLC.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £13,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Friends Life & Pensions Limited (A/C WL) held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 34% of the Fund's units in issue. During the year, Friends Life & Pensions Limited (A/C WL) made total sales of £14,475,000 and total purchases of £6,480,000 in the Fund.

HSBC Global Custody Nominee (UK) Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 26% of the Fund's units in issue. During the year, HSBC Global Custody Nominee (UK) Limited made total sales of £14,026,435 in the Fund.

10. Shareholder funds

The Fund currently has 2 share classes; Class 'A' (Retail) and Class 'I' (Institutional)

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

Class 'A': 1.50%

Class 'I': 0.75%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 297. The distribution per share class is given in the distribution table on page 307. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		211,614		227,734
Commissions	43		59	
Taxes	99		367	
Other costs	8		9	
Total transaction cost		150		435
Gross purchases total		211,764		228,169
Analysis of total sale costs				
Gross sales in year before transaction costs		255,491		260,723
Commissions	(101)		(62)	
Taxes	(3)		-	
Other costs	(1)		(4)	
Total transaction cost		(105)		(66)
Total sales net of transaction costs		255,386		260,657

Distribution table

For the year ended 31 July 2015 (in pence per share)

Interim dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2: Shares purchased 1 August 2014 to 31 January 2015

	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Shares class A Accumulation				
Group 1	1.3743	-	1.3743	0.4945
Group 2	0.5350	0.8393	1.3743	0.4945
Shares class A Income				
Group 1	1.2100	-	1.2100	0.4400
Group 2	0.5182	0.6918	1.2100	0.4400
Shares class I Accumulation				
Group 1	2.2921	-	2.2921	1.3346
Group 2	1.0222	1.2699	2.2921	1.3346
Shares class I Income				
Group 1	1.1300	-	1.1300	0.6700
Group 2	0.4439	0.6861	1.1300	0.6700

Final dividend distribution

Group 1: Shares purchased prior to 1 February 2015

Group 2: Shares purchased 1 February 2015 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Shares class A Accumulation				
Group 1	2.1942	-	2.1942	1.7462
Group 2	0.8548	1.3394	2.1942	1.7462
Shares class A Income				
Group 1	1.9200	-	1.9200	1.5500
Group 2	0.7374	1.1826	1.9200	1.5500
Shares class I Accumulation				
Group 1	3.1952	-	3.1952	2.6660
Group 2	1.1641	2.0311	3.1952	2.6660
Shares class I Income				
Group 1	1.5600	-	1.5600	1.3300
Group 2	0.5506	1.0094	1.5600	1.3300

Equalisation

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

Aberdeen North American Equity Fund

For the year ended 31 July 2015

Investment objective and policy

The Fund aims to achieve capital growth from a portfolio of North American securities.

Distribution

A final distribution of 2.7049p per share will be paid to A accumulation shareholders and, 16.3644p per share to I accumulation shareholders and 0.0521p per share to Z accumulation shareholders on 31 October 2015.

Corporate Activity

Aberdeen Northern American Equity Fund, a sub-fund of Aberdeen Investment Funds UK ICVC III, amalgamated into the Aberdeen North American Equity Fund, on the 10 July 2015. On amalgamation, Aberdeen Northern American Equity Fund A accumulation shareholders received 0.84457406 A accumulation shares for every one A accumulation share held and B accumulation shareholders received 0.43202801 I accumulation shares for every one B accumulation share held.

Performance review

The Aberdeen North American Equity - A accumulation shares increased by 9.88% in sterling terms, compared with an increase of 18.18% in the benchmark S&P 500 Index.

Market review

North American equities rose in both US dollar and sterling terms during the 12-month period under review, despite experiencing several periods of volatility in response to the release of numerous statements on monetary policy from the US Federal Reserve, the ongoing weakness in energy and commodity prices and, towards the end of the period, the re-emergence of the Greek debt crisis. The strongest-performing sectors within the broader-market S&P 500 Index included healthcare and consumer discretionary. The primary market laggards included the energy sector, which declined sharply amid falling oil and natural gas prices. The materials sector recorded a positive return but lagged the overall market due to weakness in commodity prices. An upturn in consumer spending drove US GDP growth to an annualised rate of 5.0% in the third quarter of 2014. However, the data for the next three quarters were less robust, as increases in exports and in consumer spending were partially offset by an upturn in imports attributable to the stronger US dollar. There has been continued speculation regarding Fed monetary policy and the timing of any interest rate increases. Consensus expectations still point to a small increase in the fed funds rate at the Federal Open Market Committee's meeting in September, although that assessment appears to be quite fluid and is likely to hinge on the progression of US economic data during the summer months.

Portfolio review

The Fund underperformed its benchmark over the period as stock selection in information technology and overall positioning in the energy sector hindered performance. The largest stock-specific detractors were oil and gas exploration and production companies National Oilwell Varco and Apache Corp., as their shares fell along with those of their peers amid the decline in oil prices. Additionally, auto insurance claims software provider Solera Holdings' third-quarter 2015 results generally did not meet the market's expectations, and the company lowered its growth target for the year. We subsequently exited the positions in Apache Corp. and Solera.

Providing offsets to these detractors were overall positioning in consumer staples and underweight allocation to the information technology sector, which bolstered Fund performance for the reporting period. The primary contributor among individual holdings was healthcare services provider Aetna, as its stock price rose on rumours of consolidation in the industry, as well as the US Supreme Court's ruling upholding a key provision of the Obama administration's healthcare reform law. Fund holding Kraft Foods agreed to a merger with privately owned H.J. Heinz, creating the world's third-largest packaged foods producer: Kraft Heinz Foods Co. Finally, the absence of a position in integrated oil and gas company Exxon Mobil Corp. also benefited performance as its shares declined amid the slump in oil prices.

During the annual period, we initiated positions in diversified financial services company M&T Bank Corp.; Precision Castparts, a manufacturer of metal components and products; convenience store operator Casey's General Stores; and defence contractor Lockheed Martin. We sold the Fund's small remaining holdings in life and health insurer Aflac and networking equipment maker Cisco Systems, and also exited positions in oil and gas exploration production company Apache Corp. and insurance claims software provider Solera Holdings.

Outlook

The continued generally positive economic news in the US notwithstanding, absent more meaningful economic growth, we think that it will be difficult to witness accelerating earnings growth or valuation expansion from current levels. Nonetheless, we see more value in some segments of the market for the first time in several quarters—including financials; some areas of technology; and higher-yielding industrial companies that have been caught up with the negative impact of foreign exchange rates due to continued U.S. dollar strength. In addition, we are looking closely at shares of companies that have declined along with energy and commodity prices, and those exposed to a slowdown in global economic growth. The timing is uncertain as to when those concerns will blow over, but we do believe that some high-quality companies have been "thrown out with the bathwater."

North American Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 98.00% (2014: 99.59%)			
Consumer Discretionary - 14.10% (2014: 13.06%)			
Automobiles & Components - 1.59% (2014: 1.95%)			
BorgWarner	79,700	2,539	1.59
Consumer Durables & Apparel - 3.33% (2014: 1.71%)			
PVH	71,400	5,312	3.33
Consumer Services - 1.87% (2014: 1.78%)			
Starwood Hotels & Resorts Worldwide	58,600	2,984	1.87
Media - 2.96% (2014: 2.62%)			
Comcast	117,800	4,717	2.96
Retailing - 4.35% (2014: 5.00%)			
Target	68,000	3,568	2.25
TJX	75,000	3,356	2.10
		6,924	4.35
Total Consumer Discretionary		22,476	14.10
Consumer Staples - 12.41% (2014: 13.66%)			
Food & Staples Retailing - 6.19% (2014: 3.02%)			
Casey's General Stores	11,024	722	0.45
Costco Wholesale	39,600	3,687	2.31
CVS Caremark	75,800	5,464	3.43
		9,873	6.19
Food Beverage & Tobacco - 6.22% (2014: 10.64%)			
HJ Heinz	61,020	3,111	1.95
PepsiCo	52,500	3,242	2.03
Philip Morris International	65,000	3,562	2.24
		9,915	6.22
Total Consumer Staples		19,788	12.41
Energy - 7.28% (2014: 12.37%)			
Chevron	49,800	2,822	1.77
ConocoPhillips	64,800	2,091	1.31
EOG Resources	55,853	2,763	1.73
National Oilwell Varco	63,900	1,724	1.08
Schlumberger	41,700	2,213	1.39
		11,613	7.28
Total Energy		11,613	7.28

	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Security			
Financials - 13.65% (2014: 13.37%)			
Banks - 5.88% (2014: 4.92%)			
M&T Bank	32,600	2,740	1.72
Royal Bank Of Canada ^{oo}	60,400	2,269	1.42
Wells Fargo	117,867	4,373	2.74
		9,382	5.88
Diversified Financials - 7.77% (2014: 7.06%)			
American Express Co	75,018	3,656	2.29
Charles Schwab	183,600	4,104	2.57
Intercontinental Exchange	31,600	4,619	2.91
		12,379	7.77
Total Financials		21,761	13.65
Health Care - 14.35% (2014: 14.17%)			
Health Care Equipment & Services - 5.48% (2014: 6.33%)			
Aetna	55,600	4,026	2.53
Baxter International	93,700	2,406	1.51
Quest Diagnostics	48,700	2,303	1.44
		8,735	5.48
Pharmaceuticals, Biotechnology & Life Sciences - 8.87% (2014: 7.84%)			
Baxalta Warrants	93,700	1,971	1.24
Gilead Sciences	52,600	3,971	2.49
Johnson & Johnson	54,200	3,482	2.18
Pfizer	204,300	4,721	2.96
		14,145	8.87
Total Health Care		22,880	14.35
Industrials - 12.11% (2014: 9.82%)			
Capital Goods - 7.34% (2014: 5.91%)			
Deere & Co ^{oo}	41,900	2,539	1.59
Emerson Electric	75,200	2,493	1.56
Lockheed Martin	12,708	1,687	1.06
Precision Castparts	14,686	1,835	1.15
United Technologies	49,100	3,157	1.98
		11,711	7.34
Commercial & Professional Services - 2.09% (2014: 3.04%)			
Equifax	51,000	3,338	2.09
Transportation - 2.68% (2014: 2.26%)			
Canadian National Railway	106,700	4,267	2.68
Total Industrials		19,316	12.11

	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Security			
Information Technology - 14.60% (2014: 13.71%)			
Software & Services - 10.68% (2014: 7.53%)			
Alliance Data Systems	13,600	2,397	1.50
Cognizant Technology Solutions	104,000	4,205	2.64
Oracle	146,700	3,755	2.35
Solera	51,781	1,214	0.76
Visa	112,700	5,445	3.43
		17,016	10.68
Technology Hardware & Equipment - 3.92% (2014: 6.18%)			
EMC	180,800	3,115	1.95
QUALCOMM	75,900	3,132	1.97
		6,247	3.92
Total Information Technology		23,263	14.60
Materials - 7.70% (2014: 7.44%)			
International Flavors & Fragrances	43,900	3,251	2.04
Monsanto	42,200	2,756	1.73
Potash Corporation of Saskatchewan	158,837	2,766	1.73
Praxair ^o	47,952	3,507	2.20
		12,280	7.70
Total Materials		12,280	7.70
Telecommunication Services - 1.80% (2014: 1.99%)			
TELUS	96,500	2,121	1.33
TELUS (non voting)	34,258	750	0.47
		2,871	1.80
Total Telecommunication Services		2,871	1.80
Total Equities		156,248	98.00
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		156,248	98.00
Investment assets		156,248	98.00
Net other assets		3,191	2.00
Net assets		159,439	100.00

^o A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
Share class A Accumulation Shares in issue	7,998,544.89	7,338,378.95	9,585,537.64
Share class I Accumulation Shares in issue	1,407,465.88	539,651.73	345,861.78
Share class Z Accumulation Shares in issue	6,000.00	-	-
Net Asset Value attributable to			
Share class A Accumulation shareholders (£'000)	134,064	110,256	144,697
Share class I Accumulation shareholders (£'000)	25,369	8,655	5,531
Share class Z Accumulation shareholders (£'000)	6	-	-
Net asset Value of Fund (£'000)	159,439	118,911	150,228
Net asset value pence per share			
Share class A Accumulation	1,676.10	1,502.45	1,509.53
Share class I Accumulation	1,802.48	1,603.81	1,599.07
Share class Z Accumulation	100.04	-	-

Performance record

Calendar year		Net revenue pence per share	Highest price per share	Lowest price per share
2011	Share class A Accumulation	-	1,203.90	949.67
2011	Share class I Accumulation	2.0621	1,259.75	994.35
2012	Share class A Accumulation	-	1,219.43	1,097.29
2012	Share class I Accumulation	5.6263	1,285.30	1,151.00
2013	Share class A Accumulation	2.7085	1,526.47	1,199.06
2013	Share class I Accumulation	12.7045	1,617.13	1,264.93
2014	Share class A Accumulation	2.7726	1,537.06	1,415.63
2014	Share class I Accumulation	14.7744	1,640.39	1,505.49
2015 ^A	Share class A Accumulation	2.7049	1,837.53	1,639.21
2015 ^A	Share class I Accumulation	16.3644	1,971.67	1,762.71
2015 ^{AB}	Share class Z Accumulation	0.0521	101.02	97.83

^A As at 31 July 2015.

^B Accumulation Z share class launched on 13 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.63	0.88	-
31 July 2015	1.62	0.87	0.12

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risk of investing in this Fund:
- Exchange Rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 26/02/1982 to 31/07/2015 ⁸
Fund - A Accumulation	9.88	71.30	1,565.06
Benchmark ^A	18.18	113.52	5,051.74

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	9.88	1.62	28.76	4.56	13.95

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A S&P 500 Index (lagged by 1 day).

⁸ Figures for Aberdeen American Growth Fund, a sub-fund of Aberdeen Investments I prior to 10 April 2006.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		14,740		(1,463)
Revenue	2	2,709		2,745	
Expenses	3	(2,028)		(2,060)	
Net revenue before taxation		681		685	
Taxation	4	(379)		(387)	
Net revenue after taxation			302		298
Total return before distributions			15,042		(1,165)
Finance costs: distributions			(321)		(313)
Change in net assets attributable to shareholders from Investment activities			14,721		(1,478)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		118,911		150,228
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	45,007		27,598	
Amount receivable on amalgamation [^]	28,756			
Amount payable on cancellation of shares	(48,404)		(57,720)	
		25,359		(30,122)
Unclaimed distributions		1		-
Change in net assets attributable to shareholders from Investment activities (see above)		14,721		(1,478)
Retained distribution on accumulation shares		447		283
Closing net assets attributable to shareholders		159,439		118,911

[^] Relating to the amalgamation on 19 June 2015 of Aberdeen Northern American Equity Fund, a sub fund of Aberdeen Investment Funds UK ICVC II, into the Fund.

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			156,248		118,429
Debtors	6	2,504		622	
Cash and bank balances		2,942		1,232	
Total other assets			5,446		1,854
Total assets			161,694		120,283
Liabilities					
Creditors	8	(2,255)		(1,372)	
Total liabilities			(2,255)		(1,372)
Net assets attributable to shareholders			159,439		118,911

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains/(losses) on investments

	2015 £'000	2014 £'000
Net capital gains/(losses) on investments during the year comprise:		
Non-derivative securities	14,751	(1,485)
Other currency losses/(gains)	(37)	8
Transaction costs	(3)	(9)
Class actions	29	23
Net capital gains/(losses) on investments	14,740	(1,463)

2. Revenue

	2015 £'000	2014 £'000
Bank interest	2	2
Overseas dividends	2,699	2,740
Stock lending revenue	8	3
Total revenue	2,709	2,745

	2015 £'000	2014 £'000
Stock lending details		
Aggregate value of securities on loan at the year end	6,903	3,820

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £7,330,000 (2014 - £4,023,000) was held with the following counterparties:

Counterparty	2015 £'000	2014 £'000
BNP Paribas	2,092	772
Citigroup	511	3,251
Deutsche Bank	4,727	-
	7,330	4,023

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating).

With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	1,870	1,902
Operating, administrative and servicing fees	81	-
Registration fees	58	116
	2,009	2,018
Depository fee	8	16
Safe custody fees	6	12
	14	28
Other expenses:		
Audit fee	4	7
Legal & Professional fee	1	-
Printing and postage fees	-	7
	5	14
Total expenses	2,028	2,060

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Overseas tax reclaims written off	-	5
Overseas withholding tax	379	382
Total taxation	379	387

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	681	685
Corporation tax of 20%	136	137
Effects of:		
Deferred tax not recognised	404	411
Irrecoverable overseas withholding tax	379	387
Non taxable overseas dividends	(540)	(548)
Current tax charge	379	387

Factors that may affect future tax charges

At the year end, there is a potential deferred tax asset of £5,578,000 (2014 - £5,175,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Final	447	283
Add: revenue deducted on cancellation of shares	73	60
Deduct: revenue received on issue of shares	(199)	(30)
Net distribution for the year	321	313
Interest	-	-
Total finance costs	321	313

Details of the distribution per unit are set out in the distribution table on page 321.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	302	298
Deduct:		
Movement between share classes due to conversions	19	15
Finance cost: distributions	321	313

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	80	118
Amounts receivable for issue of shares	1,947	2
Merger debtor	19	-
Sales awaiting settlement	458	502
Total debtors	2,504	622

7. Cash and bank balances

	2015	2014
	£'000	£'000
Cash and bank balances	2,942	1,232
Total cash and bank balances	2,942	1,232

8. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	198	184
Amounts payable for cancellation of shares	1,339	1,188
Purchases awaiting settlement	718	-
Total creditors	2,255	1,372

9. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure	Non-monetary exposure	Total
	£'000	£'000	£'000
2015			
US Dollar	522	144,076	144,598
Canadian Dollar	-	12,172	12,172
2014			
US Dollar	375	113,561	113,936
Canadian Dollar	127	4,868	4,995

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

10. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The ACD is involved in all transactions in units of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to unitholders on page 314. During the year the ACD held units in the Fund and had a holding of 147 accumulation 'A' shares (2014 - 423), 128 accumulation 'I' shares (2014 - 202) and 1,000 accumulation 'Z' shares (2014 - nil) as at 31 July 2015. £788,000 was due to the ACD (2014 - £1,355,000) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. £4,000 was due to the Depositary (2014 - £2,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

10. Shareholder funds

The Fund currently has 3 share classes; 'A' Retail, 'I' Institutional and 'Z' Institutional

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

Class 'A': 1.50%

Class 'I': 0.75%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 312. The distribution per share class is given in the distribution table on page 321. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		58,142		30,742
Commissions	26		31	
Total transaction cost		26		31
Gross purchases total		58,168		30,773
Analysis of total sale costs				
Gross sales in year before transaction costs		35,131		60,237
Commissions	(28)		(44)	
Other costs	(1)		(6)	
Total transaction cost		(29)		(50)
Total sales net of transaction costs		35,102		60,187

Distribution table

For the year ended 31 July 2015 (in pence per share)

Final dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation				
Group 1	2.7049	-	2.7049	2.7726
Group 2	0.5279	2.1770	2.7049	2.7726
Share class I Accumulation				
Group 1	16.3644	-	16.3644	14.7744
Group 2	4.0366	12.3278	16.3644	14.7744
Share class Z Accumulation				
Group 1	0.0521	-	0.0521	-
Group 2	0.0521	-	0.0521	-

Equalisation

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

Aberdeen Property Share Fund

For the year ended 31 July 2015

Investment objective and policy

The objective of the Fund is to provide long term total return, from a diversified portfolio of property company securities or companies which derive a significant proportion of their revenues or profits from property, or have a significant proportion of their assets in property. Holdings will be concentrated in the United Kingdom, though investment overseas is permitted.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Distribution

A final distribution of 1.2341p per share will be paid to A accumulation shareholders and 2.7532p per share to I accumulation shareholders on 31 October 2015. This makes a total of 3.1791p for A accumulation shareholders and 3.5699p for I accumulation shareholders for the year to 31 July 2015.

Performance review

The Aberdeen Property Share Fund rose by 26.68% in sterling terms, outpacing the benchmark FTSE 350 Real Estate Index's total return of 25.84%.

Market review

Property shares in Europe rose in the year under review, buoyed by better economic data, the start of the European Central Bank's (ECB's) larger-than-expected quantitative easing, decent earnings news and a raft of M&A activity. On the flip side, risk appetite was undermined by the Swiss central bank's unexpected de-pegging of the franc from the euro, the unfolding Greek debt drama, and continued China's slowdown. Uncertainty over the timing of the Fed's normalisation of interest rates, as well as weak commodity prices, dampened the resources sector. However, European equities ended firmer towards the period-end on the back of improvements in the Chinese A-share market, as well as news of Greece's third bailout despite some late profit taking.

In economic news, Eurozone business confidence rose to a four-year high after the Greek bailout deal was reached. Leading manufacturing indicators improved, alongside stronger June retail sales and house price growth. Construction output rose, but industrial production weakened on the back of the lacklustre energy sector. Inflation remained stable, allowing the European Central Bank to hold steady its policy rate and quantitative easing programme. The Bank of England also held rates unchanged at record lows citing flat inflation.

Commercial property values in the UK, as measured by the IPD total return index, rose 1.4% in June, with across-the-board gains led by the office and industrial sectors.

Portfolio review

At the stock level, UK homebuilder Persimmon contributed, as it started 2015 with a healthy forward order book and saw good sales, supported by improving customer confidence and continued attractive terms available in the mortgage market. Meanwhile, not holding Intu Properties, the UK shopping centre real estate investment trust, benefited performance as it lagged the broader market. Another key contributor Bellway confirmed that positive market conditions should continue, enabling it to deliver a further increase in volume and profitability over the quarter.

On the other hand, Millennium & Copthorne Hotels detracted, as it posted improved operational figures but failed to keep pace with the strong property markets. Icade lagged as its markets remained challenging, with a stretched rental market for offices in Ile-de-France. Cap & Counties, which we do not hold, did well in line with the broader property sector and reported good progress on key developments.

In portfolio activity, we introduced Big Yellow, an owner of self-storage assets at attractive valuations. The firm has a strong market position, a robust balance sheet and provides the fund exposure to a unique property segment. We also introduced regional developer St Modwen Properties. It has a much improved balance sheet and scope to drive value as it brings through its development pipeline. Another addition was properties investor and developer Assura, to diversify the fund's exposure into this attractive market segment, which typically exhibits steady cash-flows.

We continued to build our positions in specialist players Unite Group and Workspace, where relative valuations were attractive; industrial property owner Hansteen, given its attractive prospects and reasonable valuation; and UK retail and distribution REIT, Londonmetric, as management continue to deliver good strategic progress.

Against this, we sold hospitality group Whitbread and took profits from Persimmon on valuation grounds after they both performed well. We also reduced our exposure to Bellway, Great Portland Estates and Savills on price strength, while paring Land Securities and Berkeley Group.

Outlook

European equity markets have had a volatile year. They recovered some ground approaching year end but risks persist, including uncertainty over Greece, the wider Eurozone fragility, and a weakening growth outlook in China. In Europe, data is likely to remain broadly stable, with growth benefiting from a weaker euro and the lower oil price. In addition, the ECB's policy loosening should help to underpin financial markets. While the short-term outlook for equity returns might well stay difficult, we are more sanguine about the medium to long-term. We believe that globally competitive businesses with genuine pricing power should prosper in the long run and further volatility ought to provide opportunities to add to our preferred holdings.

Pan European Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 96.33% (2014 - 96.34%)			
France 8.30% (2014 - 9.64%)			
ICADE	165,000	7,888	1.96
Unibail-Rodamco (REIT)	149,000	25,551	6.34
		33,439	8.30
Netherlands 1.90% (2014 - 2.49%)			
Koninklijke Vopak	227,500	7,666	1.90
Sweden 2.36% (2014 - 2.82%)			
Hufvudstaden	1,138,000	9,491	2.36
Switzerland 1.58% (2014 - 1.46%)			
Flughafen Zurich	12,000	6,345	1.58
United Kingdom 82.19% (2014 - 79.93%)			
Assura	9,800,000	5,341	1.33
Bellway	486,000	11,717	2.91
Berkeley	249,000	8,389	2.08
Big Yellow Group Place	1,163,791	8,199	2.04
British Land	1,397,579	11,754	2.92
Daejan Holdings	142,526	9,221	2.29
Derwent London	658,999	23,954	5.95
Development Securities	5,889,000	15,827	3.93
Fuller Smith & Turner	508,054	6,051	1.50
Great Portland Estates	2,612,000	21,745	5.40
Hammerson	2,318,000	15,252	3.79
Hanstee Holdings	15,841,000	19,294	4.79
Helical Bar	4,642,000	19,740	4.90
Land Securities	1,715,000	22,261	5.53
LondonMetric Property	6,952,000	11,248	2.79
Millennium & Copthorne Hotels	2,598,000	14,497	3.60
Persimmon	730,000	14,943	3.71
Savills	1,193,000	11,685	2.90
Segro	2,651,750	11,901	2.96
Shaftesbury	1,882,375	17,600	4.37
St Modwen Properties	2,098,000	9,991	2.48
Tesco	2,388,000	5,151	1.28
Unite	2,729,100	17,221	4.28
Workspace	1,844,000	17,970	4.46
		330,952	82.19
Total Equities		387,893	96.33

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		387,893	96.33
Investment assets		387,893	96.33
Net other assets		14,792	3.67
Net assets		402,685	100.00

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation Shares in issue	171,050,795.68	240,364,241.10	242,086,160.91
I Accumulation Shares in issue	119,196,763.62	68,216,215.54	6,118,678.37
Net Asset Value attributable to			
A Accumulation shareholders (£'000)	186,490	206,223	191,977
I Accumulation shareholders (£'000)	216,195	96,657	7,960
Net asset Value of Fund (£'000)	402,685	302,880	199,937
Net asset value pence per share			
A Accumulation	109.03	85.80	79.30
I Accumulation	181.37	141.69	130.10

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	0.7532	62.28	48.48
2011	I Accumulation	-	-	-
2012	A Accumulation	0.8278	66.78	50.60
2012 ^A	I Accumulation	-	109.11	99.79
2013	A Accumulation	1.1865	83.28	67.22
2013	I Accumulation	2.4824	137.00	109.84
2014	A Accumulation	1.2822	94.82	81.26
2014	I Accumulation	3.0528	157.00	134.40
2015 ^B	A Accumulation	1.4286	109.35	93.55
2015 ^B	I Accumulation	3.5699	181.84	154.95

^A I Accumulation share class launched on 1 October 2012.

^B As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %
31 July 2014	1.62	0.87
31 July 2015	1.61	0.86

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge and the other operating expenses to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Specialist: The Fund invests in a specialist sector and it will not perform in line with funds that have a broader investment policy.
 - The Fund invests in a relatively small number of investments which can potentially increase volatility relative to funds with larger numbers of investments.
 - A full list of risks applicable to this Fund can be found in the Prospectus
 - The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 29/10/1990 to 31/07/2015 ^B
Fund - A Accumulation	26.68	122.68	682.63
Benchmark ^A	25.84	131.79	534.75

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	26.68	8.75	33.77	0.02	20.82

Source: Lipper, Factset, Total Return, NAV to NAV, UK Net income reinvested, £.

^A FTSE Real Estate Index to 30/11/2009 then FTSE 350 Real Estate Index.

^B Figures for Aberdeen Property Share Unit Trust prior to 24 April 2006.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains	1		77,934		14,905
Revenue	2	10,891		8,073	
Expenses	3	(4,437)		(3,799)	
Net revenue before taxation		6,454		4,274	
Taxation	4	(184)		191	
Net revenue after taxation			6,270		4,465
Total return before distributions			84,204		19,370
Finance costs: distributions	5		(6,282)		(4,504)
Change in net assets attributable to shareholders from investment activities			77,922		14,866

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		302,880		199,937
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	52,935		115,666	
Amount payable on cancellation of shares	(37,557)		(32,217)	
		15,378		83,449
Stamp duty reserve tax		-		(206)
Change in net assets attributable to shareholders from investment activities (see above)		77,922		14,866
Retained distribution on accumulation shares		6,505		4,834
Closing net assets attributable to shareholders		402,685		302,880

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			387,893		291,780
Debtors	6	2,501		1,464	
Cash and bank balances		13,523		10,476	
Total other assets			16,024		11,940
Total assets			403,917		303,720
Liabilities					
Creditors	7	(1,232)		(840)	
Total liabilities			(1,232)		(840)
Net assets attributable to shareholders			402,685		302,880

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains on investments

	2015	2014
	£'000	£'000
Net capital gains on investments during the year comprise:		
Non-derivative securities	77,988	14,929
Other currency losses	(53)	(20)
Transaction costs	(1)	(4)
Net capital gains on investments	77,934	14,905

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	11	169
Other revenue	23	-
Overseas dividends	1,941	1,812
Stock dividends	449	-
UK dividends	8,467	6,092
Total revenue	10,891	8,073

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	4,042	3,493
Operating, administrative and servicing fees	204	-
Registration fees	147	236
	4,393	3,729
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	19	31
Safe custody fees	13	20
	32	51
<i>Other expenses:</i>		
Audit fee	3	7
Legal & Professional fee	8	6
Other professional fees	1	6
	12	19
Total expenses	4,437	3,799

Irrecoverable VAT is included in the above expenses where relevant.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas withholding tax reclaims	(18)	(395)
Overseas withholding tax	202	204
Total Taxation	184	(191)

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	6,454	4,274
Corporation tax of 20% (Prior Year-20%)	1,291	855
Effects of:		
Current year excess management expenses not utilised	290	310
Irrecoverable overseas withholding tax	184	204
Non taxable overseas dividends	(388)	(363)
Non taxable UK dividends	(1,186)	(802)
Other non taxable revenue	(7)	-
Withholding tax reclaims	-	(395)
Current tax charge	184	(191)

At the year end, there is a potential deferred tax asset of £3,839,000 (2014 - £3,549,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Interim	1,112	1,091
Final	5,393	3,743
	6,505	4,834
Add: Revenue deducted on cancellation of shares	140	174
Deduct: Revenue received on issue of shares	(363)	(504)
Net distribution for the year	6,282	4,504
Total finance costs	6,282	4,504

Details of the distribution per share are set out in the distribution table on page 333.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	6,270	4,465
Add:		
Movement between share classes due to conversions	12	39
Finance cost: distributions	6,282	4,504

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	560	390
Amounts receivable for issue of shares	1,762	669
Overseas withholding tax reclaimable	179	405
Total debtors	2,501	1,464

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	403	388
Amounts payable for cancellation of shares	160	452
Other creditors	1	-
Purchases awaiting settlement	668	-
Total creditors	1,232	840

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
Euro	-	41,104	41,104
Swiss Franc	-	6,345	6,345
Swedish Krona	-	9,450	9,450
2014			
Euro	-	36,717	36,717
Swiss Franc	-	4,424	4,424
Swedish Krona	-	8,533	8,533

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 326. During the year the ACD held shares in the Fund and had a holding of 1,009 accumulation 'A' shares (2014 - 5,875), 591 accumulation 'I' shares (2014 - 1,500) as at 31 July 2015. £2,330,000 was due to the ACD (2014 - £156,000) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £5,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

10. Shareholder funds

The Fund currently has 2 share classes; Class 'A' (Retail) and Class 'I' (Institutional).

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

Class 'A': 1.50%

Class 'I': 0.75%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 324. The distribution per share class is given in the distribution table on page 333. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		45,199		92,124
Commissions	38		79	
Taxes	171		331	
Other costs	8		21	
Total transaction cost		217		431
Gross purchases total		45,416		92,555
Analysis of total sale costs				
Gross sales in year before transaction costs		27,316		10,023
Commissions	(26)		(10)	
Total transaction cost		(26)		(10)
Total sales net of transaction costs		27,290		10,013

Distribution table

For the year ended 31 July 2015 (in pence per share)

Interim dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 January 2015

	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Shares class A Accumulation				
Group 1	0.1945	-	0.1945	0.3115
Group 2	0.0789	0.1156	0.1945	0.3115
Shares class I Accumulation				
Group 1	0.8167	-	0.8167	0.9863
Group 2	0.4029	0.4138	0.8167	0.9863

Final dividend distribution

Group 1 : Shares purchased prior to 1 February 2015

Group 2 : Shares purchased 1 February 2015 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Shares class A Accumulation				
Group 1	1.2341	-	1.2341	0.9707
Group 2	0.5476	0.6865	1.2341	0.9707
Shares class I Accumulation				
Group 1	2.7532	-	2.7532	2.0665
Group 2	1.2477	1.5055	2.7532	2.0665

Equalisation

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

Aberdeen Responsible UK Equity Fund

For the year ended 31 July 2015

Investment objective and policy

The Fund seeks long term growth by investing in a diversified portfolio of UK companies. Equity selection will be undertaken on the basis of thorough fundamental company analysis but environment, social and governance criteria will also be taken into account. Where an investee company's practices are considered to be lacking or deficient with regard to these criteria, the manager will encourage the company to adopt more responsible practices.

Distribution

A final distribution of 1.63p per share will be paid to A income shareholders, 1.9563p per share to A accumulation shareholders, 2.01p per share to I income shareholders, 2.1252p per share to I accumulation shareholders and 3.86p per share to Z income shareholders on 31 October 2015. This makes a total of 2.42p for A income shareholders, 2.8981p for A accumulation shareholders, 3.19p for I income shareholders, 3.3599p for I accumulation shareholders and 6.38p for Z income shareholders for the year to 31 July 2015.

Performance review

The Aberdeen Responsible UK Equity Fund A Accumulation shares rose by 1.73% in sterling terms, compared with a gain in its benchmark, the FTSE All Share Index, of 5.38%.

Market review

In the year under review, the UK stockmarket rose and reached a 15-year high. Sentiment was buoyed by Britain's surprisingly resilient domestic economy, upbeat earnings news, along with a raft of M&A activity. Political developments also underpinned share prices, including the resounding yet unexpected Conservative victory at the polls, as well as Scotland's decision to stay in the Union. On the flip side, risk appetite was undermined by the Swiss central bank's unexpected de-pegging of the franc from the euro, the unfolding Greek debt drama, and continued China's slowdown. Uncertainty over the timing of the Fed's normalisation of interest rates, as well as weak commodity prices, dampened the resources sector. However, the market ended firmer towards the period-end on the back of improvements in the Chinese A-share market, as well as news of Greece's third bailout.

Portfolio review

At the stock level, holdings that contributed to relative return included Sage, which continued to improve its growth rates, with positive performance from newer products and ongoing subscription growth. Also contributing to performance was Croda, which issued an upbeat first-quarter trading statement, revealing good sales to the life sciences segment and a welcome return to meaningful growth in its personal care division. Last, housebuilder Persimmon started 2015 with a healthy forward order book and saw good sales, supported by improving customer confidence and continued attractive terms available in the mortgage market.

In contrast, holdings that detracted included Weir, as its share price suffered on the back of lower commodity prices and weaker demand for its products. Similarly, BHP Billiton also was affected by weaker commodity prices and this dampened sentiment towards the mining giant. While negative sentiment continued to surround Standard Chartered for its exposure to weakening emerging markets, its shares did rally in the second half of the year on the announcement of management changes and a strategic overhaul of the business.

In key portfolio activity, we introduced specialty chemicals manufacturer Elementis for its attractive industrial coating business and a growing personal care franchise, backed by a robust balance sheet. We also initiated holdings in several mid-cap sized companies, such as Oxford Instruments, which commercialises technology research, Rotork brings engineering expertise, Aveva is a world-leading provider of design software, plastics specialist RPC and workwear provider Berendsen. We raised our exposure to credit services specialist Experian because of its attractive business prospects and reasonable valuation. In addition, we took advantage of share price weakness to add to BG Group, which remains well placed to generate value over the long term, with major projects on track during a period of high investment. Conversely, share price strength provided us the opportunity to reduce some of the larger fund positions, including Prudential, Schroders, Sage and AstraZeneca.

Outlook

The UK stockmarket, like its European peers, has had a volatile year. While it recovered some ground approaching year end, risks persist. These include uncertainty over Greece, the wider Eurozone fragility, and a weakening growth outlook in China. In Europe, data is likely to remain broadly stable, with growth benefiting from a weaker euro and the lower oil price. In addition, the ECB's policy loosening should help to underpin financial markets. While the short-term outlook for equity returns might well stay difficult, we are more sanguine about the medium to long-term. We believe that globally competitive businesses with genuine pricing power should prosper in the long run and further volatility ought to provide opportunities to add to our preferred holdings.

SRI Team and Pan European Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 97.64% (2014: 97.54%)			
Basic Materials 9.70% (2014: 10.27%)			
Chemicals 5.06% (2014: 2.95%)			
Croda International	30,500	927	3.51
Elementis	160,000	411	1.55
		1,338	5.06
Industrial Metals & Mining 0.18% (2014: nil)			
South32	59,500	49	0.18
Mining 4.46% (2014: 7.32%)			
BHP Billiton	62,000	733	2.77
Rio Tinto	18,000	448	1.69
		1,181	4.46
Total Basic Materials		2,568	9.70
Consumer Goods 10.26% (2014: 10.01%)			
Food Producers 1.52% (2014: 6.46%)			
Associated British Foods	12,500	403	1.52
Household Goods & Home Construction 2.09% (2014: 2.09%)			
Persimmon	27,000	553	2.09
Personal Goods 6.65% (2014: 1.46%)			
PZ Cussons	130,000	451	1.70
Unilever	45,000	1,308	4.95
		1,759	6.65
Total Consumer Goods		2,715	10.26
Consumer Services 13.83% (2014: 14.15%)			
Food & Drug Retailers 1.36% (2014: 1.64%)			
Tesco	167,000	360	1.36
General Retailers 2.56% (2014: 2.07%)			
Inchcape	84,500	679	2.56
Media 4.79% (2014: 5.40%)			
Euromoney Institutional Investor	34,000	355	1.34
Pearson	76,000	914	3.45
		1,269	4.79
Travel & Leisure 5.12% (2014: 5.04%)			
Compass	90,000	922	3.49
Whitbread	8,300	431	1.63
		1,353	5.12
Total Consumer Services		3,661	13.83

	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Security			
Financials 13.52% (2014: 16.94%)			
Banks 6.98% (2014: 9.66%)			
HSBC	148,000	858	3.24
Standard Chartered Bank	101,000	990	3.74
		1,848	6.98
Financial Services 2.67% (2014: 2.63%)			
Schroders (non voting)	29,000	706	2.67
Life Insurance 3.87% (2014: 4.65%)			
Prudential	68,000	1,025	3.87
Total Financials		3,579	13.52
Health Care 6.24% (2014: 7.38%)			
Pharmaceuticals & Biotechnology 6.24% (2014: 7.38%)			
AstraZeneca	18,500	799	3.02
GlaxoSmithKline	61,000	852	3.22
		1,651	6.24
Total Health Care		1,651	6.24
Industrials 22.32% (2014: 15.13%)			
Electronic & Electrical Equipment 1.51% (2014: nil)			
Oxford Instruments	43,500	398	1.51
General Industrials 2.31% (2014: nil)			
RPC	90,000	613	2.31
Industrial Engineering 9.54% (2014: 7.79%)			
Melrose Industries™	318,500	881	3.33
Rotork	177,000	379	1.43
Spirax-Sarco Engineering	17,357	576	2.17
Weir	45,000	692	2.61
		2,528	9.54
Industrial Transportation 2.38% (2014: 2.59%)			
BBA Aviation	212,500	631	2.38
Support Services 6.58% (2014: 4.75%)			
Aggreko™	32,000	384	1.45
Berendsen	40,500	414	1.56
Experian ^A	78,500	943	3.57
		1,741	6.58
Total Industrials		5,911	22.32

	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Security			
Oil & Gas 11.18% (2014: 13.92%)			
Oil & Gas Producers 8.39% (2014: 10.34%)			
BG	91,500	1,000	3.77
BP	87,500	346	1.31
Royal Dutch Shell ^A	47,680	877	3.31
		2,223	8.39
Oil Equipment, Services & Distribution 2.79% (2014: 3.58%)			
John Wood Group	118,000	738	2.79
Total Oil & Gas		2,961	11.18
Technology 5.65% (2014: 3.95%)			
Software & Computer Services 5.65% (2014: 3.95%)			
Aveva	27,000	595	2.25
Sage	173,000	902	3.40
		1,497	5.65
Total Technology		1,497	5.65
Telecommunications 2.15% (2014: 1.78%)			
Mobile Telecommunications 2.15% (2014: 1.78%)			
Vodafone	235,000	568	2.15
Total Telecommunications		568	2.15
Utilities 2.79% (2014: 4.01%)			
Gas, Water & Multiutilities 2.79% (2014: 4.01%)			
Centrica	277,437	739	2.79
Total Utilities		739	2.79
Total Equities		25,850	97.64
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		25,850	97.64
Investment assets		25,850	97.64
Net other assets		625	2.36
Net assets		26,475	100.00

^A These securities are listed in the UK but registered overseas for tax purposes; the revenue from these securities is classified as Overseas dividend in Note 2.

^o A portion of this security is on loan at the year end.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation Shares in issue	11,205,510.04	11,587,571.18	12,983,495.63
A Income Shares in issue	266,089.96	292,047.13	754,416.51
I Accumulation Shares in issue	2,452,952.64	2,082,835.63	275,570.09
I Income Shares in issue	960,787.61	1,096,182.56	844,558.20
Z Income Shares in issue	3,206,671.05	2,621,571.05	3,167,871.05
Net Asset Value attributable to			
A Accumulation shareholders (£'000)	16,274	16,383	18,359
A Income shareholders (£'000)	318	346	909
I Accumulation shareholders (£'000)	3,019	2,477	325
I Income shareholders (£'000)	1,099	1,246	975
Z Income shareholders (£'000)	5,765	4,684	5,751
Net asset value of Fund (£'000)	26,475	25,136	26,319
Net asset value pence per share			
A Accumulation	145.23	141.39	141.40
A Income	119.38	118.59	120.47
I Accumulation	123.08	118.93	118.05
I Income	114.40	113.66	115.47
Z Income	179.79	178.66	181.55

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	1.9740	119.75	98.52
2011	A Income	1.7700	107.26	87.09
2011	Z Income	4.9200	162.42	131.41
2012	A Accumulation	2.3296	122.85	106.84
2012	A Income	2.0500	106.41	93.81
2012 ^A	I Accumulation	-	101.95	96.72
2012 ^A	I Income	-	101.95	96.72
2012	Z Income	5.3000	160.95	141.95
2013	A Accumulation	2.2480	144.75	123.76
2013	A Income	1.9400	123.57	107.19
2013	I Accumulation	2.5023	121.08	102.87
2013	I Income	2.4900	118.70	102.87
2013	Z Income	5.4300	187.01	162.45
2014	A Accumulation	2.1783	147.91	129.36
2014	A Income	1.8500	125.47	108.50
2014	I Accumulation	2.7135	124.23	108.98
2014	I Income	2.6400	120.50	104.15
2014	Z Income	5.5300	189.84	163.94
2015 ^B	A Accumulation	2.8981	155.56	134.71
2015 ^B	A Income	2.4200	129.61	112.99
2015 ^B	I Accumulation	3.3599	131.64	113.70
2015 ^B	I Income	3.1900	124.50	108.66
2015 ^B	Z Income	6.3800	196.14	171.35

^A Share class I launched on 1 October 2012.

^B As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.61	0.86	0.11
31 July 2015	1.65	0.90	0.15

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 09/05/2006 to 31/07/2015
Fund - A Accumulation	1.73	47.63	44.41
Benchmark ^A	5.38	59.56	61.68

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	1.73	0.52	21.76	1.70	16.58

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A FTSE All Share Index.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		117		(398)
Revenue	2	941		815	
Expenses	3	(320)		(316)	
Net revenue before taxation		621		499	
Taxation	4	(4)		-	
Net revenue after taxation			617		499
Total return before distributions			734		101
Finance costs: distributions	5		(618)		(503)
Change in net assets attributable to shareholders from Investment activities			116		(402)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		25,136		26,319
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	2,469		3,408	
Amount payable on cancellation of shares	(1,654)		(4,508)	
		815		(1,100)
Dilution charged		-		14
Stamp duty reserve tax		-		(4)
Change in net assets attributable to shareholders from Investment activities (see above)		116		(402)
Retained distribution on accumulation shares		408		309
Closing net assets attributable to shareholders		26,475		25,136

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			25,850		24,517
Debtors	6	30		17	
Cash and bank balances		840		806	
Total other assets			870		823
Total assets			26,720		25,340
Liabilities					
Creditors	7	(98)		(93)	
Distribution payable on income shares		(147)		(111)	
Total other liabilities			(245)		(204)
Net assets attributable to shareholders			26,475		25,136

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains/(losses) on investments

	2015	2014
	£'000	£'000
The net capital gains/(losses) on investments during the year comprise:		
Non-derivative securities	117	(396)
Transaction costs	-	(2)
Net capital gains/(losses) on investments	117	(398)

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	1	1
Overseas dividends	62	15
Stock dividends	89	142
Stock lending revenue	1	1
UK dividends	788	656
Total revenue	941	815

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	435	-

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £457,000 (2014 - nil) was held with the following counterparty:

	2015	2014
	£'000	£'000
Counterparty		
BNP Paribas Securities Services	457	-
	457	-

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating:

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

3. Expenses

	2015 £'000	2014 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	281	291
Operating, administrative and servicing fees	19	-
Registration fees	11	23
	311	314
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	2	3
Safe custody fees	-	1
	2	4
<i>Other expenses:</i>		
Audit fee	3	7
Legal & Professional fee	4	-
Printing and postage fees	-	(9)
	7	(2)
Total expenses	320	316

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015 £'000	2014 £'000
The tax charge comprises:		
Overseas tax reclaims	(2)	-
Overseas withholding tax	6	-
Total taxation	4	-

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	621	499
Corporation tax of 20%	124	100
Effects of:		
Current year excess management expenses not utilised	64	63
Irrecoverable overseas withholding tax	4	-
Non taxable overseas dividends	(12)	(3)
Non taxable stock dividends	(18)	(29)
Non taxable UK dividends	(158)	(131)
Current tax charge	4	-

At the year end, there is a potential deferred tax asset of £384,000 (2014 - £321,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Interim	218	154
Final	419	331
	637	485
Add: Revenue deducted on cancellation of shares	15	29
Deduct: Revenue received on issue of shares	(34)	(11)
Net distribution for the year	618	503
Total finance costs	618	503

Details of the distribution per share are set out in the distribution table on page 348.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	617	499
Add:		
Movement between share classes due to conversions	1	4
Finance cost: distributions	618	503

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	25	17
Amounts receivable for issue of shares	3	-
Overseas withholding tax reclaimable	2	-
Total debtors	30	17

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	31	35
Amounts payable for cancellation of shares	67	58
Total creditors	98	93

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7.

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 341. During the year the ACD held shares in the Fund and had a holding of 697 accumulation 'A' shares (2014 - 1,505), 897 income 'A' shares (2014 - 1,638), 875 accumulation 'I' shares (2014 - 1,747), 911 income 'I' shares (2014 - 1,727), and 545 income 'Z' shares (2014 - 1,134) as at 31 July 2015. £88,000 was due to the ACD (2014 - £86,000) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £560) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Windsor Life Assurance Co Ltd held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 55% of the Fund's units in issue.

State Street Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 22% of the Fund's units in issue. During the year, State Street Nominees Limited made total sales of £235,000 and total purchases of £1,370,000 in the Fund.

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional)

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

Class 'A': 1.50%

Class 'I': 0.75%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 338. The distribution per share class is given in the distribution table on page 348. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		4,607		5,063
Commissions	3		3	
Taxes	21		23	
Total transaction cost		24		26
Gross purchases total		4,631		5,089
Analysis of total sale costs				
Gross sales in year before transaction costs		3,417		5,523
Commissions	(2)		(3)	
Total transaction cost		(2)		(3)
Total sale net of transaction costs		3,415		5,520

Distribution table

For the year ended 31 July 2015 (in pence per share)

Interim dividend distribution

Group 1: Shares purchased prior to 1 August 2014

Group 2: Shares purchased 1 August 2014 to 31 January 2015

	Net revenue	Equalisation	Distribution paid 30/04/2015	Distribution paid 30/04/2014
Share class A Accumulation				
Group 1	0.9418	-	0.9418	0.5986
Group 2	0.0301	0.9117	0.9418	0.5986
Share class A Income				
Group 1	0.7900	-	0.7900	0.5100
Group 2	0.1968	0.5932	0.7900	0.5100
Share class I Accumulation				
Group 1	1.2347	-	1.2347	0.9507
Group 2	0.3772	0.8575	1.2347	0.9507
Share class I Income				
Group 1	1.1800	-	1.1800	0.9300
Group 2	0.3162	0.8638	1.1800	0.9300
Share class Z Income				
Group 1	2.5200	-	2.5200	2.1500
Group 2	1.0300	1.4900	2.5200	2.1500

Final dividend distribution

Group 1: Shares purchased prior to 1 February 2015

Group 2: Shares purchased 1 February 2015 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/2015	Distribution paid 31/10/2014
Share class A Accumulation				
Group 1	1.9563	-	1.9563	1.5797
Group 2	0.1169	1.8394	1.9563	1.5797
Share class A Income				
Group 1	1.6300	-	1.6300	1.3400
Group 2	0.7409	0.8891	1.6300	1.3400
Share class I Accumulation				
Group 1	2.1252	-	2.1252	1.7628
Group 2	0.4379	1.6873	2.1252	1.7628
Share class I Income				
Group 1	2.0100	-	2.0100	1.7100
Group 2	0.1495	1.8605	2.0100	1.7100
Share class Z Income				
Group 1	3.8600	-	3.8600	3.3800
Group 2	0.4100	3.4500	3.8600	3.3800

Equalisation

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

Aberdeen Sterling Bond Fund

For the year ended 31 July 2015

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Sterling-denominated Debt and debt-related securities issued by the UK government, other governments, public bodies and supra-national issuers, and Investment grade corporate Debt and debt-related securities.

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

Distribution

A final distribution of 0.08p per share will be paid to A income shareholders, 0.10185p per share to A accumulation shareholders, 0.10p per share to I income shareholders, 0.10320p per share to I accumulation shareholders and 0.17529p per share to Z accumulation shareholders on 31 October 2015.

Corporate activity

Aberdeen Sterling Bond Fund, a sub-fund of Aberdeen Investment Funds UK ICVC II, amalgamated into the Aberdeen Sterling Bond Fund, on the 17 July 2015. On amalgamation, Aberdeen Sterling Bond Fund A accumulation shareholders received one A accumulation share for every A accumulation share held, A income shareholders received one A income share for every A income share held, C accumulation shareholders received one I accumulation share for every C accumulation share held, C income shareholders received one I income share for every C income share held and X accumulation shareholders received one Z accumulation share for every X accumulation share held.

Performance review

For the year ended 31 July 2015, the value of the Aberdeen Sterling Bond- A Accumulation shares increased by 6.05% compared to an increase of 9.11% in the benchmark, Markit iBoxx Sterling Overall TR.

Market review

The "safe haven" theme was a powerful one for UK government bonds in the first half of the review period. By and large, Gilt yields continued on a downward trend and prices on an upward path, propelled by a variety of factors. These included nervousness over the strength of US economic recovery and an escalation of political tensions in Ukraine, and uncertainty surrounding the anticipated timing of interest rate rises. During the summer Gilt prices were also given a fillip by dovish comments from Bank of England governor Mark Carney, which caused investors to push back the anticipated timing of UK interest rate rises.

UK government bonds exhibited a fair degree of volatility in the six months to 30 June. On the one hand, the market was buffeted by worries over economic growth and geopolitical problems. All of these factors served to heighten risk aversion, encouraging a flight to the perceived safety and quality of the Gilt market. Against that, however, bouts of optimism over economic growth, a rise in inflation

expectations and the increasing likelihood of UK interest rate rises all acted to depress Gilt prices and raise yields.

Meanwhile, corporate bonds have generally been supported by strong equity markets and a benign fundamental environment. Investors continued to hunt for the higher yields available from the asset class. That said, credit spreads (the additional yield from corporate bonds over government bonds owing to different credit quality) widened in the second half of 2014.

Corporate bonds delivered a strong positive return in the first three months of 2015, outperforming government bonds from the core economies. Market movements were largely dominated by concerns over Greece and the planned introduction of large-scale quantitative easing (QE) by the European Central Bank. QE involves the creation of new money to increase private sector spending and combat inflation, and led to a widespread grab for yield across investment grade and high yield markets. March was another strong month, with yields falling materially as risk aversion picked up, influenced by softer economic data and global geopolitical problems. From April onwards, however, bond markets were volatile, retracing much of the strong performance of the first quarter. Part of this move could be explained by commodity price moves and partly by investor positioning (long positions having been built up by fixed income investors in anticipation of Eurozone QE). In May and June, investment grade markets in Europe lost ground, largely due to uncertainty caused by an escalation of concerns over Greek debt negotiations.

Portfolio review

Throughout the review period the Fund has been underweight Gilts against select global government bonds, both nominal and inflation-linked. The portfolio was positioned neutrally against its benchmark in investment grade corporate bonds. Allocation to high yield corporate bonds has made an overall negative contribution to performance, with the performance of the asset class tailed off sharply in the latter half of 2014. Results from stock selection within the corporate bond portfolio were mixed, with underperformance in the financials sector and in poorly-performing Tesco bonds. Latterly we were overweight in European inflation-linked assets, long duration and overweight in German and Australian government bonds.

Outlook

Looking ahead, investment prospects remain favourable, given positive survey measures and strong corporate finances, but fiscal consolidation will continue to drag on growth. Overall, we expect the economy to expand by a healthy 2.6% this year and 2.8% next. With headline inflation likely to average only 0.3% this year, rising to 1.7% next, the Bank of England looks set to raise rates gradually from the first quarter of 2016. Higher government bond yields are expected in the medium term. UK policy rates are likely to start to rise early in 2016 but the approach thereafter is likely to be cautious. For the time being, investment grade and high yield assets still offer good value in the medium term.

Pan Euro Macro Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Bonds 97.62%					
Asset Backed Bonds / Mortgage Backed Bonds 0.36%					
United Kingdom 0.36%					
Gemgarto 2015-1	FRN	16/02/47	100,000	100	0.10
Residential Mortgage Securities 28	FRN	15/06/46	139,993	139	0.14
RMPA Services	5.3370	30/09/38	100,854	114	0.12
				353	0.36
Total Asset Backed Bonds / Mortgage Backed Bonds				353	0.36
Corporate Bonds 29.25%					
Australia 0.51%					
APT Pipelines	3.5000	22/03/30	300,000	286	0.29
QBE Capital Funding IV	VAR	24/05/41	100,000	113	0.12
QBE Insurance (EMTN)	6.1250	28/09/15	100,000	101	0.10
				500	0.51
China 0.14%					
Eastern Creation II Investment (EMTN)	1.0000	19/03/18	200,000	141	0.14
France 2.29%					
AXA (EMTN) (PERP)	FRN	29/07/49	250,000	280	0.29
Cie de Saint-Gobain (EMTN)	4.6250	09/10/29	200,000	217	0.22
CNP Assurances	VAR	30/09/41	100,000	114	0.12
Electricite de France (EMTN)	6.2500	30/05/28	250,000	318	0.33
Electricite de France (EMTN)	5.8750	18/07/31	150,000	185	0.19
Electricite de France (EMTN)	6.0000	23/01/14	100,000	131	0.13
Electricite de France (EMTN)	5.5000	17/10/41	100,000	120	0.12
Electricite de France (EMTN)	5.1250	22/09/50	100,000	117	0.12
Electricite de France (PERP)	6.0000	29/12/49	200,000	209	0.21
France Telecom (EMTN)	5.3750	22/11/50	100,000	121	0.12
GDF Suez (EMTN)	7.0000	30/10/28	100,000	139	0.14
Lafarge (EMTN)	VAR	30/05/17	100,000	113	0.12
Orange (PERP)	VAR	29/12/49	102,000	106	0.11
Total (EMTN) (PERP)	VAR	29/12/49	100,000	67	0.07
				2,237	2.29
Germany 1.93%					
Daimler Finance North America	3.3000	19/05/25	250,000	158	0.16
Deutsche Bahn Finance (EMTN)	3.1250	24/07/26	299,000	313	0.31
Deutsche Telekom International Finance (EMTN)	6.5000	08/04/22	100,000	122	0.13
E.ON International Finance (EMTN)	6.7500	27/01/39	100,000	135	0.14
E.ON International Finance (EMTN)	5.8750	30/10/37	100,000	122	0.13
KfW (EMTN)	5.5500	07/06/21	500,000	605	0.61
KfW (EMTN)	5.7500	07/06/32	141,000	203	0.21
RWE Finance (EMTN)	6.1250	06/07/39	100,000	122	0.13
Siemens Financieringsmaatschappij	VAR	14/09/66	100,000	103	0.11
				1,883	1.93

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Hong Kong 0.11%					
Hutchison Whampoa	VAR	29/05/49	150,000	109	0.11
Ireland 0.21%					
ESB Finance (EMTN)	6.5000	05/03/20	175,000	205	0.21
Italy 0.30%					
Atlantia (EMTN)	6.2500	09/06/22	74,000	89	0.09
Enel (EMTN)	5.7500	22/06/37	170,000	204	0.21
				293	0.30
Mexico 0.29%					
America Movil SAB	VAR	06/09/73	150,000	161	0.17
America Movil SAB	5.7500	28/06/30	100,000	118	0.12
				279	0.29
Netherlands 0.38%					
Highbury Finance	7.0170	20/03/23	80,240	94	0.10
ING Bank (EMTN)	5.3750	15/04/21	125,000	144	0.15
ING Groep (PERP)	VAR	29/12/49	200,000	129	0.13
				367	0.38
Spain 0.36%					
Iberdrola Finanzas SAU (EMTN)	7.3750	29/01/24	100,000	129	0.13
Telefonica Emisiones SAU (EMTN)	5.3750	02/02/18	205,000	222	0.23
				351	0.36
Supranational 0.71%					
European Investment Bank (DIP) (EMTN)	4.6250	12/10/54	210,000	303	0.31
European Investment Bank (EMTN)	3.8750	08/06/37	329,000	390	0.40
				693	0.71
Switzerland 0.79%					
Demeter Investments for Swiss Life (PERP)	VAR	29/12/49	200,000	143	0.15
Glencore Finance (EMTN)	6.5000	27/02/19	250,000	280	0.28
Glencore Finance Europe	VAR	03/04/22	100,000	112	0.12
Swiss Reinsurance Co via ELM (EMTN) (PERP)	VAR	29/03/49	100,000	108	0.11
UBS	7.1250	31/12/49	200,000	128	0.13
				771	0.79

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
United Kingdom 16.76%					
Amlin	FRN	19/12/26	100,000	102	0.10
Annington Finance No 4	-	07/12/22	370,000	298	0.31
Aspire Defence Finance	4.6740	31/03/40	196,956	223	0.23
Aviva (EMTN)	FRN	03/06/41	210,000	233	0.24
Aviva (EMTN)	VAR	04/06/50	100,000	98	0.10
Aviva (PERP)	VAR	29/09/49	100,000	106	0.11
Barclays Bank (EMTN)	5.7500	14/09/26	250,000	281	0.29
Barclays Bank (EMTN)	10.0000	21/05/21	137,000	179	0.18
Barclays Bank (PERP)	8.2500	29/12/49	130,000	146	0.15
BAT International Finance (EMTN)	7.2500	12/03/24	200,000	260	0.27
BG Energy Capital	VAR	30/11/72	100,000	107	0.11
BG Energy Capital (EMTN)	5.0000	04/11/36	200,000	240	0.25
BL Superstores Finance	4.4820	04/10/25	106,034	117	0.12
BP Capital Markets (EMTN)	4.3250	10/12/18	200,000	216	0.22
British Telecommunications	5.7500	07/12/28	135,000	164	0.17
Canary Wharf Finance II	6.4550	22/10/33	81,014	107	0.11
Centrica	VAR	10/04/75	100,000	99	0.10
Centrica (EMTN)	6.3750	10/03/22	70,000	84	0.09
Close Brothers	6.5000	10/02/17	250,000	267	0.27
Connect M77/GSO	5.4040	31/03/34	324,975	311	0.32
Dignity Finance	4.6956	31/12/49	151,000	165	0.17
Eastern Power Networks (EMTN)	6.2500	12/11/36	150,000	201	0.21
EE Finance (EMTN)	4.3750	28/03/19	800,000	853	0.86
EnQuest (EMTN)	5.5000	15/02/22	100,000	67	0.07
Firstgroup	8.7500	08/04/21	100,000	125	0.13
Friends Life	8.2500	21/04/22	300,000	365	0.36
Gatwick Funding (EMTN)	6.5000	02/03/41	100,000	137	0.14
GKN	6.7500	28/10/19	150,000	173	0.18
GKN	5.3750	19/09/22	100,000	111	0.11
GlaxoSmithKline Capital (EMTN)	5.2500	10/04/42	130,000	164	0.17
Great Rolling Stock (EMTN)	6.5000	05/04/31	97,000	123	0.13
Greene King Finance (EMTN)	FRN	15/12/33	46,258	46	0.05
HBOS Capital Funding (PERP)	VAR	29/11/49	188,000	200	0.21
HBOS Sterling Finance Jersey (PERP)	VAR	29/12/49	100,000	127	0.13
Heathrow Funding (EMTN)	6.4500	10/12/31	300,000	398	0.40
Heathrow Funding (EMTN)	7.1250	14/02/24	200,000	248	0.25
HSBC (EMTN)	6.5000	20/05/24	280,000	351	0.35
HSBC (EMTN)	6.0000	29/03/40	150,000	177	0.18
HSBC (EMTN)	FRN	18/10/22	100,000	107	0.11
HSBC (PERP)	5.8620	07/04/20	180,000	191	0.20
Imperial Tobacco Finance (EMTN)	5.5000	28/09/26	190,000	219	0.22
InterContinental Hotels (EMTN)	3.8750	28/11/22	100,000	103	0.11
Land Securities	FRN	07/02/36	100,000	123	0.13
LCR Finance	5.1000	07/03/51	97,000	149	0.15
LCR Finance	4.5000	07/12/38	45,000	58	0.06
Lloyds Bank (EMTN)	VAR	09/07/25	300,000	327	0.33
Lloyds Bank (PERP)	VAR	31/12/49	312,000	319	0.33
Lloyds TSB (EMTN)	6.5000	17/09/40	100,000	142	0.15

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Longstone Finance	4.7910	19/04/30	72,461	81	0.08
Manchester Airport Group Funding (EMTN)	4.7500	31/03/34	100,000	110	0.11
Manchester Airport Group Funding (EMTN)	4.1250	02/04/24	100,000	106	0.11
Marks & Spencer (EMTN)	4.7500	12/06/25	210,000	228	0.23
Meadowhall Finance	4.9860	12/01/32	148,353	174	0.18
Motability Operations (EMTN)	5.6250	29/11/30	100,000	127	0.13
Motability Operations (EMTN)	4.3750	08/02/27	100,000	112	0.11
National Grid Electricity Transmission (EMTN)	7.3750	13/01/31	175,000	259	0.27
National Grid Gas (EMTN)	6.3750	03/03/20	100,000	119	0.12
National Westminster Bank	6.5000	07/09/21	270,000	305	0.31
Nationwide Building Society (EMTN)	5.6250	09/09/19	175,000	199	0.20
Nationwide Building Society (EMTN)	6.7500	22/07/20	100,000	87	0.09
Nationwide Building Society (EMTN) (PERP)	VAR	11/03/49	200,000	201	0.21
Network Rail Infrastructure Finance (EMTN)	4.3750	09/12/30	100,000	122	0.13
Northumbrian Water Finance	5.1250	23/01/42	100,000	120	0.12
Orbit Capital	3.5000	24/03/45	100,000	95	0.10
Porterbrook Rail Finance (EMTN)	5.5000	20/04/19	200,000	221	0.23
Prudential (EMTN)	VAR	20/07/55	300,000	299	0.31
Prudential (EMTN)	FRN	29/05/39	100,000	128	0.13
Rio Tinto Finance (EMTN)	4.0000	11/12/29	250,000	256	0.26
Rolls-Royce (EMTN)	3.3750	18/06/26	200,000	204	0.21
Royal Bank Of Scotland	7.5000	29/04/24	150,000	197	0.20
RSA Insurance	VAR	10/10/45	100,000	104	0.11
Santander UK (EMTN)	VAR	30/10/23	100,000	120	0.12
Santander UK (PERP)	VAR	29/09/49	100,000	101	0.10
Scottish Widows	5.5000	16/06/23	100,000	106	0.11
Severn Trent Water Utilities (EMTN)	4.8750	24/01/42	100,000	115	0.12
Society of Lloyd's (PERP)	VAR	21/06/49	200,000	212	0.22
South East Water Finance (EMTN)	5.6577	30/09/19	100,000	111	0.11
Southern Electric Power Distribution	4.6250	20/02/37	200,000	222	0.23
Standard Chartered Bank (EMTN) (PERP)	VAR	29/10/49	230,000	267	0.27
Standard Life (PERP)	VAR	29/07/49	150,000	172	0.18
Telereal Securitisation	6.1645	10/12/31	143,700	172	0.18
Tesco Property Finance 1	7.6227	13/07/39	149,710	176	0.18
Thames Water Kemble Finance (EMTN)	5.8750	15/07/22	100,000	100	0.10
Thames Water Utilities Cayman Finance (EMTN)	VAR	21/07/25	90,000	95	0.10
Thames Water Utilities Financial (EMTN)	5.1250	28/09/37	200,000	236	0.24
Trafford Centre Finance	6.5000	28/07/33	94,634	124	0.13
Trafford Centre Finance	7.0300	28/01/29	67,328	84	0.09
Transport for London (EMTN)	3.8750	23/07/42	120,000	134	0.14
United Utilities Water (EMTN)	5.7500	25/03/22	100,000	118	0.12
Western Power Distribution South Wales	5.7500	23/03/40	150,000	193	0.20
Whitbread	3.3750	16/10/25	122,000	122	0.13
Yorkshire Water Services Bradford Finance (EMTN)	6.0000	21/08/19	90,000	103	0.11
				16,344	16.76

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
United States 4.47%					
American International	4.8750	01/06/22	110,000	78	0.08
American International (EMTN)	5.0000	26/04/23	200,000	227	0.23
Amgen	4.0000	13/09/29	230,000	237	0.24
AT&T	4.2500	01/06/43	246,000	235	0.24
AT&T	4.8750	01/06/44	100,000	105	0.11
Bank of America (EMTN)	7.7500	30/04/18	150,000	173	0.18
Citigroup	VAR	10/02/19	150,000	106	0.11
Citigroup (EMTN)	5.1500	21/05/26	400,000	466	0.47
Citigroup (EMTN)	6.2500	02/09/19	200,000	230	0.24
Citigroup (EMTN)	7.6250	03/04/18	150,000	172	0.18
Citigroup (EMTN)	4.5000	03/03/31	150,000	155	0.16
Digital Stout Holding (EMTN)	4.2500	17/01/25	125,000	128	0.13
DIRECTV Financing	4.3750	14/09/29	290,000	300	0.31
DIRECTV Financing	5.2000	18/11/33	100,000	110	0.11
GE Capital UK Funding (EMTN)	6.2500	05/05/38	160,000	226	0.23
GE Capital UK Funding (EMTN)	5.6250	25/04/19	140,000	158	0.16
General Electric Capital	VAR	15/09/67	350,000	368	0.37
Goldman Sachs	7.2500	10/04/28	70,000	95	0.10
Goldman Sachs	7.1250	07/08/25	50,000	65	0.07
HJ Heinz	4.1250	01/07/27	100,000	103	0.11
Kinder Morgan	2.2500	16/03/27	100,000	66	0.07
MetLife	5.2500	29/06/20	100,000	113	0.12
Time Warner Cable	5.7500	02/06/31	50,000	51	0.05
Verizon Communications (EMTN)	4.7500	17/02/34	100,000	108	0.11
Wal-Mart Stores	5.6250	27/03/34	220,000	288	0.29
				4,363	4.47
Total Corporate Bonds				28,536	29.25
Government Bonds 68.01%					
Australia 1.29%					
Australia (Commonwealth of)	3.7500	21/04/37	2,527,000	1,255	1.29
Brazil 1.30%					
Brazil (Federal Republic of)	10.0000	01/01/23	7,747,000	1,266	1.30
Germany 11.26%					
Germany (Federal Republic of)	0.5000	15/02/25	6,878,000	4,820	4.94
Germany (Republic of) (INDX)	0.1000	15/04/23	4,889,000	3,820	3.92
Germany (Republic of) (INDX)	0.5000	15/04/30	2,843,000	2,340	2.40
				10,980	11.26
Mexico 0.20%					
Mexico (Government of) (EMTN)	5.6250	19/03/14	200,000	194	0.20

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
United Kingdom 53.96%					
UK Treasury	5.0000	07/03/25	5,396,000	6,867	7.03
UK Treasury	8.0000	07/06/21	3,694,000	5,037	5.16
UK Treasury	4.2500	07/06/32	3,719,000	4,692	4.81
UK Treasury	1.7500	22/07/19	4,295,000	4,380	4.49
UK Treasury	1.2500	22/07/18	4,145,000	4,177	4.28
UK Treasury	4.5000	07/12/42	2,950,000	4,099	4.20
UK Treasury	4.2500	07/12/49	2,913,000	4,094	4.20
UK Treasury	4.5000	07/03/19	3,041,000	3,410	3.50
UK Treasury	3.2500	22/01/44	2,539,000	2,894	2.97
UK Treasury	4.5000	07/09/34	2,170,000	2,854	2.93
UK Treasury	4.7500	07/12/38	1,678,000	2,346	2.41
UK Treasury	2.0000	22/01/16	2,014,000	2,028	2.08
UK Treasury	4.7500	07/12/30	1,322,000	1,744	1.79
UK Treasury	4.0000	22/01/60	1,036,000	1,473	1.51
UK Treasury	3.5000	22/07/68	740,000	972	1.00
UK Treasury	3.7500	22/07/52	569,000	741	0.76
UK Treasury	3.7500	07/09/21	545,000	615	0.63
UK Treasury	4.2500	07/09/39	105,000	138	0.14
UK Treasury	4.2500	07/03/36	55,000	71	0.07
				52,632	53.96
Total Government Bonds				66,327	68.01
Total Bonds				95,216	97.62
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				95,216	97.62

Derivatives 0.27%

Futures (0.02%)

Counterparty	Maturity	Notional	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
ICF Long Gilt	28/09/15	(12)	(19)	(0.02)
Unrealised losses on futures contracts			(19)	(0.02)

Forward currency exchange contracts 0.29%

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/ (Losses) £'000	Percentage of total net assets %
HSBC	AUD	GBP	04/09/15	127,000	63,351	(4)	-
Deutsche Bank	AUD	GBP	04/09/15	5,441,000	2,754,415	(197)	(0.20)
HSBC	AUD	GBP	04/09/15	92,000	46,558	(3)	-
HSBC	EUR	GBP	04/09/15	151,000	107,664	(1)	-
Deutsche Bank	EUR	GBP	04/09/15	47,000	34,692	(1)	-
HSBC	EUR	GBP	04/09/15	78,000	56,922	(2)	-
Deutsche Bank	EUR	GBP	04/09/15	96,000	70,012	(2)	-
Royal Bank of Canada	GBP	EUR	04/09/15	143,708	198,000	3	-
HSBC	GBP	EUR	04/09/15	23,741	33,000	-	-
Royal Bank of Canada	GBP	EUR	04/09/15	2,386,412	3,312,000	40	0.04
HSBC	GBP	EUR	04/09/15	2,510,148	3,437,000	76	0.08
HSBC	GBP	EUR	04/09/15	29,176	41,000	-	-
Deutsche Bank	GBP	USD	04/09/15	374,109	571,000	8	0.01
BNP Paribas	GBP	AUD	04/09/15	4,013,485	8,036,000	239	0.23
HSBC	GBP	EUR	04/09/15	47,608	66,000	1	-
HSBC	GBP	USD	04/09/15	569,852	869,000	13	0.01
HSBC	GBP	EUR	04/09/15	5,994,973	8,360,000	72	0.07
State Street	GBP	EUR	04/09/15	604,603	840,000	9	0.01
JPM Chase	GBP	EUR	04/09/15	68,752	96,000	1	-
HSBC	GBP	AUD	04/09/15	70,459	141,000	4	-
Deutsche Bank	GBP	USD	04/09/15	762,006	1,160,000	18	0.02
Goldman Sachs	GBP	EUR	04/09/15	99,935	140,000	1	-
HSBC	USD	GBP	04/09/15	10,000	6,552	-	-
Royal Bank of Canada	USD	GBP	04/09/15	238,000	155,234	(3)	-
Deutsche Bank	USD	GBP	04/09/15	859,000	565,126	(15)	(0.01)
Deutsche Bank	USD	BRL	04/09/15	922,210	3,029,000	29	0.03
Unrealised gains on forward currency exchange contracts						286	0.29
Unrealised gains on derivatives						267	0.27
Investment assets^A						95,483	97.89
Net other assets						2,063	2.11
Net assets						97,546	100.00

Currently forward positions are not collateralised.

Of the total investments above, £1,408,000, 4.74%, were invested in unrated securities, and £1,938,000, 6.57%, were invested in securities below investment grade.

^A Including derivative liabilities.

Comparative table

Accounting period	31 Jul 15
A Accumulation Shares in issue	47,679.72
A Income Shares in issue	20,512.53
I Accumulation Shares in issue	105,119.75
I Income Shares in issue	42,890.86
Z Accumulation Shares in issue	61,882,330.23
Net asset value attributable to	
A Accumulation shareholders (£'000)	69
A Income shareholders (£'000)	23
I Accumulation shareholders (£'000)	117
I Income shareholders (£'000)	46
Z Accumulation shareholders (£'000)	97,291
Net asset value of Fund (£'000)	97,546
Net asset value pence per share	
A Accumulation	143.63
A Income	112.74
I Accumulation	111.57
I Income	108.01
Z Accumulation	157.22

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2015 ^{AB}	A Accumulation	0.10185	143.59	141.25
2015 ^{AB}	A Income	0.08000	112.78	110.95
2015 ^{AB}	I Accumulation	0.10320	111.54	109.71
2015 ^{AB}	I Income	0.10000	108.07	106.30
2015 ^{AB}	Z Accumulation	0.17529	157.15	154.57

^A The Fund was launched on 16 July 2015.

^B As at 31 July 2015.

Ongoing charges figure

	Share class A	Share class I	Share class Z
31 July 2015	1.13	0.63	0.13

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 3 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 01/07/2005 to 31/07/2015 ^B
Fund - A Accumulation	6.05	24.83	43.06
Benchmark ^A	9.11	35.85	67.35

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
	6.05	3.13	(1.06)	9.98	4.89

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A Markit iBoxx Sterling Overall TR.

^B The Aberdeen Investment Funds ICVC Sterling Bond Fund was created by the transfer of the Aberdeen Investment Funds ICVC II Aberdeen Sterling Bond Fund into the Aberdeen Investments ICVC range on 17/07/2015. The historical track record shown prior to this date reflects that of the Aberdeen Investment Funds ICVC II Sterling Bond Fund.

Figures are as at valuation point.

Statement of total return

For the period ended 31 July 2015

	Notes	16 Jul 15 to 31 Jul 15	
		£'000	£'000
Income			
Net capital gains	1		1,981
Revenue	2	141	
Expenses	3	(5)	
Net revenue before taxation		136	
Taxation	4	-	
Net revenue after taxation			136
Total return before distributions			2,117
Finance costs: distributions	5		(136)
Change in net assets attributable to shareholders from investment activities			1,981

Statement of change in net assets attributable to shareholders

For the period ended 31 July 2015

	16 Jul 15 to 31 Jul 15	
	£'000	£'000
Opening net assets attributable to shareholders		-
Movement due to sales and repurchases of shares		
Amount receivable on issue of shares	95,600	
Amount payable on cancellation of shares	(144)	
		95,456
Change in net assets attributable to shareholders from investment activities (see above)		1,981
Retained distribution on accumulation shares		109
Closing net assets attributable to shareholders		97,546

Balance sheet

As at 31 July 2015

	Notes	2015	
		£'000	£'000
Assets			
Investment assets			95,730
Debtors	6	940	
Cash and bank balances	7	1,416	
Total other assets			2,356
Total assets			98,086
Liabilities			
Investment liabilities			(247)
Creditors	8	(288)	
Bank overdrafts		(5)	
Total other liabilities			(293)
Total liabilities			(540)
Net assets attributable to shareholders			97,546

Notes to the financial statements

For the period ended 31 July 2015

1. Net capital gains on investments

	16 Jul 15 to 31 Jul 15 £'000
Net capital gains/(losses) on investments during the year comprise:	
Derivative contracts	(19)
Forward currency contracts	285
Non-derivative securities	2,101
Other currency losses	(386)
Net capital gains on investments	1,981

2. Revenue

	16 Jul 15 to 31 Jul 15 £'000
Interest on debt securities	141
Total revenue	141

3. Expenses

	16 Jul 15 to 31 Jul 15 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>	
Authorised Corporate Director's periodic charge	-
Operating, administrative and servicing fees	5
Total expenses	5

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

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

Reconciliation of the tax charge for the year:

	16 Jul 15 to 31 Jul 15 £'000
Net revenue before taxation	136
Corporation tax of 20%	27
Effects of:	
Tax deductible interest distributions	(27)
Current tax charge	-

No provision for deferred tax has been made in the current accounting period.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

5. Finance costs

Distributions and interest

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

	16 Jul 15 to 31 Jul 15
	£'000
Final	136
Finance costs: Distributions	136
Total finance costs	136

Details of the distribution per share are set out in the distribution table on page 366.

Movement between net revenue and distribution

	16 Jul 15 to 31 Jul 15
	£'000
Net revenue after taxation	136
Finance cost: distributions	136

6. Debtors

	2015
	£'000
Accrued bond interest purchased	787
Accrued revenue	150
Merger debtor	3
Total debtors	940

7. Cash and bank balances

	2015
	£'000
Amounts held at futures clearing houses and brokers	51
Cash and bank balances	1,365
Total cash and bank balances	1,416

8. Creditors

	2015
	£'000
Accrued expenses	5
Amounts payable for cancellation of shares	120
Income tax payable	27
Merger creditor	8
Purchases awaiting settlement	128
Total creditors	288

9. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Interest rate risk profile of the Fund's financial assets and liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at the year end is set out in the following table:

This is consistent with the exposure during both the current year and prior year.

	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
Australian Dollar	-	1,255	-	1,255
Brazilian Real	-	1,266	-	1,266
Euro	6,410	5,290	-	11,700
UK Sterling	4,081	77,966	485	82,532
US Dollar	-	364	29	393

	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
Australian Dollar	-	-	(220)	(220)
Brazilian Real	-	-	-	-
Euro	(5)	-	(6)	(11)
UK Sterling	-	-	(18)	(18)
US Dollar	-	-	(3)	(3)

Fixed rate financial assets

	Weighted average interest rate (%) 2015	Weighted average period for which rate is fixed (Years) 2015
Australian Dollar	3.60	22.74
Brazilian Real	12.39	8.43
Euro	1.04	11.65
UK Sterling	2.81	17.71
US Dollar	4.98	22.16

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

Derivative exposure

The Fund has open future contracts with total commitments of £1,407,600.

As at 31 July 2015 the impact of the use of derivatives upon the Fund is considered insignificant.

Tracking Error (TE) – (for Aberdeen Corporate Bond Fund)

The market risk of the Fund is monitored by the Investment Manager using tracking error risk analysis. Tracking error measures the expected magnitude of divergence of returns between the fund and benchmark over a given time. It reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis.

Model assumptions:

System:	Barclays Global Risk Model – Barclays Point
VaR methodology:	Historical parametric approach
Confidence level:	N/A
Holding period:	1 month
Decay factor for exponential smoothing of the historical market data:	N/A
Historical observation period:	Unconditional average (1 year half-life EWMA calibration is also optional)

The table of data below indicated the tracking error, contribution to tracking error for each risk factor i.e. expected divergence of returns of the Fund and its benchmark for the predefined various risk factors (foreign exchange risk, interest rate risk, inflation risk, credit spreads risk, default risk, and other idiosyncratic risk).

TE table

	FX risk	Interest rate risk	Inflation risk	Credit spread risk	Idiosyncratic risk	Credit default risk	Total TE	Annualised Total TE
31 July 2015	0.01	0.18	0.04	0.05	0.02	0.0	0.3	1.04

Objectives and limitations of TE methodology

The Barclays Global Risk Model (GRM) is a fixed income multi-factor risk model using the historical parametric approach where the model derives its risk measure using variances and correlations calculated from historical returns.

Under the Barclays GRM, the volatilities of individual securities are broken down into the sum of the systematic risk components, idiosyncratic risk components and credit default risk components. Systematic risk is derived from systematic return as the component of total return due to movements in the common (market-wide) risk factors. Idiosyncratic return is the residual component that cannot be explained by the systematic factors and is uncorrelated across issuers. Credit default risk is a unique concept of Barclays GRM and arises from exposure to the default risk of bonds rated Baa or lower and is assumed to be independent of both the systematic risk and idiosyncratic risk.

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

10. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 359. During the year the ACD held shares in the Fund and had a holding of 899 income 'A' shares, 752 accumulation 'A' shares, 954 income 'I' shares, 909 accumulation 'I' shares, 722 accumulation 'Z' shares as at 31 July 2015. £120,000 was due to the ACD at the period end.

The Depositary

No balance was outstanding with the Depositary at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

State Street Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 99% of the Fund's units in issue. During the year, State Street Nominees Limited made total sales of £100,000 and total purchases of £650,000 in the Fund.

11. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional), Class 'Z' (Institutional).

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

Class 'A': 1.00%

Class 'I': 0.50%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 357. The distribution per share class is given in the distribution table on page 366. All share classes have the same rights on winding up.

12. Portfolio transaction costs

	2015 £'000
Analysis of total purchase costs	
Purchases in year before transaction costs	93,715
Gross purchases total	93,715
Analysis of total sale costs	
Gross sales in year before transaction costs	583
Total sales net of transaction costs	583

Distribution table

For the period ended 31 July 2015 (in pence per share)

Final dividend distribution

Group 2 : Shares purchased 16 July to 31 July 2015

	Gross revenue	Income tax (%)	Net revenue	Equalisation	Distribution paid 31/10/15
Share class A Accumulation					
Group 1	0.12731	0.02546	0.10185	-	0.10185
Group 2	0.01616	0.00323	0.01293	0.08892	0.10185
Share class A Income					
Group 1	0.10000	0.02000	0.08000	-	0.08000
Group 2	0.10000	0.02000	0.08000	-	0.08000
Share class I Accumulation					
Group 1	0.12900	0.02580	0.10320	-	0.10320
Group 2	0.12900	0.02580	0.10320	-	0.10320
Share class I Income					
Group 1	0.12500	0.02500	0.10000	-	0.10000
Group 2	0.12500	0.02500	0.10000	-	0.10000
Share class Z Accumulation					
Group 1	0.21911	0.04382	0.17529	-	0.17529
Group 2	0.10661	0.02132	0.08529	0.09000	0.17529

Equalisation

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

Aberdeen Sterling Corporate Bond Fund

For the year ended 31 July 2015

Investment objective and policy

The investment objective is to aim to produce an attractive level of income primarily through investment in a portfolio of investment grade debt, non-investment grade debt and debt-related securities.

The Fund may also invest in derivatives, including forwards, and in collective investment schemes, including those managed by the ACD or companies affiliated with the ACD.

The investment policy is to invest in debt and debt-related securities issued by companies listed or incorporated anywhere in the world. However, the majority of the Fund will generally be either denominated in, or hedged back to, Sterling. Non-UK interest rate risk will also generally be hedged out. Where appropriate the Fund may invest a substantial proportion of its net asset value in UK gilts or other government issued bonds and may at any time hold an appropriate percentage of cash. From time to time the Fund may also take some positions in non-Sterling currencies through the use of derivatives.

Distribution

A final distribution of 0.88p per share will be paid to A income shareholders, 1.22434p per share to A accumulation shareholders, 0.91p per share to I income shareholders and 1.26480p per share to I accumulation shareholders on 31 October 2015. This makes a total of 3.52p for A income shareholders, 4.83408p for A accumulation shareholders, 3.66p for I income shareholders and 5.02132p for I accumulation shareholders for the year to 31 July 2015.

Performance review

The Aberdeen Sterling Corporate Bond Fund A Accumulation shares rose by 4.51% in sterling terms, compared to an increase of 7.55% in its benchmark Merrill Lynch Sterling Non-Gilts Index.

Market review

The period under review has generally been a strong one for corporate bonds, supported by strong equity markets and a benign fundamental environment. Although there have been anxieties relating to emerging markets – primarily driven by fears of Chinese economic slowdown but also elevated geopolitical risks – investors' appetite for risk is strong, and investors continue to be attracted to corporate bonds in the hunt for the higher yields available.

That said, credit spreads (the additional yield from corporate bonds over government bonds owing to different credit quality) widened in the second half of 2014. Investment grade corporate bonds suffered a setback as global concerns, including the Ebola outbreak, further fighting in the Middle East and worries about slowing Chinese growth seemed to make investors go into panic mode, leading to steep declines in riskier asset classes. However, latterly they began to perform more strongly as a more amenable monetary policy and macroeconomic environment has begun to be priced in.

Corporate bonds delivered a strong positive return in the first three months of 2015, outperforming government bonds from the core economies. January was dominated by concern over the Greek elections, and the likelihood of large-scale quantitative easing (QE) by the European Central Bank. Although rising Gilt yields caused some pain for investors in bond markets, February was very strong for corporate bonds as risk premiums (spreads) narrowed materially. This was largely driven by the imminent introduction of Eurozone QE. This involves the creation of new money to increase private sector spending and combat inflation, and led to a widespread grab for yield across investment grade and high yield markets. March was another strong month, with yields falling materially as risk aversion picked up. The onset of QE, falling commodity prices, softer economic data and ongoing global conflicts all contributed to an environment of ever-falling yields and positive returns from conventional bonds.

From April onwards, however, bond markets were volatile, retracing much of the strong performance of the first quarter. Part of this move could be explained by commodity price moves – and oil in particular, which moved higher – and partly by investor positioning (long positions having been built up by fixed income investors in anticipation of Eurozone QE). In May and June, government bond yields continued to move higher – a continuation of the aforementioned unwinding of long investor positioning. Meanwhile, investment grade markets in Europe lost ground, largely due to uncertainty caused by an escalation of concerns over Greek debt negotiations.

Portfolio review

The portfolio underperformed its benchmark over the first half of the review period. Credit spreads were volatile, but despite this, the credit performance of the fund was fairly flat. The contribution from sector allocation was a slight positive and was mainly derived from our underweight position in the poorly-performing energy sector. Almost all the early underperformance can be attributed to the interest rate position within the fund – short duration as Gilt yields fell.

During 2015, portfolio duration varied from neutral to slightly long. Outperformance was largely derived from sector allocation – notably the decision not to hold government guaranteed or supranational bonds, and our overweight in the insurance sector. Stock selection was also a positive.

Outlook

Looking ahead, investment prospects remain favourable, given positive survey measures and strong corporate finances, but fiscal consolidation will continue to drag on growth. Overall, we expect the economy to expand by a healthy 2.6% this year and 2.8% next. With headline inflation likely to average only 0.3% this year, rising to 1.7% next, the Bank of England looks set to raise rates gradually from the first quarter of 2016. Higher government bond yields are expected in the medium term. UK policy rates are likely to start to rise early in 2016 but the approach thereafter is likely to be cautious. For the time being, investment grade and high yield corporate bonds still offer good value in the medium term.

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Bonds 97.79% (2014 - 97.71%)					
Asset Backed Bonds / Mortgage Backed Bonds 0.88% (2014 - 4.54%)					
Cayman Islands nil (2014 - 0.66%)					
United Kingdom 0.88% (2014 - 3.88%)					
Nats En Route	5.2500	31/03/26	207,998	237	0.88
Total Asset Backed Bonds / Mortgage Backed Bonds				237	0.88
Corporate Bonds 95.08% (2014 - 91.99%)					
Australia 3.48% (2014 - 3.50%)					
AMP Group Finance Services	6.8750	23/08/22	460,000	516	1.92
QBE Capital Funding IV	VAR	24/05/41	100,000	113	0.42
QBE Insurance (EMTN)	6.1250	28/09/15	188,000	189	0.71
Telstra (EMTN)	2.5000	15/09/23	150,000	115	0.43
				933	3.48
Cayman Islands 2.22% (2014 - 1.52%)					
Lunar Funding I (EMTN)	5.7500	18/10/33	158,000	198	0.74
THPA Finance	7.1270	15/03/24	337,396	397	1.48
				595	2.22
France 8.32% (2014 - 7.75%)					
AXA (EMTN) (PERP)	FRN	29/07/49	150,000	168	0.63
BNP Paribas	5.7500	24/01/22	200,000	225	0.84
BNP Paribas (PERP)	5.9540	13/07/49	150,000	153	0.57
BPCE	5.2500	16/04/29	500,000	529	1.97
Electricite de France (EMTN)	5.1250	22/09/50	100,000	117	0.44
Electricite de France (EMTN) (PERP)	VAR	22/07/49	100,000	103	0.38
Electricite de France (PERP)	6.0000	29/12/49	200,000	209	0.78
France Telecom (EMTN)	5.6250	23/01/34	200,000	241	0.90
France Telecom (EMTN)	5.3750	22/11/50	100,000	121	0.45
Orange (EMTN) (PERP)	VAR	29/10/49	250,000	257	0.96
Societe Generale (EMTN)	5.4000	30/01/18	100,000	107	0.40
				2,230	8.32
Germany 1.15% (2014 - 1.06%)					
Deutsche Telekom International Finance	8.8750	27/11/28	200,000	309	1.15
Ireland 0.71% (2014 - 0.28%)					
ESB Finance (EMTN)	6.5000	05/03/20	100,000	117	0.44
Ryanair (EMTN)	1.8750	17/06/21	100,000	73	0.27
				190	0.71

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Italy 1.28% (2014 - 1.15%)					
Assicurazioni Generali (PERP)	6.4160	02/08/49	100,000	103	0.39
Enel Finance International (EMTN)	5.7500	14/09/40	200,000	240	0.89
				343	1.28
Mexico 2.12% (2014 - 1.98%)					
America Movil SAB	5.7500	28/06/30	300,000	353	1.32
America Movil SAB	VAR	06/09/73	200,000	215	0.80
				568	2.12
Netherlands 1.19% (2014 - 1.82%)					
ING Bank	6.8750	29/05/23	100,000	111	0.41
Rabobank Nederland (EMTN)	4.6250	23/05/29	200,000	208	0.78
				319	1.19
Spain 0.42% (2014 - 0.70%)					
Telefonica Emisiones (EMTN)	5.5970	12/03/20	100,000	112	0.42
Sweden 0.39% (2014 - 0.36%)					
Svenska Handelsbanken	3.0000	20/11/20	100,000	104	0.39
Switzerland 0.53% (2014 - 0.50%)					
UBS (EMTN)	8.7500	18/12/25	100,000	142	0.53
United Kingdom 62.13% (2014 - 61.93%)					
Anglian Water Service	5.8370	30/07/22	330,000	395	1.48
Anglian Water Service	4.5000	22/02/26	300,000	320	1.20
Aspire Defence Finance	4.6740	31/03/40	492,390	558	2.08
Aviva	FRN	14/11/36	570,000	630	2.35
Bank of Scotland	6.3750	16/08/19	250,000	282	1.05
Barclays Bank (EMTN)	10.0000	21/05/21	380,000	496	1.85
Barclays Bank (PERP)	8.2500	29/12/49	250,000	281	1.05
BAT International Finance (EMTN)	6.0000	24/11/34	250,000	325	1.21
BG Energy Capital (EMTN)	5.0000	04/11/36	100,000	120	0.45
British Land	6.7500	31/03/20	275,000	320	1.19
British Telecom (EMTN)	6.3750	23/06/37	300,000	399	1.49
Broadgate Financing	4.8210	05/07/33	300,000	359	1.34
Canary Wharf Finance II	6.4550	22/10/33	50,284	66	0.25
Capital Shopping Centres Debenture	5.5620	31/12/27	181,527	204	0.76
Centrica (EMTN)	4.2500	12/09/44	100,000	102	0.38
Circle Anglia Social Housing	7.2500	12/11/38	400,000	602	2.25
Circle Anglia Social Housing (EMTN)	5.2000	02/03/44	250,000	302	1.13
City Greenwich & Lewisham Rail Link	9.3750	11/10/20	135,455	149	0.56
Coventry Building Society	VAR	29/06/49	250,000	254	0.95
Eastern Power Networks (EMTN)	6.2500	12/11/36	250,000	335	1.25
Experian Finance (EMTN)	3.5000	15/10/21	150,000	157	0.59
GKN	5.3750	19/09/22	100,000	111	0.42
GlaxoSmithKline Capital (EMTN)	6.3750	09/03/39	250,000	355	1.32
Greene King Finance	5.7020	15/12/34	405,000	388	1.45

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
HSBC (EMTN)	FRN	18/10/22	250,000	268	1.00
HSBC (PERP)	5.8620	07/04/20	330,000	349	1.30
Imperial Tobacco Finance (EMTN)	7.7500	24/06/19	200,000	238	0.89
Imperial Tobacco Finance (EMTN)	4.8750	07/06/32	130,000	140	0.52
Land Securities	FRN	31/03/27	500,000	603	2.25
Legal & General	10.0000	23/07/41	130,000	172	0.64
London & Quadrant Housing (EMTN)	4.6250	05/12/33	400,000	457	1.71
Mitchells & Butlers Finance	5.5740	15/12/30	215,824	249	0.93
Motability Operations	6.6250	10/12/19	120,000	143	0.53
National Grid Gas (EMTN)	6.3750	03/03/20	200,000	238	0.89
National Westminster Bank	7.8750	09/09/15	100,000	101	0.38
NGG Finance	VAR	18/06/73	700,000	754	2.82
NIE Finance	6.3750	02/06/26	150,000	191	0.71
PGH Capital	5.7500	07/07/21	500,000	541	2.02
Royal Bank of Scotland	7.5000	29/04/24	250,000	328	1.22
RSA Insurance	VAR	20/05/39	150,000	180	0.67
Scottish Widows	5.5000	16/06/23	120,000	127	0.47
Severn Trent Water Utilities (EMTN)	3.6250	16/01/26	100,000	103	0.39
Society of Lloyd's	4.7500	30/10/24	100,000	103	0.38
South Eastern Power Networks (EMTN)	5.6250	30/09/30	150,000	184	0.69
Southern Water Services Finance	4.5000	31/03/38	600,000	621	2.32
Southern Water Services Finance (EMTN)	5.0000	31/03/21	200,000	224	0.83
SSE (PERP)	VAR	29/12/49	200,000	196	0.73
Stagecoach	5.7500	16/12/16	450,000	473	1.77
Standard Chartered Bank (EMTN)	4.3750	18/01/38	200,000	207	0.77
Tesco (EMTN)	6.1250	24/02/22	100,000	108	0.40
UPP (EMTN)	4.9023	28/02/40	196,188	220	0.82
Virgin Media Secured Finance	5.5000	15/01/25	360,000	367	1.37
Wales & West Utility Finance	5.7500	29/03/30	200,000	247	0.92
Wessex Water Services Finance	5.3750	10/03/28	136,000	163	0.61
Western Power Distribution West Midlands (EMTN)	3.8750	17/10/24	300,000	318	1.19
Yorkshire Water Services Bradford	3.6250	01/08/29	300,000	307	1.15
Yorkshire Water Services Bradford Finance Ltd	VAR	24/04/25	200,000	213	0.79
				16,643	62.13
United States 11.14% (2015 - 9.44%)					
Apple	3.6000	31/07/42	180,000	181	0.67
Bank of America (EMTN)	7.0000	31/07/28	300,000	408	1.52
GE Capital UK Funding (EMTN)	5.1250	24/05/23	350,000	406	1.51
General Motors Financial (EMTN)	1.8750	15/10/19	250,000	180	0.67
Goldman Sachs (EMTN)	4.2500	29/01/26	275,000	292	1.09
HSBC Finance	6.2500	19/08/19	200,000	229	0.86
Metropolitan Life Global Funding I (GMTN)	3.5000	30/09/26	450,000	474	1.77
Philip Morris International	2.8750	03/03/26	220,000	172	0.64
Verizon Communications (EMTN)	4.7500	17/02/34	200,000	216	0.81
Wal-Mart Stores	4.8750	19/01/39	350,000	428	1.60
				2,986	11.14
Total Corporate Bonds				25,474	95.08

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %		
Government Bonds 1.83% (2014 - 1.18%)							
France 1.08% (2014 - 1.18%)							
Agence Francaise Development	FRN	29/07/49	400,000	289	1.08		
Guernsey 0.75% (2014 - nil)							
States of Guernsey	3.3750	12/12/46	200,000	201	0.75		
Total Government Bonds				490	1.83		
Total Bonds				26,201	97.79		
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				26,201	97.79		
Derivatives nil (2014: (0.08)%)							
Futures (0.01%) (2014 - (0.10)%)							
Future		Maturity	Notional	Unrealised Gains/(Losses) £'000	Percentage of total net assets %		
EUX Euro Bond		08/09/15	(2)	(7)	(0.03)		
LIF Long Gilt		28/09/15	12	4	0.02		
Unrealised losses on futures contracts				(3)	(0.01)		
Swaps (0.03%) (2014 - (0.11)%)							
Counterparty	Ccy	Termination	Notional	Fund Pays	Fund Receives	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
CSFB	EUR	02/04/2017	900,000	1.5700%	06 Month EUR EIBOR	(16)	(0.07)
Citigroup	GBP	15/09/2016	580,000	06 Month EUR LIBOR	2.4375%	10	0.04
Deutsche Bank	EUR	26/02/2016	780,000	2.7450%	06 Month EUR EIBOR	(8)	(0.03)
CSFB	GBP	29/03/2017	750,000	06 Month EUR LIBOR	1.6100%	7	0.03
Unrealised losses on swap contracts						(7)	(0.03)
Forward currency exchange contracts 0.04% (2014 - 0.13%)							
Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
UBS	GBP	EUR	04/09/15	827,395	1,154,000	10	0.04
Unrealised gains on forward currency exchange contracts						10	0.04
Unrealised gain on derivatives						-	-
Investment assets^A						26,201	97.79
Net other assets						591	2.21
Net assets						26,792	100.00

Currently forward positions are not collateralised.

Of the total investments above, £2,735,000, 10.24% (2014: £1,161,000, 4.11%) were invested in unrated securities and £914,000, 3.43% (2014: £597,000, 2.12%) were invested in securities below investment grade.

^A Including derivative liabilities.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation Shares in issue	5,606,516.13	7,183,385.48	8,789,169.72
A Income Shares in issue	2,665,213.56	3,337,159.95	4,705,935.11
I Accumulation Shares in issue	5,185,233.13	4,680,853.04	4,357,186.53
I Income Shares in issue	8,945,791.98	9,337,007.68	10,012,593.49
Net Asset Value attributable to			
A Accumulation shareholders (£'000)	7,679	9,364	10,964
A Income shareholders (£'000)	2,600	3,210	4,494
I Accumulation shareholders (£'000)	7,404	6,330	5,610
I Income shareholders (£'000)	9,109	9,324	9,878
Net asset Value of Fund (£'000)	26,792	28,228	30,946
Net asset value pence per share			
A Accumulation	136.96	130.35	124.74
A Income	97.56	96.18	95.49
I Accumulation	142.79	135.23	128.75
I Income	101.83	99.87	98.66

Performance record

Calendar year		Net revenue pence per share	Highest price per share	Lowest price per share
2011	A Accumulation	4.84592	113.14	106.00
2011	A Income	4.15000	95.46	87.31
2011	I Accumulation	5.04199	115.48	108.38
2011	I Income	4.32000	97.51	89.44
2012	A Accumulation	5.16833	125.16	108.59
2012	A Income	4.23000	98.57	89.35
2012	I Accumulation	5.20302	128.80	111.19
2012	I Income	4.26000	101.54	91.58
2013	A Accumulation	4.77066	131.35	122.38
2013	A Income	3.74000	102.02	93.73
2013	I Accumulation	4.90633	135.40	126.25
2013	I Income	3.85000	105.25	96.89
2014	A Accumulation	4.71517	137.86	125.47
2014	A Income	3.56000	100.73	95.17
2014	I Accumulation	4.88266	143.28	129.78
2014	I Income	3.69000	104.80	98.53
2015 ^A	A Accumulation	4.83408	143.64	134.49
2015 ^A	A Income	3.52000	104.67	96.67
2015 ^A	I Accumulation	5.02132	149.39	140.16
2015 ^A	I Income	3.66000	108.96	100.84

^A As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %
31 July 2014	1.20	0.70
31 July 2015	1.16	0.66

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 3 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
 - Derivatives for investment purposes: The Fund can use derivatives in order to meet its investment objectives or to protect from price and currency movements. This may result in gains or losses that are greater than the original amount invested.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 09/03/2004 to 31/07/2015 ^B
Fund - A Accumulation	4.51	27.31	52.03
Benchmark ^A	7.55	40.36	89.40

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	4.51	4.18	5.95	5.76	4.36

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A BofA Merrill Lynch Sterling Non Gilts Index, UK Gross income reinvested.

^B Figures for Aberdeen Corporate Bond Fund, a sub-fund of Aberdeen Investments V, prior to 26 March 2007.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains	1		704		504
Revenue	2	1,285		1,435	
Expenses	3	(243)		(277)	
Net Revenue before taxation		1,042		1,158	
Taxation	4	3		(2)	
Net Revenue after taxation			1,045		1,156
Total return before distributions			1,749		1,660
Finance costs: distributions	5		(1,244)		(1,375)
Change in net assets attributable to shareholders from Investment activities			505		285

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		28,228		30,946
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	1,766		1,350	
Amount payable on cancellation of shares	(4,260)		(4,946)	
		(2,494)		(3,596)
Stamp duty reserve tax		-		(1)
Unclaimed distributions > 6 years		3		5
Change in net assets attributable to shareholders from Investment activities (see above)		505		285
Retained distribution on accumulation shares		550		589
Closing net assets attributable to shareholders		26,792		28,228

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			26,232		27,631
Debtors	6	735		557	
Cash and bank balances	7	225		407	
Total other assets			960		964
Total assets			27,192		28,595
Liabilities					
Investment liabilities			(31)		(73)
Creditors	8	(264)		(179)	
Distribution payable on income shares		(105)		(115)	
Total other liabilities			(369)		(294)
Total liabilities			(400)		(367)
Net assets attributable to shareholders			26,792		28,228

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains on investments

	2015	2014
	£'000	£'000
Net capital gains on investments during the year comprise:		
Class actions	5	8
Derivative contracts	(270)	(61)
Forward currency contracts	99	127
Non-derivative securities	871	433
Transaction costs	(1)	(3)
Net capital gains on investments	704	504

2. Revenue

	2015	2014
	£'000	£'000
Interest on debt securities	1,289	1,439
Bank interest	1	1
Swap revenue	(5)	(5)
Total Revenue	1,285	1,435

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	199	219
Operating, administrative and servicing fees	26	-
Registration fees	13	26
	238	245
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	2	4
Safe custody fees	2	5
	4	9
<i>Other expenses:</i>		
Audit fee	4	9
Legal & Professional fee	(5)	7
Printing and postage fees	2	7
	1	23
Total expenses	243	277

Irrecoverable VAT is included in the above expenses where relevant.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

4. Taxation

The Fund is subject to corporation tax at 20%, however the Fund is a bond fund making interest distributions and the interest distributions by the Fund are allowable in arriving at the amount of income liable to tax. As a result this has reduced the current tax liability of the Fund to nil. Tax is deducted at source from the interest distribution where applicable. This represents income tax withheld by the Depositary from the gross amount distributable and is accounted by the Depositary from the gross amount distributable and is accounted by the Depositary to HMRC on behalf of the shareholders. The tax charge comprises:

	2015 £'000	2014 £'000
Current tax:		
Overseas withholding tax	-	2
Adjustments in respect of prior years	(3)	-
Total Taxation	(3)	2

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015 £'000	2014 £'000
Net revenue before taxation	1,042	1,158
Corporation tax of 20% (Prior Year-20%)	208	232
Effects of:		
Adjustment in respect of prior years	(3)	-
Irrecoverable overseas withholding tax	-	2
Tax deductible interest distributions	(208)	(232)
Current tax charge	(3)	2

The Fund has not recognised a deferred tax asset in 2015 (2014 - nil).

5. Finance costs

Distributions and interest

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

	2015 £'000	2014 £'000
First interim	339	356
Second interim	294	346
Third interim	296	327
Final	298	322
	1,227	1,351
Add: Revenue deducted on cancellation of shares	26	30
Deduct: Revenue received on issue of shares	(9)	(6)
Gross distribution for the year	1,244	1,375
Interest	-	-
Total finance costs	1,244	1,375

Details of the distribution per unit are set out in the distribution table on page 383.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	1,045	1,156
Add:		
Undistributed revenue brought forward	1	1
Authorised Corporate Director's periodic charge paid from capital	199	219
Deduct:		
Undistributed revenue carried forward	(1)	(1)
Finance cost: distributions	1,244	1,375

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	458	527
Amounts receivable for issue of shares	62	30
Sales awaiting settlement	215	-
Total debtors	735	557

7. Cash and bank balances

	2015	2014
	£'000	£'000
Amounts held at futures clearing houses and brokers	54	151
Cash and bank balances	151	256
Deposit accounts	20	-
Total cash and bank balances	225	407

8. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	25	43
Amounts payable for cancellation of shares	171	56
Income tax payable	68	80
Total creditors	264	179

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

9. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Interest rate risk profile of the Fund's financial assets and liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at the year end is set out in the following table:

This is consistent with the exposure during both the current year and prior year.

	Floating rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
UK Sterling	3,123	22,460	21	25,604
Euro	13	829	30	872
2014				
UK Sterling	3,149	23,319	185	26,653
Euro	345	1,024	16	1,385

	Floating rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
2015				
UK Sterling	-	-	(50)	(50)
Euro	-	-	-	-
2014				
UK Sterling	-	-	(19)	(19)
Euro	-	-	(54)	(54)

Fixed rate financial assets

	Weighted average interest rate (%) 2015	Weighted average period for which rate is fixed (Years) 2015	Weighted average interest rate (%) 2014	Weighted average period for which rate is fixed (Years) 2014
UK Sterling	5.30	18.12	5.23	16.04
Euro	3.00	6.00	4.79	5.75

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

Derivative Exposure

The Fund has open future contracts with total commitments of £1,188,965, (2014 - £3,782,921).

As at 31 July 2015 the impact of the use of derivatives upon the Fund is considered insignificant.

Collateralisation of swaps

The Fund has used interest rate swaps as part of the investment management process. Details of individual contracts are shown in the portfolio statement on page 371, and the total collateral by counterparty at the year end is summarised below:

Counterparty	2015 £'000	2014 £'000
Deutsche Bank	20	70
	20	70

Value at risk (VaR)

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

Model assumptions:

System:	Advanced Portfolio Technologies (APT)
VaR methodology:	Parametric
Confidence level:	99%
Holding period:	1 week (5 days)
Decay factor for exponential smoothing of the historical market data:	nil
Historical observation period:	180 weeks

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

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31 July 2015	0.01%	1.90%	-	0.37%	2.28%
31 July 2014	0.00%	1.37%	-	0.73%	2.10%
31 July 2013	0.00%	1.47%	-	0.60%	2.08%
31 July 2012	0.04%	1.17%	-	1.16%	2.37%

Objectives and limitations of the VaR Methodology

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

This method accurately prices all types of complex non-linear positions as well as simple linear instruments. It also provides a full distribution of potential portfolio gains and losses, which need not be symmetrical. If the underlying risk factors exhibit non-normal behaviour such as fat-tails or mean-reversion, then the resulting VaR will include these effects. However, tail risk can only be examined if the historical data set includes tail events. The distribution is calculated by using daily historical time-series data with implementation of an exponential adjustment.

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

Even though positions may change throughout the day, the VaR only represents the risk of the portfolios at the close of each business day, and it does not account for any losses that may occur beyond the 99% confidence level. In practice, the actual trading results will differ from the VaR calculation and, in particular, the calculation does not provide a meaningful indication of profits and losses in stressed market conditions. To determine the reliability of the VaR models, actual outcomes are monitored regularly to test the validity of the assumptions and the parameters used in the VaR calculation. Market risk positions are also subject to regular stress tests to ensure that the fund would withstand an extreme market event.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

10. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 375. During the year the ACD held shares in the Fund and had a holding of 1,064 income 'A' shares (2014 - 2,116), 752 accumulation 'A' shares (2014 - 1,583), 1,002 income 'I' shares (2014 - 2,033), 785 accumulation 'I' shares (2014 - 1,510) as at 31 July 2015. £125,000 was due to the ACD (2014 - £48,000 was due from) at the year end.

The fees received by the Trustee are set out in note 3. No balance was outstanding with the Depositary (2014 - £1,000) at the year end. All cash balances are held with the Trustee and all bank interest earned was for such deposits.

11. Shareholder funds

The Fund currently has 2 share classes; Class 'A' (Retail) and Class 'I' (Institutional)

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

Class 'A': 1.00%

Class 'I': 0.50%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 372. The distribution per share class is given in the distribution table on page 383. All share classes have the same rights on winding up.

12. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		3,219		8,952
Gross purchases total		3,219		8,952
Analysis of total sale costs				
Gross sales in year before transaction costs		5,393		12,032
Total sales net of transaction costs		5,393		12,032

Distribution table

For the year ended 31 July 2015 (in pence per share)

First Interim interest distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 October 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/01/15	Distribution paid 31/01/14
Share class A Accumulation						
Group 1	1.60941	0.32188	1.28753	-	1.28753	1.17567
Group 2	0.86342	0.17268	0.69074	0.59679	1.28753	1.17567
Share class A Income						
Group 1	1.18750	0.23750	0.95000	-	0.95000	0.90000
Group 2	0.33455	0.06691	0.26764	0.68236	0.95000	0.90000
Share class I Accumulation						
Group 1	1.67558	0.33512	1.34046	-	1.34046	1.21365
Group 2	0.87831	0.17566	0.70265	0.63781	1.34046	1.21365
Share class I Income						
Group 1	1.23750	0.24750	0.99000	-	0.99000	0.93000
Group 2	0.52195	0.10439	0.41756	0.57244	0.99000	0.93000

Second Interim interest distribution

Group 1 : Shares purchased prior to November 2014

Group 2 : Shares purchased 1 November 2014 to 31 January 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Share class A Accumulation						
Group 1	1.43693	0.28739	1.14954	-	1.14954	1.18656
Group 2	0.92861	0.18572	0.74289	0.40665	1.14954	1.18656
Share class A Income						
Group 1	1.05000	0.21000	0.84000	-	0.84000	0.90000
Group 2	0.47621	0.09524	0.38097	0.45903	0.84000	0.90000
Share class I Accumulation						
Group 1	1.48683	0.29737	1.18946	-	1.18946	1.22490
Group 2	0.84128	0.16826	0.67302	0.51644	1.18946	1.22490
Share class I Income						
Group 1	1.08750	0.21750	0.87000	-	0.87000	0.93000
Group 2	0.39882	0.07976	0.31906	0.55094	0.87000	0.93000

Third Interim interest distribution

Group 1 : Shares purchased prior to 1 February 2015

Group 2 : Shares purchased 1 February 2015 to 30 April 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/07/15	Distribution paid 31/07/14
Share class A Accumulation						
Group 1	1.46583	0.29317	1.17266	-	1.17266	1.17110
Group 2	0.35340	0.07068	0.28272	0.88994	1.17266	1.17110
Share class A Income						
Group 1	1.06250	0.21250	0.85000	-	0.85000	0.88000
Group 2	0.61405	0.12281	0.49124	0.35876	0.85000	0.88000
Share class I Accumulation						
Group 1	1.53324	0.30665	1.22659	-	1.22659	1.20984
Group 2	0.60959	0.12192	0.48767	0.73892	1.22659	1.20984
Share class I Income						
Group 1	1.11250	0.22250	0.89000	-	0.89000	0.91000
Group 2	0.51571	0.10314	0.41257	0.47743	0.89000	0.91000

Final interest distribution

Group 1 : Shares purchased prior to 31 May 2015

Group 2 : Shares purchased 1 May 2015 to 31 July 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation						
Group 1	1.53043	0.30609	1.22434	-	1.22434	1.18184
Group 2	0.54171	0.10834	0.43337	0.79097	1.22434	1.18184
Share class A Income						
Group 1	1.10000	0.22000	0.88000	-	0.88000	0.88000
Group 2	0.52032	0.10407	0.41625	0.46375	0.88000	0.88000
Share class I Accumulation						
Group 1	1.58100	0.31620	1.26480	-	1.26480	1.23427
Group 2	0.80868	0.16174	0.64694	0.61786	1.26480	1.23427
Share class I Income						
Group 1	1.13750	0.22750	0.91000	-	0.91000	0.92000
Group 2	0.54498	0.10900	0.43598	0.47402	0.91000	0.92000

Equalisation

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

Aberdeen Sterling Government Bond Fund

For the period ended 31 July 2015

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Sterling-denominated UK government Debt and debt-related securities.

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

Distribution

A final distribution of 0.05p per share will be paid to A income shareholders, 0.06542p per share to A accumulation shareholders, 0.05p per share to I income shareholders, 0.08088p per share to I accumulation shareholders, 0.08p per share to P income shareholders, 0.09p per share to Q income shareholders and 0.11p per share to Q gross income shareholders for on 31 October 2015.

Corporate activity

Aberdeen Sterling Government Bond Fund, a sub-fund of Aberdeen Investment Funds UK ICVC II, amalgamated into the Aberdeen Sterling Government Bond Fund, on the 17 July 2015. On amalgamation, Aberdeen Sterling Government Bond Fund A accumulation shareholders received one A accumulation share for every A accumulation share held, A income shareholders received one A income share for every A income share held, C accumulation shareholders received one I accumulation share for every C accumulation share held, C income shareholders received one I income share for every C income share held, P income shareholders received one P income share for every P income share held, Q income shareholders received one Q income share for every Q income share held and Q gross income shareholders received one Q gross income share for every Q gross income share held.

Performance review

The Aberdeen Sterling Government Bond Fund A Accumulation shares increased by 5.65% in sterling terms, compared with its benchmark, FTSE A British Govt All Stocks TR, increase of 9.49%.

Market review

Over the period bond market sentiment in the UK was driven by a host of factors. Early on, geopolitical tensions in Ukraine and the Middle East and uncertainty in the run-up to September's Scottish independence referendum led to bouts of volatility. A weaker global growth outlook and benign inflation outlook contributed to a downward trend in Gilt yields. Global central bank policy was a continuous theme influencing bond market sentiment.

August saw a slight change in dynamic from the Monetary Policy Committee (MPC) as two members voted in favour of a 25 basis point rate hike. However, inflation and wage growth were considered too weak for any action. Despite the increased likelihood of a change in policy, the base rate was held at 0.5%. Governor Mark Carney emphasised that the Bank of England (BoE) was in no rush to hike and that tightening, when it came, would be gradual and limited.

September was dominated by the Scottish independence vote. From a strong early lead for the No camp, polls narrowed considerably in the lead up to the vote. Some polls showed a lead for the Yes campaign. The resultant uncertainty troubled investors, leading to bouts of volatility in sterling assets. In the end, the Scottish electorate voted to remain part of the UK.

Moving into 2015, UK government bonds continued to exhibit volatility. On the one hand, the market was buffeted by worries over economic growth and geopolitical problems. All of these factors served to heighten risk aversion, encouraging a flight to the perceived safety and quality of the Gilt market. Against that, however, bouts of optimism over economic growth, a rise in inflation expectations and the increasing likelihood of UK interest rate rises all acted to depress Gilt prices and raise yields. The yield on the benchmark 10-year UK Gilt closed the review period at 1.88%.

Portfolio review

The Fund was generally short duration throughout most of 2014 in the expectation that interest rates would rise, and the belief that Gilts looked fully priced. In the event, interest rates continued to fall, and this detracted from performance relative to benchmark. We were also underweight in conventional Gilts against US Treasury Inflation Protected Securities and index-linked bonds. Latterly, these detracted from performance. At the end of December we were overweight in 50-year Gilts versus 30-year Gilts, and overweight in seven-year Gilts versus three-year Gilts. In terms of currency, we were generally underweight in sterling and overweight in US, Australian and Canadian dollar and Norwegian krone at various stages. Our currency positioning has benefited overall performance.

We took the portfolio from short duration in January to long in February through buying 10-year German bonds. While this was taken back to neutral in April, we reverted to long duration in May. In terms of asset allocation we were underweight Gilts versus German and Australian bonds throughout the review period. In terms of stock selection we were overweight 30-year Gilts versus five- and 10-year Gilt, expecting longer maturity bonds to outperform. That position was closed during June. We sold our positions in Ireland, Italy and Spain in mid-June as uncertainty over Greece increased dramatically.

Our long overall duration position was beneficial as yields fell. Against that, off-benchmark holdings in overseas government bonds generally cost the Fund as they tended to underperform their sterling equivalents, particularly over the latter part of the review period.

Our short- to medium-term view is bullish when it comes to core markets and we have expressed this via a long duration position in German Bunds. We have an overall preference for Bunds and have also maintained our cross-market position into Australia. The portfolio is also positioned to take account of our view that long-dated issues could underperform given upcoming supply events. This relates to uncertainty surrounding the potential changes to the Debt Management Office remit following the UK Budget.

Outlook

Looking ahead, investment prospects remain favourable, given positive survey measures and strong corporate finances, but fiscal consolidation will continue to drag on growth. Overall, we expect the economy to expand by 2.6% this year and 2.8% next. With headline inflation likely to average only 0.3% this year, rising to 1.7% next, the Bank of England looks set to raise rates gradually from the first quarter of 2016.

Pan Euro Macro Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Bonds 98.37%					
Government Bonds 98.37%					
Australia 2.41%					
Australia (Commonwealth of)	3.7500	21/04/37	3,859,000	1,917	2.41
Germany 11.49%					
Germany (Federal Republic of)	0.5000	15/02/25	11,326,000	7,936	9.97
Germany (Federal Republic of)	2.5000	04/07/44	1,321,000	1,207	1.52
				9,143	11.49
United Kingdom 84.47%					
UK Treasury	1.7500	22/07/19	11,271,000	11,492	14.43
UK Treasury	1.2500	22/07/18	6,451,000	6,500	8.16
UK Treasury	4.5000	07/09/34	3,984,908	5,241	6.58
UK Treasury	3.2500	22/01/44	4,420,338	5,038	6.33
UK Treasury	4.2500	07/06/32	3,719,312	4,693	5.89
UK Treasury	4.2500	07/12/40	3,352,222	4,430	5.57
UK Treasury	3.7500	07/09/21	3,896,959	4,400	5.53
UK Treasury	5.0000	07/03/25	2,806,000	3,571	4.49
UK Treasury	4.2500	07/09/39	2,301,996	3,019	3.79
UK Treasury	4.5000	07/03/19	2,539,792	2,848	3.58
UK Treasury	2.0000	22/01/16	2,784,002	2,803	3.52
UK Treasury	4.0000	22/01/60	1,447,710	2,058	2.59
UK Treasury	3.7500	22/07/52	1,328,993	1,731	2.17
UK Treasury	4.7500	07/12/30	1,281,519	1,691	2.12
UK Treasury	3.5000	22/07/68	1,188,031	1,561	1.96
UK Treasury	4.2500	07/12/49	980,405	1,378	1.73
UK Treasury	3.7500	07/09/19	1,139,649	1,255	1.58
UK Treasury	8.0000	07/12/15	865,000	888	1.11
UK Treasury	8.0000	07/06/21	649,000	885	1.11
UK Treasury	4.7500	07/09/15	696,000	699	0.88
UK Treasury	1.7500	07/09/22	425,057	427	0.54
UK Treasury	4.2500	07/03/36	328,420	422	0.53
UK Treasury	4.5000	07/12/42	154,019	214	0.27
UK Treasury	1.7500	22/01/17	10,858	11	0.01
UK Treasury	3.7500	07/09/20	24	-	-
UK Treasury	4.0000	07/03/22	6	-	-
UK Treasury	4.7500	07/03/20	2	-	-
				67,255	84.47
Total Government Bonds				78,315	98.37
Total Bonds				78,315	98.37
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				78,315	98.37

Derivatives 0.32%

Forward currency exchange contracts 0.32%

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
HSBC	AUD	GBP	04/09/15	137,000	69,332	(5)	(0.01)
HSBC	AUD	GBP	04/09/15	189,000	94,278	(5)	(0.01)
Deutsche Bank	AUD	GBP	04/09/15	8,118,000	4,109,602	(296)	(0.36)
Deutsche Bank	EUR	GBP	04/09/15	116,000	85,624	(3)	-
HSBC	EUR	GBP	04/09/15	197,000	143,764	(4)	(0.01)
Deutsche Bank	EUR	GBP	04/09/15	238,000	173,572	(5)	(0.01)
HSBC	EUR	GBP	04/09/15	339,000	241,709	(2)	-
Royal Bank of Canada	GBP	AUD	04/09/15	104,469	209,000	6	0.01
HSBC	GBP	EUR	04/09/15	108,922	151,000	2	-
Goldman Sachs	GBP	EUR	04/09/15	231,992	325,000	2	-
HSBC	GBP	EUR	04/09/15	33,446	47,000	-	-
Royal Bank of Canada	GBP	EUR	04/09/15	3,707,225	5,077,000	110	0.14
Royal Bank of Canada	GBP	EUR	04/09/15	5,679,977	7,883,000	95	0.12
BNP Paribas	GBP	AUD	04/09/15	6,034,711	12,083,000	359	0.46
JPM Chase	GBP	EUR	04/09/15	68,036	95,000	1	-
HSBC	GBP	USD	04/09/15	845,270	1,289,000	19	0.02
HSBC	GBP	EUR	04/09/15	87,769	122,000	1	-
Deutsche Bank	USD	GBP	04/09/15	1,280,000	842,098	(22)	(0.03)
HSBC	USD	GBP	04/09/15	9,000	5,897	-	-
Unrealised gains on forward currency exchange contracts						253	0.32
Unrealised gains on derivatives						253	0.32
Investment assets^A						78,568	98.69
Net other assets						1,040	1.31
Net assets						79,608	100.00

Currently forwards positions are not collateralised.

^A Including derivative liabilities.

Comparative table

Accounting period	31 Jul 15
A Accumulation shares in issue	7,067,412.69
A Income shares in issue	4,859,642.67
I Accumulation shares in issue	28,831,310.03
I Income shares in issue	391,610.23
P Income shares in issue	23,178.30
Q Income shares in issue	9,491,516.46
Q Gross Income shares in issue	1,156,534.72
Net Asset Value attributable to	
A Accumulation shareholders (£'000)	11,489
A Income shareholders (£'000)	6,034
I Accumulation shareholders (£'000)	47,673
I Income shareholders (£'000)	400
P Income shareholders (£'000)	30
Q Income shareholders (£'000)	12,466
Q Gross Income shareholders (£'000)	1,516
Net asset value of Fund (£'000)	79,608
Net asset value per share	
A Accumulation	162.56
A Income	124.18
I Accumulation	165.35
I Income	102.17
P Income	131.33
Q Income	131.33
Q Gross Income	131.04

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2015 ^{AB}	A Accumulation	0.06542	162.15	159.07
2015 ^{AB}	A Income	0.05000	123.91	121.56
2015 ^{AB}	I Accumulation	0.08088	164.93	161.79
2015 ^{AB}	I Income	0.05000	101.95	100.01
2015 ^{AB}	P Income	0.08000	131.07	128.58
2015 ^{AB}	Q Income	0.09000	131.08	128.58
2015 ^{AB}	Q Gross Income	0.11000	130.81	128.30

^A The Fund was launched on 17 July 2015.

^B As at 31 July 2015.

Ongoing charges figure

	Share class A	Share class I	Share class P	Share class Q
31 July 2015	1.14	0.64	0.37	0.27

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 05/07/2004 to 31/07/2015 ^B
Fund - A Accumulation	5.65	21.64	61.54
Benchmark ^A	9.49	32.38	88.23

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% Change	5.65	1.80	(3.96)	11.79	5.35

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A FTSE A British Govt All Stocks TR.

^B The Aberdeen Investment Funds ICVC Sterling Government Bond Fund was created by the transfer of the Aberdeen Investment Funds ICVC II Aberdeen Sterling Government Bond Fund into the Aberdeen Investments ICVC range on 17/07/2015. The historical track record shown prior to this date reflects that of the Aberdeen Investment Funds ICVC II Sterling Government Bond Fund. Figures are as at valuation point.

Statement of total return

For the period ended 31 July 2015

		17 Jul 15 to 31 Jul 15	
	Notes	£'000	£'000
Income			
Net capital gains	1		1,967
Revenue	2	78	
Expenses	3	(22)	
Net revenue before taxation		56	
Taxation	4	-	
Net revenue after taxation for the period			56
Total return before distributions			2,023
Finance costs: distributions	5		(51)
Change in net assets attributable to shareholders from Investment activities			1,972

Statement of change in net assets attributable to shareholders

For the period ended 31 July 2015

	17 Jul 15 to 31 Jul 15	
	£'000	£'000
Opening net assets attributable to shareholders		-
Movement due to sales and repurchases of shares		
Amount receivable on issue of shares	78,065	
Amount payable on cancellation of shares	(457)	
		77,608
Change in net assets attributable to shareholders from Investment activities (see above)		1,972
Retained distribution on accumulation shares		28
Closing net assets attributable to shareholders		79,608

Balance sheet

As at 31 July 2015

	Notes	2015	
		£'000	£'000
Assets			
Investment assets			78,910
Debtors	6	1,410	
Cash and bank balances		199	
Total other assets			1,609
Total assets			80,519
Liabilities			
Investment liabilities			(342)
Creditors	7	(557)	
Distribution payable on income shares		(12)	
Total other liabilities			(569)
Total liabilities			(911)
Net assets attributable to shareholders			79,608

Notes to the financial statements

For the period ended 31 July 2015

1. Net capital gains on investments

	17 Jul 15 to 31 Jul 15 £'000
The net capital gains on investments during the period comprise:	
Forward currency contracts	252
Non-derivative securities	2,086
Other currency losses	(371)
Net capital gains on investments	1,967

2. Revenue

	17 Jul 15 to 31 Jul 15 £'000
Interest on debt securities	78
Total revenue	78

3. Expenses

	17 Jul 15 to 31 Jul 15 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>	
Authorised Corporate Director's periodic charge	18
Operating, administrative and servicing fees	4
Total expenses	22

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

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

Reconciliation of the tax charge for the year:

	17 Jul 15 to 31 Jul 15 £'000
Net revenue before taxation	56
Corporation tax of 20%	11
Effects of:	
Tax deductible interest distributions	(11)
Current tax charge	-

No provision for deferred tax has been made in the current accounting period.
There are no factors which affect future tax charges.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

5. Finance costs

Distributions and interest

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

	17 Jul 15 to 31 Jul 15
	£'000
Final	51
Total finance costs	51

Details of the distribution per share are set out in the distribution table on page 398.

Movement between net revenue and distribution

	17 Jul 15 to 31 Jul 15
	£'000
Net revenue after taxation	56
Deduct:	
Undistributed revenue carried forward	(5)
	51

6. Debtors

	2015
	£'000
Accrued bond interest purchased	377
Accrued revenue	72
Merger debtor	268
Sales awaiting settlement	693
Total debtors	1,410

7. Creditors

	2015
	£'000
Accrued expenses	22
Amounts payable for cancellation of shares	242
Income tax payable	11
Purchases awaiting settlement	282
Total creditors	557

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Interest rate risk profile of the Fund's financial assets and liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at the end of the period is set out in the following table:

This is consistent with the exposure during the current period.

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
Australian Dollar	-	1,917	-	1,917
Euro	-	9,144	-	9,144
UK Sterling	199	67,255	595	68,049
US Dollar	-	-	-	-

	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
2015				
Australian Dollar	-	-	(307)	(307)
Euro	-	-	(14)	(14)
US Dollar	-	-	(22)	(22)

Fixed rate financial assets

Currency	Weighted average interest rate (%) 2015	Weighted average period for which rate is fixed (Years) 2015
Australian Dollar	3.60	21.74
Euro	0.90	12.03
UK Sterling	1.98	14.37

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

Tracking Error (TE) – (for Aberdeen Sterling Government Bond Fund)

The market risk of the Fund is monitored by the Investment Manager using tracking error risk analysis. Tracking error measures the expected magnitude of divergence of returns between the fund and benchmark over a given time. It reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis.

Model assumptions:

System:	Barclays Global Risk Model – Barclays Point
VaR methodology:	Historical parametric approach
Confidence level:	N/A
Holding period:	1 month
Decay factor for exponential smoothing of the historical market data:	N/A
Historical observation period:	Unconditional average (1 year half-life EWMA calibration is also optional)

The table of data below indicated the tracking error, contribution to tracking error for each risk factor i.e. expected divergence of returns of the Fund and its benchmark for the predefined various risk factors (foreign exchange risk, interest rate risk, inflation risk, credit spreads risk, default risk, and other idiosyncratic risk).

TE table

	FX risk	Interest rate risk	Inflation risk	Credit spread risk	Idiosyncratic risk	Credit default risk	Total TE	Annualised Total TE
31 July 2015	0.00	0.23	0.00	0.00	0.01	0.00	0.25	0.86

Objectives and limitations of TE methodology

The Barclays Global Risk Model (GRM) is a fixed income multi-factor risk model using the historical parametric approach where the model derives its risk measure using variances and correlations calculated from historical returns.

Under the Barclays GRM, the volatilities of individual securities are broken down into the sum of the systematic risk components, idiosyncratic risk components and credit default risk components. Systematic risk is derived from systematic return as the component of total return due to movements in the common (market-wide) risk factors. Idiosyncratic return is the residual component that cannot be explained by the systematic factors and is uncorrelated across issuers. Credit default risk is a unique concept of Barclays GRM and arises from exposure to the default risk of bonds rated Baa or lower and is assumed to be independent of both the systematic risk and idiosyncratic risk.

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

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 391. During the year the ACD held shares in the Fund and had a holding of 667 accumulation 'A' shares, 818 income 'A' shares, 657 accumulation 'I' shares, 993 income 'I' shares, 804 income 'P' shares, 789 income 'Q' shares and 768 income 'Q' gross shares as at 31 July 2015. £260,000 was due to the ACD at the period end.

The Depositary

No balance was outstanding with the Depositary at the period end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material unitholders

State Street Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 74% of the Fund's units in issue. During the year, State Street Nominees Limited made total sales of £192,000 and total purchases of £12,064 in the Fund.

10. Shareholder funds

The Fund currently has 5 share classes; Class 'A' (Retail), Class 'I' (Institutional), Class 'P' (Retail), Class 'Q' (Retail) and Class 'Q' Gross (Institutional).

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

Class 'A': 1.00%

Class 'I': 0.50%

Class 'P': 0.23%

Class 'Q': 0.23%

Class 'Q' Gross: 0.23%

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 table on page 389. The distribution per share class is given in the distribution table on page 398. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	17 Jul 15 to 31 Jul 15 £'000
Analysis of total purchase costs	
Purchases in period before transaction costs	78,277
Gross purchases total	78,277
Analysis of total sale costs	
Gross sales in period before transaction costs	2,041
Total sales net of transaction costs	2,041

Distribution table

For the period ended 31 July 2015 (in pence per unit)

Final interest distribution

Group 2 : Shares purchased 17 July to 31 July 2015

	Gross revenue	Income tax (%)	Net revenue	Equalisation	Distribution paid 31/10/2015
Share class A Accumulation					
Group 1	0.08178	0.01636	0.06542	-	0.06542
Group 2	0.05613	0.01123	0.04490	0.02052	0.06542
Share class A Income					
Group 1	0.06250	0.01250	0.05000	-	0.05000
Group 2	0.01250	0.00250	0.01000	0.04000	0.05000
Share class I Accumulation					
Group 1	0.10110	0.02022	0.08088	-	0.08088
Group 2	0.06334	0.01267	0.05067	0.03021	0.08088
Share class I Income					
Group 1	0.06250	0.01250	0.05000	-	0.05000
Group 2	0.03611	0.00722	0.02889	0.02111	0.05000
Share class P Income					
Group 1	0.10000	0.02000	0.08000	-	0.08000
Group 2	0.10000	0.02000	0.08000	-	0.08000
Share class Q Income					
Group 1	0.11250	0.02250	0.09000	-	0.09000
Group 2	0.11250	0.02250	0.09000	-	0.09000
Share class Q Gross Income					
Group 1	0.11000	-	0.11000	-	0.11000
Group 2	0.03000	-	0.03000	0.08000	0.11000

Equalisation

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

Aberdeen Sterling Index-Linked Bond Fund

For the period ended 31 July 2015

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Sterling denominated index-linked Debt and debt-related securities that are issued by governments, public bodies, supra-national and corporate issuers.

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

Distribution

A final distribution of 0.0516p per share will be paid to Z accumulation shareholders, on 31 October 2015.

Corporate Activity

Aberdeen Sterling Index -Linked Bond Fund, a sub-fund of Aberdeen Investment Funds UK ICVC II, amalgamated into the Aberdeen Sterling Index - Linked Bond Fund, on the 17 July 2015. On amalgamation, Aberdeen Sterling Index - Linked Bond Fund A accumulation shareholders received one A accumulation share for every A accumulation share held, A income shareholders received one A income share for every A income share held, C accumulation shareholders received one I accumulation share for every C accumulation share held, C income shareholders received one I income share for every C income share held and X accumulation shareholders received one Z accumulation share for every X accumulation share held.

Performance review

The Aberdeen European Equity - A accumulation shares rose by 13.06% in sterling terms, compared to an increase of 16.13% in the benchmark, Barclays UK Govt Inflation Linked TR GBP.

Market review

Over the period bond market sentiment in the UK was driven by a host of factors. Early on, geopolitical tensions in Ukraine and the Middle East and uncertainty in the run-up to September's Scottish independence referendum led to bouts of volatility. A weaker global growth outlook and benign inflation outlook contributed to a downward trend in Gilt yields. Global central bank policy was a continuous theme influencing bond market sentiment.

August saw a slight change in dynamic from the Monetary Policy Committee as two members voted in favour of a 25 basis point rate hike. However, inflation and wage growth were considered too weak for any action. Despite the increased likelihood of a change in policy, the base rate was held at 0.5%. Governor Mark Carney emphasised that the Bank of England was in no rush to hike and that tightening, when it came, would be gradual and limited.

September was dominated by the Scottish independence vote. From a strong early lead for the No camp, polls narrowed considerably in the lead up to the vote. Some polls showed a lead for the Yes campaign. The resultant uncertainty troubled investors, leading to bouts of volatility in sterling assets. In the end, the Scottish electorate voted to remain part of the UK.

Moving into 2015, UK government bonds continued to exhibit volatility. On the one hand, the market was buffeted by worries over economic growth and geopolitical problems. All of these factors served to heighten risk aversion, encouraging a flight to the perceived safety and quality of the Gilt market. Against that, however, bouts of optimism over economic growth, a rise in inflation expectations and the increasing likelihood of UK interest rate rises all acted to depress Gilt prices and raise yields. The yield on the benchmark 10-year UK Gilt closed the review period at 1.88%.

Corporate bonds delivered a strong positive return in the first three months of the review period, outperforming government bonds from the core economies. Market movements were largely dominated by concerns over Greece and the planned introduction of large-scale quantitative easing (QE) by the European Central Bank. QE involves the creation of new money to increase private sector spending and combat inflation, and led to a widespread grab for yield across investment grade and high yield markets. March was another strong month, with yields falling materially as risk aversion picked up, influenced by softer economic data and global geopolitical problems. From April onwards, however, bond markets were volatile, retracing much of the strong performance of the first quarter. Part of this move could be explained by commodity price moves and partly by investor positioning (long positions having been built up by fixed income investors in anticipation of Eurozone QE). In May and June, investment grade markets in Europe lost ground, largely due to uncertainty caused by an escalation of concerns over Greek debt negotiations.

Portfolio review

Early on, the portfolio underperformed its benchmark, with the main detractor from performance a short duration position as government bond yields fell. However, the portfolio outperformed its benchmark in the second six months of the review period, largely thanks to positive yield curve positioning. Our yield-curve flattening strategy, favouring long-dated over medium-dated bonds, added value. We maintained a neutral duration position in line with the benchmark. Despite market volatility and low risk tolerance, the team judges real yields to be fairly valued. We hold a similar neutral view on the slope of the yield curve, with demand from liability driven investors at the long end. We view the flatness of the real yield curve as being largely consistent with demand for long-dated linkers. Elsewhere, we are neutral on break-evens, which we consider to be on the rich side, given the rally we have seen over the second quarter of 2015.

Outlook

After the recent bond market rally we now see US and UK bond markets as fairly valued. We remain positive on Germany where we think 10-year Bund yields will fall to 0.4% over the next six months. Australia remains a favoured market. Relative to Germany we see peripheral spreads for Italy and Spain tightening relative to Germany by around 25 to 100 basis points. Our central case for Greece is of a managed bailout, albeit with significant political and execution risks. Grexit is by no means off the agenda. In foreign exchange we see a strong US dollar, with the euro and the New Zealand dollar as weakest expected performers.

Pan Euro Macro Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Bonds 99.45%					
Corporate Bonds 7.46%					
Netherlands 0.71%					
Rabobank Nederland	2.2500	22/11/22	123,000	175	0.71
United Kingdom 6.75%					
Anglian Water Services Financing (EMTN)	3.0700	30/07/32	24,000	50	0.20
British Telecommunications (EMTN)	3.5000	25/04/25	92,000	175	0.71
Dŵr Cymru Financing	4.3770	31/03/26	39,000	81	0.33
National Grid Gas	4.1875	14/12/22	31,000	61	0.25
Network Rail Infrastructure Finance (EMTN)	1.1250	22/11/47	242,000	493	1.99
Network Rail Infrastructure Finance (EMTN)	1.3750	22/11/37	238,000	443	1.79
Network Rail Infrastructure Finance (EMTN)	1.7500	22/11/27	95,000	154	0.62
Southern Water Services Finance (EMTN)	3.7060	31/03/34	24,000	52	0.21
Thames Water Utilities Finance (EMTN)	3.3750	21/07/21	94,000	161	0.65
				1,670	6.75
Total Corporate Bonds				1,845	7.46
Government Bonds 91.99%					
United Kingdom 91.99%					
UK Treasury (INDX)	1.8750	22/11/22	2,191,758	3,347	13.53
UK Treasury (INDX)	1.2500	22/11/27	1,649,422	2,782	11.24
UK Treasury (INDX)	0.6250	22/03/40	1,087,757	1,817	7.34
UK Treasury (INDX)	1.2500	22/11/55	502,945	1,388	5.61
UK Treasury (INDX)	0.6250	22/11/42	781,940	1,386	5.60
UK Treasury (INDX)	0.3750	22/03/62	642,131	1,250	5.05
UK Treasury (INDX)	0.2500	22/03/52	734,831	1,166	4.71
UK Treasury (INDX)	2.0000	26/01/35	479,500	1,120	4.53
UK Treasury (INDX)	0.1250	22/03/24	949,000	1,099	4.44
UK Treasury (INDX)	0.1250	22/03/68	580,991	1,062	4.29
UK Treasury (INDX)	1.2500	22/11/32	581,644	962	3.89
UK Treasury (INDX)	0.1250	22/03/44	680,901	950	3.84
UK Treasury (INDX)	0.7500	22/11/47	448,154	892	3.61
UK Treasury (INDX)	2.5000	26/07/16	245,000	793	3.20
UK Treasury (INDX)	0.1250	22/03/58	408,000	633	2.56
UK Treasury (INDX)	2.5000	16/04/20	159,813	576	2.33
UK Treasury (INDX)	1.2500	22/11/17	331,978	470	1.90
UK Treasury (INDX)	2.5000	17/07/24	109,805	375	1.51
UK Treasury (INDX)	0.7500	22/03/34	186,033	271	1.10
UK Treasury (INDX)	1.1250	22/11/37	104,752	199	0.80
UK Treasury (INDX)	0.1250	22/03/29	141,536	174	0.70
UK Treasury (INDX)	4.1250	22/07/30	11,010	37	0.15
UK Treasury (INDX)	0.5000	22/03/50	8,000	15	0.06
				22,764	91.99
Total Government Bonds				22,764	91.99

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Total Bonds				24,609	99.45
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				24,609	99.45
Investment assets				24,609	99.45
Net other assets				137	0.55
Net assets				24,746	100.00

Comparative table

Accounting period	31 Jul 15
A Accumulation shares in issue	4,225,905.34
A Income shares in issue	597,113.31
I Accumulation shares in issue	7,882,006.21
I Income shares in issue	383,043.01
Z Accumulation shares in issue	631,991.16
Net Asset Value attributable to	
A Accumulation shareholders (£'000)	8,439
A Income shareholders (£'000)	975
I Accumulation shareholders (£'000)	13,493
I Income shareholders (£'000)	451
Z Accumulation shareholders (£'000)	1,388
Net asset value of Fund (£'000)	24,746
Net asset value pence per share	
A Accumulation	199.70
A Income	163.33
I Accumulation	171.17
I Income	117.85
Z Accumulation	219.69

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2015 ^{AB}	A Accumulation	-	199.70	192.73
2015 ^{AB}	A Income	-	163.33	157.63
2015 ^{AB}	I Accumulation	-	171.17	165.18
2015 ^{AB}	I Income	-	117.85	113.73
2015 ^{AB}	Z Accumulation	0.0516	219.69	211.98

^A The Fund was launched on 17 July 2015.

^B As at 31 July 2015.

Ongoing charges figure

	Share class A	Share class I	Share class Z
31 July 2015	1.19	0.69	0.19

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table As at 31 July 2015.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
 - A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 05/07/2004 to 31/07/2015B
Fund - A Accumulation	13.06	45.99	97.96
Benchmark ^A	16.13	57.63	128.01

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% Change	13.06	2.88	1.61	9.98	12.32

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A Barclays UK Govt Inflation Linked TR GBP.

^B The Aberdeen Investment Funds ICVC Sterling Index-Linked Bond Fund was created by the transfer of the Aberdeen Investment Funds ICVC II Aberdeen Sterling Index-Linked Bond Fund into the Aberdeen Investments ICVC range on 17/07/2015. The historical track record shown prior to this date reflects that of the Aberdeen Investment Funds ICVC II Sterling Index-Linked Bond Fund.

Figures are as at valuation point.

Statement of total return

For the period ended 31 July 2015

	Notes	17 Jul 15 to 31 Jul 15	
		£'000	£'000
Income			
Net capital gains	1		1,000
Revenue	2	9	
Expenses	3	(8)	
Net revenue before taxation		1	
Taxation	4	-	
Net revenue after taxation			1
Total return before distributions			1,001
Finance costs: distributions	5		-
Change in net assets attributable to shareholders from investment activities			1,001

Statement of change in net assets attributable to shareholders

For the period ended 31 July 2015

	17 Jul 15 to 31 Jul 15	
	£'000	£'000
Movement due to sales and repurchases of shares		
Amount receivable on issue of shares	23,901	
Amount payable on cancellation of shares	(156)	
		23,745
Change in net assets attributable to shareholders from Investment activities (see above)		1,001
Closing net assets attributable to shareholders		24,746

Balance sheet

As at 31 July 2015

	Notes	2015 £'000	£'000
Assets			
Investment assets			24,609
Debtors	6	73	
Cash and bank balances		94	
Total other assets			167
Total assets			24,776
Liabilities			
Creditors	7	(30)	
Total liabilities			(30)
Net assets attributable to shareholders			24,746

Notes to the financial statements

For the period ended 31 July 2015

1. Net capital gains on investments

	17 Jul 15 to 31 Jul 15
	£'000
Net capital gains on investments during the year comprise:	
Non-derivative securities	1,000
Net capital gains on investments	1,000

2. Revenue

	17 Jul 15 to 31 Jul 15
	£'000
Interest on debt securities	9
Total revenue	9

3. Expenses

	17 Jul 15 to 31 Jul 15
	2015
	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>	
Authorised Corporate Director's periodic charge	6
Operating, administrative and servicing fees	2
Total expenses	8

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

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

Reconciliation of the tax charge for the year:

	17 Jul 15 to 31 Jul 15
	£'000
Net revenue before taxation	1
Corporation tax of 20%	-
Effects of:	
Tax deductible interest distributions	-
Current tax charge	-

No provision for deferred tax has been made in the current accounting period.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

5. Finance costs

Distributions and interest

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

	17 Jul 15 to 31 Jul 15
	£'000
Final	-
Total finance costs	-

Details of the distribution per unit are set out in the distribution table on page 411.

Movement between net revenue and distribution

	17 Jul 15 to 31 Jul 15
	£'000
Net revenue after taxation	1
Deduct:	
Undistributed revenue carried forward	(1)
Finance cost: distributions	-

6. Debtors

	17 Jul 15 to 31 Jul 15
	£'000
Accrued bond interest purchased	33
Accrued revenue	8
Amounts receivable for issue of shares	7
Merger debtor	25
Total debtors	73

7. Creditors

	17 Jul 15 to 31 Jul 15
	£'000
Accrued expenses	8
Amounts payable for cancellation of shares	22
Total creditors	30

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at the end of the period is set out in the following table: This is consistent with the exposure during the current period.

	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
UK Sterling	94	24,609	-	24,703

	Floating Rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
2015				
UK Sterling	-	-	-	-

Fixed rate financial assets

Currency	Weighted average interest rate (%) 2015	Weighted average period for which rate is fixed (Years) 2015
UK Sterling	0.87	22.56

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

Tracking Error (TE) – (for Aberdeen Sterling Index Linked Bond Fund)

The market risk of the Fund is monitored by the Investment Manager using tracking error risk analysis. Tracking error measures the expected magnitude of divergence of returns between the fund and benchmark over a given time. It reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis.

Model assumptions:

System:	Barclays Global Risk Model – Barclays Point
VaR methodology:	Historical parametric approach
Confidence level:	N/A
Holding period:	1 month
Decay factor for exponential smoothing of the historical market data:	N/A
Historical observation period:	Unconditional average (1 year half-life EWMA calibration is also optional)

The table of data below indicated the tracking error, contribution to tracking error for each risk factor i.e. expected divergence of returns of the Fund and its benchmark for the predefined various risk factors (foreign exchange risk, interest rate risk, inflation risk, credit spreads risk, default risk, and other idiosyncratic risk).

TE table

	FX risk	Interest rate risk	Inflation risk	Credit spread risk	Idiosyncratic risk	Credit default risk	Total TE	Annualised Total TE
31 July 2015	0.00	0.05	0.04	0.00	0.05	0.00	0.15	0.53

Objectives and limitations of TE methodology

The Barclays Global Risk Model (GRM) is a fixed income multi-factor risk model using the historical parametric approach where the model derives its risk measure using variances and correlations calculated from historical returns.

Under the Barclays GRM, the volatilities of individual securities are broken down into the sum of the systematic risk components, idiosyncratic risk components and credit default risk components. Systematic risk is derived from systematic return as the component of total return due to movements in the common (market-wide) risk factors. Idiosyncratic return is the residual component that cannot be explained by the systematic factors and is uncorrelated across issuers. Credit default risk is a unique concept of Barclays GRM and arises from exposure to the default risk of bonds rated Baa or lower and is assumed to be independent of both the systematic risk and idiosyncratic risk.

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

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 405. During the year the ACD held shares in the Fund and had a holding of 529 accumulation 'A' shares, 716 income 'A' shares, 685 accumulation 'I' shares, 924 income 'I' shares, and 467 accumulation 'Z' shares, as at 31 July 2015. £8,000 was due to the ACD at the period end.

The Depositary

No balance was outstanding with the Depositary at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Materials unitholders

State Street Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 2% of the Fund's units in issue. During the year, State Street Nominees Limited made total sales of £56,000 and total purchases of £124,368 in the Fund.

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional). The annual management charge on each share class is as follows:

Class 'A': 1.00%

Class 'I': 0.50%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 403. The distribution per share class is given in the distribution table on page 411. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	17 Jul 15 to 31 Jul 15
	£'000
Analysis of total purchase costs	
Purchases in period before transaction costs	23,725
Gross purchases total	23,725
Analysis of total sale costs	
Gross sales in period before transaction costs	117
Total sales net of transaction costs	117

Distribution table

For the period ended 31 July 2015 (in pence per share)

Final interest distribution

Group 2: Shares purchased 17 July to 31 July 2015

	Gross revenue	Income tax (%)	Net revenue	Equalisation	Distribution paid 30/10/2015
Share class A Accumulation					
Group 1	-	-	-	-	-
Group 2	-	-	-	-	-
Share class A Income					
Group 1	-	-	-	-	-
Group 2	-	-	-	-	-
Share class I Accumulation					
Group 1	-	-	-	-	-
Group 2	-	-	-	-	-
Share class I Income					
Group 1	-	-	-	-	-
Group 2	-	-	-	-	-
Shares class Z Accumulation					
Group 1	0.0645	0.0129	0.0516	-	0.0516
Group 2	0.0645	0.0129	0.0516	-	0.0516

Equalisation

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

Aberdeen Sterling Opportunistic Corporate Bond Fund

For the period ended 31 July 2015

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Debt and debt-related securities denominated in (or hedged back to) Sterling, including by pursuing individual opportunities as and when they arise. The majority of the Fund's assets will be invested in corporate Debt and debt-related securities.

The Fund may also invest in other transferable securities, including Debt and debt-related securities denominated in any currency, as well as money market instruments, deposits, cash and cash equivalents, and units in collective investments schemes (including other funds managed by the Investment Adviser or its affiliates). The Fund may use financial derivative instruments for investment purposes and/or efficient portfolio management. The Fund may use derivative instruments to create short and/or long positions.

Distribution

A final distribution of 0.12p per share will be paid to A income shareholders, 0.13573p per share to A accumulation shareholders, 0.15p per share to I income shareholders, 0.16964p per share to I accumulation shareholders, 0.16p per share to P income shareholders, 0.17p per share to Q income shareholders, 0.19527p per share to I gross accumulation shareholders, 0.17p per share to I gross income shareholders, 0.2p per share to P gross income shareholders and 0.21p per share to Q gross income shareholders on 31 October 2015.

Corporate Activity

Aberdeen Sterling Credit Advantage Fund, a sub-fund of Aberdeen Investment Funds UK ICVC II, amalgamated into the Aberdeen Sterling Opportunistic Corporate Bond Fund, on the 10 July 2015. On amalgamation, Aberdeen Sterling Credit Advantage Fund A accumulation shareholders received one A accumulation share for every A accumulation share held, A income shareholders received one A income share for every A income share held, C accumulation shareholders received one I accumulation share for every C accumulation share held, C income shareholders received one I income share for every C income share held, C gross accumulation shareholders received one I gross accumulation share for every C gross accumulation share held, C gross income shareholders received one I gross income share for every C gross income share held, P income shareholders received one P income share for every P income share held, P gross income shareholders received one P gross income share for every P gross income share held, Q income shareholders received one Q income share for every Q income share held and Q gross income shareholders received one Q gross income share for every Q gross income share held.

Performance review

The value of the Aberdeen Sterling Opportunistic Corporate Bond- A Accumulation shares decreased by 0.43% compared to an increase of 0.40% in the benchmark, the Bank of England BASE Rate.

Market review

The period under review has generally been a strong one for corporate bonds, supported by strong equity markets and a benign fundamental environment. Although there have been anxieties relating to emerging markets – primarily driven by fears of Chinese economic slowdown but also elevated geopolitical risks – investors' appetite for risk is strong, and investors continue to be attracted to corporate bonds in the hunt for the higher yields available.

That said, credit spreads (the additional yield from corporate bonds over government bonds owing to different credit quality) widened in the second half of 2014. Investment grade corporate bonds suffered a setback as global concerns, including the Ebola outbreak, further fighting in the Middle East and worries about slowing Chinese growth seemed to make investors go into panic mode, leading to steep declines in riskier asset classes. However, latterly they began to perform more strongly as a more amenable monetary policy and macroeconomic environment has begun to be priced in.

Corporate bonds delivered a strong positive return in the first three months of 2015, outperforming government bonds from the core economies. January was dominated by concern over the Greek elections, and the likelihood of large-scale quantitative easing (QE) by the European Central Bank. Although rising Gilt yields caused some pain for investors in bond markets, February was very strong for corporate bonds as risk premiums (spreads) narrowed materially. This was largely driven by the imminent introduction of Eurozone QE. This involves the creation of new money to increase private sector spending and combat inflation, and led to a widespread grab for yield across investment grade and high yield markets. March was another strong month, with yields falling materially as risk aversion picked up. The onset of QE, falling commodity prices, softer economic data and ongoing global conflicts all contributed to an environment of ever-falling yields and positive returns from conventional bonds.

From April onwards, however, bond markets were volatile, retracing much of the strong performance of the first quarter. Part of this move could be explained by commodity price moves – and oil in particular, which moved higher – and partly by investor positioning (long positions having been built up by fixed income investors in anticipation of Eurozone QE). In May and June, government bond yields continued to move higher – a continuation of the aforementioned unwinding of long investor positioning. Meanwhile, investment grade markets in Europe lost ground, largely due to uncertainty caused by an escalation of concerns over Greek debt negotiations.

Portfolio review

Throughout the review period we have favoured bonds issued by financial institutions – notably subordinated bank and insurance bonds. Banks continue to improve their capital position and reduce balance sheet size; accordingly, they remain attractive and the Fund is overweight in instruments issued by these entities. Some hedges were put in place to reduce exposure to high yield markets and to reduce the Fund's overall credit risk. We were also overweight in energy and utilities. The Fund is positioned long of credit risk; accordingly, it is set to benefit from further tightening in corporate bond spreads.

While corporate bond yield spreads over government bonds widened during the first half of the review period, a significant amount of the Fund's exposure to credit is in shorter maturities, which proved relatively resilient to the widening spreads. In addition, our exposure to European credit markets – which outperformed the UK – provided some support. However, owing to the nature of the Fund – it is duration-neutral, hedging the majority of its interest rate risk using derivatives – it did not benefit from strength in government bond markets.

Our holdings in bonds issued by HSBC, Lloyds Banking Group, Barclays and Royal Bank of Scotland performed well. Mexican telecom operator America Movil detracted slightly from performance as spreads widened on rumours of potential corporate activity.

As at 31 July, the Fund was overweight in credit with a broadly neutral duration. Although we are approaching the first tightening of monetary policies for some time in the UK and the US, bond markets continue to perform well.

Outlook

Looking ahead, investment prospects remain favourable, given positive survey measures and strong corporate finances, but fiscal consolidation will continue to drag on growth. Overall, we expect the economy to expand by a healthy 2.6% this year and 2.8% next. With headline inflation likely to average only 0.3% this year, rising to 1.7% next, the Bank of England looks set to raise rates gradually from the first quarter of 2016. Higher government bond yields are expected in the medium term. UK policy rates are likely to start to rise early in 2016 but the approach thereafter is likely to be cautious. For the time being, investment grade and high yield corporate bonds still offer good value in the medium term.

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Bonds 90.71%					
Asset Backed Bonds / Mortgage Backed Bonds 9.60%					
United Kingdom 9.60%					
Alba 2005-1	FRN	25/11/42	2,875,284	2,637	0.28
Auburn Securities 5	FRN	01/12/41	4,803,760	4,584	0.49
E-CARAT	FRN	18/03/22	5,000,000	4,999	0.54
Friary No 2	FRN	21/10/46	4,605,718	4,602	0.50
Gemgarto	FRN	14/05/45	2,773,542	2,815	0.30
Gemgarto 2015-1	FRN	16/02/47	931,000	931	0.10
Paragon Mortgages No 18	FRN	15/03/41	6,345,905	6,346	0.68
Paragon Mortgages No 21	FRN	15/06/42	11,502,275	11,408	1.23
Precise Mortgage Funding No 1	FRN	12/03/47	1,108,790	1,100	0.12
Precise Mortgage Funding 2014-1	FRN	12/09/47	6,663,102	6,547	0.71
Precise Mortgage Funding 2014-2	FRN	12/12/47	14,735,982	14,570	1.57
Precise Mortgage Funding 2015-1	FRN	12/03/48	1,177,119	1,164	0.13
Residential Mortgage Securities 28	FRN	15/06/46	2,722,190	2,696	0.29
RMAC Securities No 1	FRN	12/06/44	2,342,343	2,143	0.23
Slate No.1	-	24/07/17	14,287,354	13,992	1.51
THRONES 2014-1 Plc	FRN	15/11/49	8,682,291	8,506	0.92
				89,040	9.60
Total Asset Backed Bonds / Mortgage Backed Bonds				89,040	9.60
Corporate Bonds 81.11%					
Australia 3.48%					
APT Pipelines	3.5000	22/03/30	5,200,000	4,957	0.53
Australia & New Zealand Banking (PERP)	FRN	29/10/49	9,870,000	3,920	0.42
National Capital Instruments Euro 2 (PERP)	FRN	29/12/49	8,300,000	5,765	0.62
QBE Capital Funding IV	VAR	24/05/41	3,100,000	3,510	0.38
QBE Insurance	VAR	02/12/44	4,750,000	3,196	0.34
QBE Insurance (EMTN)	6.1250	28/09/15	1,765,000	1,777	0.19
Santos Finance	VAR	22/09/70	3,640,000	2,732	0.29
Westpac Banking (PERP)	FRN	29/09/49	16,330,000	6,457	0.71
				32,314	3.48
Belgium 0.52%					
Telenet Finance VI Luxembourg	4.8750	15/07/27	7,000,000	4,783	0.52
Canada 0.55%					
Glencore Canada Financial (EMTN)	7.3750	27/05/20	4,355,000	5,095	0.55
China 0.55%					
Eastern Creation II Investment (EMTN)	1.0000	19/03/18	4,400,000	3,093	0.34
Kunlun Energy	3.7500	13/05/25	3,173,000	1,979	0.21
				5,072	0.55

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Denmark 1.64%					
Danske Bank	VAR	04/10/23	4,650,000	3,536	0.38
Danske Bank (EMTN)	VAR	29/09/21	11,056,000	11,702	1.26
				15,238	1.64
France 5.55%					
AXA (EMTN)	FRN	16/04/40	8,450,000	6,745	0.72
AXA (EMTN) (PERP)	FRN	29/07/49	2,000,000	2,245	0.24
Banque Federative du Credit Mutuel (EMTN)	3.0000	21/05/24	3,500,000	2,578	0.28
Cap Gemini	FRN	02/07/18	6,100,000	4,364	0.47
Credit Agricole (PERP)	VAR	29/01/49	3,350,000	3,693	0.40
France Telecom (EMTN)	8.1250	20/11/28	2,600,000	3,794	0.41
Orange (EMTN) (PERP)	VAR	29/10/49	1,975,000	2,034	0.22
Orange (PERP)	VAR	29/12/49	2,945,000	3,048	0.33
Pernod Ricard	5.7500	07/04/21	8,610,000	6,231	0.67
Pernod Ricard	5.7500	07/04/21	7,000,000	5,066	0.55
Societe Generale (EMTN)	5.2000	15/04/21	7,000,000	5,034	0.54
TOTAL (EMTN) (PERP)	VAR	29/12/49	9,900,000	6,651	0.72
				51,483	5.55
Germany 5.96%					
Allianz	FRN	17/10/42	9,500,000	8,032	0.87
Bayer	VAR	01/07/74	7,000,000	5,202	0.56
Continental Rubber of America	4.5000	15/09/19	10,364,000	6,801	0.73
Daimler Finance North America	3.3000	19/05/25	7,500,000	4,738	0.51
Deutsche Annington Finance (PERP)	VAR	29/12/49	6,000,000	4,278	0.46
Deutsche Telekom International Finance (EMTN)	6.5000	08/04/22	8,720,000	10,649	1.15
Siemens Financieringsmaatschappij	VAR	14/09/66	6,270,000	6,488	0.70
Volkswagen International Finance (PERP)	VAR	29/12/49	7,700,000	5,288	0.57
Volkswagen International Finance (PERP)	VAR	29/09/49	5,150,000	3,849	0.41
				55,325	5.96
Hong Kong 0.75%					
Hutchison Whampoa	VAR	29/05/49	9,500,000	6,926	0.75
India 0.49%					
Export-Import Bank of India (EMTN)	2.7500	01/04/20	4,787,000	3,033	0.33
NTPC (EMTN)	5.6250	14/07/21	2,090,000	1,474	0.16
				4,507	0.49
Ireland 0.33%					
ESB Finance (EMTN)	6.5000	05/03/20	2,650,000	3,098	0.33
Italy 1.78%					
Enel	VAR	15/09/76	377,000	400	0.04
Intesa Sanpaolo (EMTN)	1.1250	14/01/20	6,800,000	4,783	0.52
Telecom Italia (EMTN)	7.3750	15/12/17	5,000,000	5,513	0.59
UniCredit (EMTN)	FRN	19/02/20	8,200,000	5,807	0.63
				16,503	1.78

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Mexico 0.89%					
America Movil SAB	VAR	06/09/73	7,680,000	8,246	0.89
Netherlands 2.82%					
ABN AMRO Bank (EMTN)	VAR	13/09/22	10,000,000	6,793	0.73
ABN AMRO Bank (EMTN)	6.2500	27/04/22	7,000,000	5,033	0.54
ING Bank	6.8750	29/05/23	6,825,000	7,546	0.81
ING Bank (EMTN)	VAR	21/11/23	4,993,000	3,732	0.40
ING Bank (EMTN)	VAR	25/02/26	2,400,000	1,813	0.20
ING Groep (PERP)	VAR	29/12/49	2,000,000	1,286	0.14
				26,203	2.82
Norway 0.44%					
Nordea Bank Norge (PERP)	FRN	29/11/49	10,120,000	4,125	0.44
Spain 1.44%					
Gas Natural Fenosa Finance (PERP)	VAR	29/12/49	3,100,000	2,041	0.22
Repsol International Finance	VAR	25/03/75	5,700,000	3,738	0.40
Telefonica Emisiones SAU (EMTN)	5.3750	02/02/18	7,020,000	7,585	0.82
				13,364	1.44
Sweden 0.82%					
Skandinaviska Enskilda Banken (EMTN)	VAR	28/05/26	8,000,000	5,814	0.63
Svenska Handelsbanken (PERP)	VAR	29/12/49	2,800,000	1,776	0.19
				7,590	0.82
Switzerland 2.00%					
Cloverie for Zurich Insurance (EMTN)	VAR	24/07/39	9,900,000	8,534	0.92
Glencore Finance Europe	VAR	03/04/22	2,200,000	2,469	0.27
Glencore Funding	4.1250	30/05/23	3,345,000	2,028	0.22
UBS	7.1250	31/12/49	4,060,000	2,602	0.28
UBS Jersey (EMTN) (PERP)	VAR	29/12/49	3,700,000	2,909	0.31
				18,542	2.00
United Kingdom 40.99%					
Abbey National Treasury Services (EMTN)	3.8750	15/10/29	4,000,000	4,189	0.45
Abbey National Treasury Services (EMTN)	1.8750	17/02/20	3,290,000	3,209	0.35
Amlin	FRN	19/12/26	5,250,000	5,347	0.58
Annington Finance No 4	VAR	10/01/23	5,300,000	5,284	0.57
Annington Finance No 4	-	07/12/22	4,000,000	3,227	0.35
Autolink Concessionaires M6	8.3900	15/06/22	2,156,350	2,611	0.28
Aviva (EMTN)	FRN	03/06/41	4,150,000	4,605	0.50
Aviva (PERP)	8.2500	29/04/49	8,650,000	6,097	0.66
Bank of Scotland	9.3750	15/05/21	7,520,000	9,654	1.04
Barclays Bank	6.7500	22/05/19	7,000,000	5,206	0.56
Barclays Bank	VAR	10/04/23	3,790,000	2,663	0.29
Barclays Bank (EMTN)	10.0000	21/05/21	496,000	647	0.07
Barclays Bank (PERP)	VAR	29/10/49	3,200,000	3,548	0.38
Barclays Bank (PERP)	VAR	29/04/49	1,580,000	1,637	0.18

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
BG Energy Capital	VAR	30/11/72	7,735,000	8,304	0.89
British Airways 2013-1 Class B Pass Through Trust	5.6250	20/06/20	6,334,053	4,292	0.46
British Telecommunications	8.6250	26/03/20	9,189,000	11,645	1.25
Broadgate Financing	FRN	05/01/30	5,272,728	5,040	0.54
Centrica	VAR	10/04/75	3,900,000	3,859	0.42
Close Brothers	6.5000	10/02/17	7,000,000	7,466	0.80
Eastern Power Networks (EMTN)	6.2500	12/11/36	5,000,000	6,709	0.72
EE Finance (EMTN)	4.3750	28/03/19	5,554,000	5,916	0.64
EnQuest (EMTN)	5.5000	15/02/22	5,500,000	3,685	0.40
FCE Bank (EMTN)	2.7590	13/11/19	8,000,000	8,048	0.87
Firstgroup	8.7500	08/04/21	2,667,000	3,347	0.36
Friends Life	8.2500	21/04/22	4,500,000	5,466	0.59
Gatwick Funding (EMTN)	5.2500	23/01/24	5,000,000	5,690	0.61
Global Switch (EMTN)	4.3750	13/12/22	4,700,000	4,980	0.54
Grainger	5.0000	16/12/20	1,600,000	1,653	0.18
Greene King Finance (EMTN)	FRN	15/12/33	6,853,040	6,846	0.74
HBOS (EMTN) (PERP)	VAR	29/10/49	5,700,000	4,052	0.44
Heathrow Funding (EMTN)	7.1250	14/02/24	5,000,000	6,206	0.67
HSBC Bank (PERP)	FRN	29/06/49	11,000,000	4,423	0.48
HSBC Bank (PERP)	FRN	30/09/49	10,000,000	4,021	0.43
HSBC (EMTN)	FRN	18/10/22	12,700,000	13,629	1.46
HSBC (EMTN)	VAR	29/09/20	6,263,000	6,284	0.68
Imperial Tobacco Finance (EMTN)	9.0000	17/02/22	5,415,000	7,221	0.78
Imperial Tobacco Finance (EMTN)	8.1250	15/03/24	3,000,000	3,962	0.43
InterContinental Hotels (EMTN)	3.8750	28/11/22	8,455,000	8,702	0.94
Lloyds Bank (EMTN)	VAR	16/12/21	7,500,000	8,401	0.91
Lloyds Bank (PERP)	VAR	29/12/49	8,093,000	8,635	0.93
Manchester Airport Group Funding (EMTN)	4.7500	31/03/34	2,300,000	2,532	0.27
Marks & Spencer	7.1250	01/12/37	4,715,000	3,707	0.40
Mitchells & Butlers Finance	FRN	15/12/33	12,730,000	10,884	1.16
Motability Operations (EMTN)	5.3750	28/06/22	2,540,000	2,995	0.32
National Westminster Bank (EMTN) (PERP)	VAR	29/10/49	17,000,000	11,441	1.22
Nationwide Building Society (EMTN)	6.7500	22/07/20	5,740,000	5,016	0.54
Nationwide Building Society (EMTN)	VAR	20/03/23	4,750,000	3,585	0.39
Nationwide Building Society (EMTN) (PERP)	VAR	11/03/49	5,550,000	5,578	0.60
NGG Finance	VAR	18/06/76	4,000,000	3,059	0.33
NGG Finance	VAR	18/06/73	2,300,000	2,477	0.27
Porterbrook Rail Finance (EMTN)	5.5000	20/04/19	4,600,000	5,087	0.55
Provident Financial (EMTN)	8.0000	23/10/19	4,000,000	4,570	0.49
Prudential (EMTN)	FRN	29/05/39	2,890,000	3,700	0.40
Royal Bank of Scotland (EMTN)	VAR	16/03/22	11,004,000	7,785	0.84
RSA Insurance	VAR	10/10/45	4,348,000	4,538	0.49
Santander UK	VAR	04/01/23	3,720,000	4,334	0.47
Santander UK Group (PERP)	VAR	29/12/49	1,500,000	1,535	0.17
Santander UK (PERP)	VAR	29/09/49	4,110,000	4,132	0.45
Severn Trent Utilities Finance (EMTN)	6.0000	22/01/18	9,215,000	10,151	1.09
Society of Lloyd's	4.7500	30/10/24	3,873,000	3,994	0.43
SSE	FRN	01/10/49	9,720,000	6,509	0.70
SSE (EMTN)	4.2500	14/09/21	6,000,000	6,539	0.70

Security	Coupon (%)	Maturity	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
SSE (PERP)	VAR	29/12/49	5,300,000	5,181	0.56
Standard Chartered Bank (EMTN) (PERP)	VAR	29/10/49	2,470,000	2,866	0.31
Standard Chartered Bank (PERP)	VAR	29/05/49	4,548,000	4,707	0.51
Thames Water Kemble Finance (EMTN)	5.8750	15/07/22	3,000,000	3,001	0.32
Thames Water Utilities Cayman Finance (EMTN)	VAR	21/07/25	13,835,000	14,605	1.56
Trafford Centre Finance	4.7500	28/04/24	4,000,000	4,237	0.46
Westfield Stratford City Finance	FRN	04/11/19	3,750,000	3,762	0.41
Whitbread	3.3750	16/10/25	1,526,000	1,531	0.16
				380,444	40.99
United States 10.11%					
Air Lease	5.6250	01/04/17	8,000,000	5,414	0.58
AT&T	5.5000	15/03/27	7,500,000	8,798	0.95
Bank of America	VAR	06/05/19	5,910,000	4,201	0.45
Bank of America (EMTN)	7.7500	30/04/18	9,100,000	10,496	1.13
Blue Racer Finance	6.1250	15/11/22	2,127,000	1,387	0.15
CCO Safari II	4.9080	23/07/25	3,000,000	1,927	0.21
Citigroup (EMTN)	VAR	30/11/17	10,000,000	7,062	0.76
Citigroup (EMTN)	5.1500	21/05/26	5,514,000	6,414	0.69
Digital Stout Holding (EMTN)	4.2500	17/01/25	9,857,000	10,064	1.08
DIRECTV Financing	4.3750	14/09/29	6,000,000	6,200	0.67
DIRECTV Financing	4.6000	15/02/21	4,400,000	2,993	0.32
Discover Bank/Greenwood DE	4.2500	13/03/26	8,125,000	5,160	0.56
GE Capital European Funding (EMTN)	FRN	29/06/29	5,800,000	3,826	0.41
General Electric Capital	VAR	15/09/67	15,000,000	11,278	1.22
General Electric Capital	VAR	15/09/67	6,650,000	6,987	0.75
HJ Heinz	4.1250	01/07/27	1,600,000	1,650	0.18
				93,857	10.11
Total Corporate Bonds				752,715	81.11
Total Bonds				841,755	90.71
Investment Funds 7.23%					
United Kingdom 7.23%					
Aberdeen ICVC III - Europe High Yield Bond Fund X-2 [†]			10,000,000	14,697	1.58
Aberdeen ICVC III - Strategic Bond Fund X-2 [†]			36,443,892	52,366	5.65
				67,063	7.23
Total Investment Funds				67,063	7.23
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				908,818	97.94

Derivatives 0.87%

Future contracts 0.27%

Future	Maturity	Notional	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
CBT US 2YR NOTE SEP15 FUTURE (EXP 30/09/15)	30/09/15	(289)	39	-
CBT US 5YR NOTE SEP15 FUTURE (EXP 30/09/15)	30/09/15	(400)	(80)	(0.01)
EUX Euro Bobl	08/09/15	(200)	(153)	(0.02)
EUX EURO BUND SEP15 FUTURE (EXP 08/09/15)	08/09/15	(100)	(271)	(0.03)
ICF LONG GILT SEP15 FUTURE (EXP 28/09/15)	28/09/15	1,320	2,774	0.31
SFE AUST 3YR BOND SEP15 FUTURE (EXP 15/09/15)	15/09/15	1,000	208	0.02
Unrealised gains on future contracts			2,517	0.27

Forward currency exchange contracts 0.60%

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
UBS	EUR	GBP	04/09/15	4,165,000	2,894,300	57	0.01
Royal Bank of Canada	EUR	GBP	04/09/15	6,233,000	4,395,262	21	-
BNP Paribas	GBP	EUR	04/09/15	1,014,021	1,428,000	2	-
Barclays Capital	GBP	USD	04/09/15	1,048,797	1,638,000	(1)	-
Deutsche Bank	GBP	USD	04/09/15	127,953,807	195,295,000	2,775	0.31
State Street	GBP	EUR	04/09/15	159,319,983	221,350,000	2,495	0.27
HSBC	GBP	EUR	04/09/15	1,729,061	2,424,000	12	-
Citigroup	GBP	USD	04/09/15	1,924,342	2,993,000	6	-
BNP Paribas	GBP	EUR	04/09/15	2,417,580	3,391,000	15	-
UBS	GBP	EUR	04/09/15	2,455,148	3,448,000	12	-
State Street	GBP	EUR	04/09/15	3,096,816	4,345,000	18	-
Royal Bank of Canada	GBP	EUR	04/09/15	3,443,195	4,744,000	82	0.01
Royal Bank of Canada	GBP	USD	04/09/15	3,678,880	5,725,000	9	-
Citigroup	GBP	EUR	04/09/15	4,056,496	5,715,000	7	-
UBS	GBP	EUR	04/09/15	489,223	691,000	-	-
Royal Bank of Canada	GBP	AUD	04/09/15	505,804	1,069,000	4	-
Unrealised gains on forward currency exchange contracts						5,514	0.60
Unrealised gains on derivatives						8,031	0.87
Investment assets^A						916,849	98.81
Net other assets						11,029	1.19
Net assets						927,878	100.00

Currently forwards positions are not collateralised.

Of the total investments above, £94,168,000, 10.12%, were invested in unrated securities, and £81,757,000, 8.94% were invested in securities below investment grade.

[†] Managed by subsidiaries of Aberdeen Asset Management PLC.

^A Including derivative liabilities.

Comparative table

Accounting period	31 Jul 15
A Accumulation shares in issue	972,187.74
A Income shares in issue	172,668,608.28
I Accumulation shares in issue	197,263.74
I Income shares in issue	1,967,678.47
I Gross Accumulation shares in issue	22,708,325.84
I Gross Income shares in issue	26,030.07
P Income shares in issue	31,275,093.86
P Gross Income shares in issue	1,415,417.15
Q Income shares in issue	580,480,412.93
Q Gross Income shares in issue	33,501,742.61
Net asset value attributable to	
A Accumulation shareholders (£'000)	1,206
A Income shareholders (£'000)	189,101
I Accumulation shareholders (£'000)	252
I Income shareholders (£'000)	2,221
I Gross Accumulation shareholders (£'000)	26,880
I Gross Income shareholders (£'000)	27
P Income shareholders (£'000)	34,247
P Gross Income shareholders (£'000)	1,551
Q Income shareholders (£'000)	635,676
Q Gross Income shareholders (£'000)	36,717
Net asset value of Fund (£'000)	927,878
Net asset value pence per share	
A Accumulation	124.02
A Income	109.52
I Accumulation	127.81
I Income	112.85
I Gross Accumulation	118.37
I Gross Income	102.88
P Income	109.50
P Gross Income	109.59
Q Income	109.51
Q Gross Income	109.60

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2015 ^{AB}	A Accumulation	0.13573	124.44	123.23
2015 ^{AB}	A Income	0.12000	110.01	108.94
2015 ^{AB}	I Accumulation	0.16964	128.24	126.98
2015 ^{AB}	I Income	0.15000	113.38	112.27
2015 ^{AB}	I Gross Accumulation	0.19527	118.77	117.57
2015 ^{AB}	I Gross Income	0.17000	103.40	102.35
2015 ^{AB}	P Income	0.16000	110.03	108.94
2015 ^{AB}	P Gross Income	0.20000	110.16	109.04
2015 ^{AB}	Q Income	0.17000	110.05	108.95
2015 ^{AB}	Q Gross Income	0.21000	110.17	109.04

^A The Fund was launched on 10 July 2015.

^B As at 31 July 2015..

Ongoing charges figure

	A Shares %	I Shares %	P Shares %	Q Shares %
31 July 2015	1.13	0.63	0.40	0.30

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and synthetic element of 0.01% to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 3 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
 - Derivatives for investment purposes: The Fund can use derivatives in order to meet its investment objectives or to protect from price and currency movements. This may result in gains or losses that are greater than the original amount invested.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 01/09/2008 to 31/07/2015 ^B
Fund - A Accumulation	(0.43)	9.79	24.17
Benchmark ^A	0.40	2.02	3.79

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% Change	(0.43)	4.61	6.14	(0.88)	0.18

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A Bank of England BASE Rate.

^B The Aberdeen Investment Funds ICVC Sterling Opportunistic Corporate Bond Fund was created by the transfer of the Aberdeen Investment Funds ICVC II Aberdeen Sterling Credit Advantage Fund into the Aberdeen Investments ICVC range on 10/07/2015. The historical track record shown prior to this date reflects that of the Aberdeen Investment Funds ICVC II Sterling Credit Advantage Fund. Figures are as at valuation point.

Statement of total return

For the period ended 31 July 2015

		10 Jul 15 to 31 Jul 15	
	Notes	£'000	£'000
Income			
Net capital gains	1		4,186
Revenue	2	1,978	
Expenses	3	(266)	
Net revenue before taxation		1,712	
Taxation	4	-	
Net revenue after taxation for the period			1,712
Total return before distributions			5,898
Finance costs: distributions	5		(1,694)
Change in net assets attributable to shareholders from investment activities			4,204

Statement of change in net assets attributable to shareholders

For the period ended 31 July 2015

	10 Jul 15 to 31 Jul 15	
	£'000	£'000
Opening net assets attributable to shareholders		-
Movement due to sales and repurchases of shares		
Amount receivable on issue of shares	935,607	
Amount payable on cancellation of shares	(11,979)	
		923,628
Change in net assets attributable to shareholders from investment activities (see above)		4,204
Retained distribution on accumulation shares		46
Closing net assets attributable to shareholders		927,878

Balance sheet

As at 31 July 2015

	Notes	2015 £'000	2015 £'000
Assets			
Investment assets			917,354
Debtors	6	14,615	
Cash and bank balances	7	3,615	
Total other assets			18,230
Total assets			935,584
Liabilities			
Investment liabilities			(505)
Creditors	8	(5,257)	
Bank overdrafts		(624)	
Distribution payable on income shares		(1,320)	
Total other liabilities			(7,201)
Total liabilities			(7,706)
Net assets attributable to shareholders			927,878

Notes to the financial statements

For the period ended 31 July 2015

1. Net capital gains on investments

	10 Jul 15 to 31 Jul 15
	£'000
The net capital gains on investments during the period comprise:	
Derivative contracts	3,659
Forward currency contracts	5,514
Non-derivative securities	(3,572)
Other currency losses	(1,415)
Net capital gains on investments	4,186

2. Revenue

	10 Jul 15 to 31 Jul 15
	£'000
Interest on debt securities	1,978
Total revenue	1,978

3. Expenses

	10 Jul 15 to 31 Jul 15
	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>	
Authorised Corporate Director's periodic charge	240
Operating, administrative and servicing fees	26
Total expenses	266

Irrecoverable VAT is included in the above expenses where relevant.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

4. Taxation

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

Reconciliation of the tax charge for the year:

	10 Jul 15 to 31 Jul 15
	£'000
Net revenue before taxation	1,712
Corporation tax of 20%	342
Effects of:	
Tax deductible interest distributions	(342)
Current tax charge	-

No provision for deferred tax has been made in the current accounting period.

5. Finance costs

Distributions and interest

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

	10 Jul 15 to 31 Jul 15
	£'000
Final	1,682
Add: Revenue deducted on cancellation of shares	12
Gross distribution for the period	1,694
Interest	-
Total finance costs	1,694

Details of the distribution per share are set out in the distribution table on page 431.

Movement between net revenue and distribution

	10 Jul 15 to 31 Jul 15
	£'000
Net revenue after taxation	1,712
Deduct:	
Undistributed revenue carried forward	(18)
	1,694

6. Debtors

	2015
	£'000
Accrued revenue	2,053
Accrued bond interest purchased	12,484
Amounts receivable for issue of shares	78
Total debtors	14,615

7. Cash and bank balances

	2015 £'000
Amounts held at futures clearing houses and brokers	3,615
Total cash and bank balances	3,615

8. Creditors

	2015 £'000
Accrued expenses	267
Amounts payable for cancellation of shares	1,612
Income tax payable	318
Merger creditor	459
Purchases awaiting settlement	2,601
Total creditors	5,257

9. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at the end of the period is set out in the following table: This is consistent with the exposure during the current period.

	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
Australian Dollar	550	-	208	758
Euro	39,480	127,420	501	167,401
UK Sterling	339,804	274,028	8,211	622,043
US Dollar	86,994	46,674	119	133,787

	Floating Rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
2015				
Australian Dollar	-	-	(208)	(208)
Euro	-	-	(424)	(424)
UK Sterling	(624)	-	(2,774)	(3,398)
US Dollar	-	-	(119)	(119)

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Fixed rate financial assets

Currency	Weighted average interest rate (%) 2015	Weighted average period for which rate is fixed (Years) 2015
Euro	4.21	27.82
UK Sterling	3.78	16.93
US Dollar	4.52	11.99

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

10. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 423. During the year the ACD held shares in the Fund and had a holding of 953 income 'A' shares, 811 accumulation 'A' shares, 953 income 'I' shares, 820 accumulation 'I' shares, 1,030 income 'I' gross shares, 851 accumulation 'I' gross shares, 922 income 'P' shares, 941 income 'P' gross shares, 929 income 'Q' shares, 981 income 'Q' gross shares as at 31 July 2015. £1,294,000 was due to the ACD at the period end.

The Depositary

No balance was outstanding with the Depositary at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material unitholders

Boltro Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 38% of the Fund's units in issue. During the year, Boltro Nominees Limited made total sales of £7,432,334 and total purchases of £317,713 in the Fund.

Perry Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 23% of the Fund's units in issue. During the year, Perry Nominees Limited made total sales of £3,946,082 and total purchases of £67,582 in the Fund.

State Street Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 31% of the Fund's units in issue.

11. Shareholder funds

The Fund currently has 7 share classes; Class 'A' (Retail), Class 'I' (Institutional), Class 'P' (Retail), Class 'Q' (Retail), Class 'I' Gross (Institutional), Class 'P' Gross (Retail) and Class 'Q' Gross (Institutional).

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

Class 'A': 1.00%

Class 'I': 0.50%

Class 'P': 0.27%

Class 'Q': 0.27%

Class 'I' Gross: 0.50%

Class 'P' Gross: 0.27%

Class 'Q' Gross: 0.27%

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 table on page 420. The distribution per share class is given in the distribution table on page 431. All share classes have the same rights on winding up.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

12. Portfolio transaction costs

	10 Jul 15 to 31 Jul 15 £'000
Analysis of total purchase costs	
Purchases in year before transaction costs	946,159
Total transaction cost	-
Gross purchases total	946,159
Analysis of total sale costs	
Gross sales in year before transaction costs	33,689
Total sales net of transaction costs	33,689

Distribution table

For the period ended 31 July 2015 (in pence per share)

Final interest distribution

Group 2 : Shares purchased 10 July to 31 July 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 30/10/2015
Shares class A Accumulation					
Group 1	0.16966	0.03393	0.13573	-	0.13573
Group 2	0.16966	0.03393	0.13573	-	0.13573
Shares class A Income					
Group 1	0.15000	0.03000	0.12000	-	0.12000
Group 2	0.15000	0.03000	0.12000	-	0.12000
Shares class I Accumulation					
Group 1	0.21205	0.04241	0.16964	-	0.16964
Group 2	0.16211	0.03242	0.12969	0.03995	0.16964
Shares class I Income					
Group 1	0.18750	0.03750	0.15000	-	0.15000
Group 2	0.13773	0.02755	0.11018	0.03982	0.15000
Shares class P Income					
Group 1	0.20000	0.04000	0.16000	-	0.16000
Group 2	0.10802	0.02160	0.08642	0.07358	0.16000
Shares class Q Income					
Group 1	0.21250	0.04250	0.17000	-	0.17000
Group 2	0.07154	0.01431	0.05723	0.11277	0.17000
Shares class I Gross Accumulation					
Group 1	0.19527	-	0.19527	-	0.19527
Group 2	0.19527	-	0.19527	-	0.19527
Shares class I Gross Income					
Group 1	0.17000	-	0.17000	-	0.17000
Group 2	0.17000	-	0.17000	-	0.17000
Shares class P Gross Income					
Group 1	0.20000	-	0.20000	-	0.20000
Group 2	-	-	-	0.20000	0.20000
Shares class Q Gross Income					
Group 1	0.21000	-	0.21000	-	0.21000
Group 2	0.15000	-	0.15000	0.06000	0.21000

Equalisation

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

Aberdeen Sterling Short Term Government Bond Fund

For the period ended 31 July 2015

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in Sterling denominated UK government Debt and debt-related securities with a maturity of up to five years.

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

Distribution

A final distribution of 0.01p per share will be paid to A income shareholders, 0.01107p per share to A accumulation shareholders, 0.06p per share to I income shareholders, 0.06054p per share to I accumulation shareholders, 0.1p per share to P income shareholders and 0.15p per share to Z accumulation shareholders on 31 October 2015.

Corporate activity.

Aberdeen Defensive Gilt Fund, a sub-fund of Aberdeen Investment Funds UK ICVC II, amalgamated into the Aberdeen Sterling Short Term Government Bond Fund, on the 19 June 2015. On amalgamation, Aberdeen Defensive Gilt Fund A accumulation shareholders received one A accumulation share for every A accumulation share held, A income shareholders received one A income share for every A income share held, C accumulation shareholders received one I accumulation share for every C accumulation share held, C income shareholders received one I income share for every C income share held, P income shareholders received one P income share for every P income share held and X accumulation shareholders received one Z accumulation share for every X accumulation share held.

Performance review

The Aberdeen Sterling Short Term Government Bond Fund A Accumulation shares rose by 0.60% in sterling terms, compared with a rise in the benchmark, FTSE A British Govt Under 5 Years TR, of 2.70%.

Market review

Over the period bond market sentiment in the UK was driven by a host of factors. Early on, geopolitical tensions in Ukraine and the Middle East and uncertainty in the run-up to September's Scottish independence referendum led to bouts of volatility. A weaker global growth outlook and benign inflation outlook contributed to a downward trend in Gilt yields. Global central bank policy was a continuous theme influencing bond market sentiment.

August saw a slight change in dynamic from the Monetary Policy Committee (MPC) as two members voted in favour of a 25 basis point rate hike. However, inflation and wage growth were considered too weak for any action. Despite the increased likelihood of a change in policy, the base rate was held at 0.5%. Governor Mark Carney emphasised that the Bank of England (BoE) was in no rush to hike and that tightening, when it came, would be gradual and limited.

September was dominated by the Scottish independence vote. From a strong early lead for the No camp, polls narrowed considerably in the lead up to the vote. Some polls showed a lead for the Yes campaign. The resultant uncertainty troubled investors, leading to bouts of volatility in sterling assets. In the end, the Scottish electorate voted to remain part of the UK.

Moving into 2015, UK government bonds continued to exhibit volatility. On the one hand, the market was buffeted by worries over economic growth and geopolitical problems. All of these factors served to heighten risk aversion, encouraging a flight to the perceived safety and quality of the Gilt market. Against that, however, bouts of optimism over economic growth, a rise in inflation expectations and the increasing likelihood of UK interest rate rises all acted to depress Gilt prices and raise yields. The yield on the benchmark 10-year UK Gilt closed the review period at 1.88%.

Portfolio review

We were underweight in conventional Gilts versus index-linked bonds. We were also underweight Gilts versus US Treasuries and Eurozone bonds. In terms of stock selection, we were underweight in two-year Gilts and five-year Gilts versus seven-year Gilts. This position was beneficial early in the review period. Over the year, this has been generally beneficial for performance.

In terms of currencies, a short position in sterling against the US dollar for much of the review period added to performance.

The Fund was short duration for the first half of the review period, moving to slightly longer than index duration in January through holdings in German and Swedish bonds. The long duration position, which reflects our modest bullishness on the level of bond yields, was maintained through to 30 June. In terms of asset allocation we were underweight Gilts versus Australian and German government bonds.

We maintained positions in Ireland, Italy and Spain, expecting a positive impact from European Central Bank quantitative easing, but these were sold in mid-June as uncertainty over Greece increased dramatically. We were overweight 30-year Gilts versus five-year Gilts, expecting long maturity bonds to outperform; this position was closed out during June.

Outlook

Looking ahead, Our short to medium term view is bullish for the level of core yields. Investment prospects remain favourable, given positive survey measures and strong corporate finances, but fiscal consolidation will continue to drag on growth. Overall, we expect the economy to expand by a healthy 2.6% this year and 2.8% next. With headline inflation likely to average only 0.3% this year, rising to 1.7% next, the Bank of England looks set to raise rates gradually from the first quarter of 2016.

Pan Euro Macro Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Bonds 98.53%					
Government Bonds 98.53%					
Australia 5.67%					
Australia (Commonwealth of)	2.7500	21/10/19	15,119,000	7,319	5.67
Germany 5.34%					
Germany (Federal Republic of)	-	17/04/20	5,770,000	4,089	3.17
Germany (Federal Republic of)	0.5000	15/02/25	4,002,000	2,804	2.17
				6,893	5.34
United Kingdom 87.52%					
UK Treasury	1.2500	22/07/18	23,724,000	23,909	18.51
UK Treasury	1.7500	22/07/19	14,697,000	14,987	11.60
UK Treasury	1.0000	07/09/17	13,308,000	13,380	10.36
UK Treasury	4.7500	07/03/20	11,401,000	13,156	10.19
UK Treasury	4.5000	07/03/19	11,379,000	12,759	9.88
UK Treasury	8.0000	07/12/15	12,100,000	12,416	9.62
UK Treasury	4.7500	07/09/15	9,834,000	9,874	7.65
UK Treasury	2.0000	22/01/16	8,215,000	8,272	6.41
UK Treasury	4.0000	07/09/16	4,103,000	4,259	3.30
				113,012	87.52
Total Government Bonds				127,224	98.53
Total Bonds				127,224	98.53
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				127,224	98.53

Derivatives 0.38%

Forward currency exchange contracts 0.38%

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
Deutsche Bank	AUD	GBP	04/09/15	10,167,000	5,146,873	(371)	(0.29)
HSBC	AUD	GBP	04/09/15	159,000	80,465	(6)	-
HSBC	EUR	GBP	04/09/15	3,807,000	2,791,208	(94)	(0.07)
Deutsche Bank	EUR	GBP	04/09/15	91,000	67,170	(2)	-
HSBC	GBP	AUD	04/09/15	106,938	214,000	6	-
BNP Paribas	GBP	AUD	04/09/15	12,771,632	25,572,000	759	0.58
Royal Bank of Canada	GBP	EUR	04/09/15	2,841,208	3,891,000	84	0.07
Royal Bank of Canada	GBP	EUR	04/09/15	6,936,590	9,627,000	116	0.09
Unrealised gains on forward currency exchange contracts						492	0.38
Unrealised gains on derivatives						492	0.38
Investment assets						127,716	98.91
Net other assets						1,402	1.09
Net assets						129,118	100.00

Currently forward positions are not collateralised

Comparative table

Accounting period	31 Jul 15
Share class A Accumulation Shares in issue	11,049,162.56
Share class A Income Shares in issue	8,129,662.57
Share class I Accumulation Shares in issue	71,328,317.19
Share class I Income Shares in issue	32,566,702.44
Share class P Income Shares in issue	305,904.42
Share class Z Accumulation Shares in issue	710,640.60
Net Asset Value attributable to	
Share class A Accumulation shareholders (£'000)	14,150
Share class A Income shareholders (£'000)	9,397
Share class I Accumulation shareholders (£'000)	71,733
Share class I Income shareholders (£'000)	32,439
Share class P Income shareholders (£'000)	354
Share class Z Accumulation shareholders (£'000)	1,045
Net asset Value of Fund (£'000)	129,118
Net asset value per share	
Share class A Accumulation	128.06
Share class A Income	115.59
Share class I Accumulation	100.57
Share class I Income	99.61
Share class P Income	115.67
Share class Z Accumulation	147.06

Performance record

Calendar year		Net revenue pence per share	Highest price per share	Lowest price per share
2015 ^{AB}	Share class A Accumulation	0.01107	128.21	127.42
2015 ^{AB}	Share class A Income	0.01000	115.74	115.02
2015 ^{AB}	Share class I Accumulation	0.06054	100.66	100.06
2015 ^{AB}	Share class I Income	0.06000	99.76	99.17
2015 ^{AB}	Share class P Income	0.10000	115.85	115.18
2015 ^{AB}	Share class Z Accumulation	0.15000	147.18	146.32

^A The Fund was launched on 19 June 2015.

^B As at 31 July 2015.

Ongoing charges figure

	Share class A	Share class I	Share class P	Share class Z
31 July 2015	1.12	0.62	0.32	0.12

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the period against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
 - Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
 - A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 28/11/2005 to 31/07/2015 ^B
Fund - A Accumulation	0.60	3.87	27.86
Benchmark ^A	2.70	9.14	39.90

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% Change	0.60	(1.01)	(0.54)	2.06	2.76

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A FTSE A British Govt Under 5 Years TR.

^B The Aberdeen Investment Funds ICVC Sterling Short Term Government Bond Fund was created by the transfer of the Aberdeen Investment Funds ICVC II Defensive Gilt Fund into the Aberdeen Investments ICVC range on 19/06/2015. The historical track record shown prior to this date reflects that of the Aberdeen Investment Funds ICVC II Defensive Gilt Fund which launched on 05/07/2004.

Figures are as at valuation point.

Statement of total return

For the period ended 31 July 2015

	Notes	19 Jun 15 to 31 Jul 15	
		£'000	£'000
Income			
Net capital losses	1		(32)
Revenue	2	194	
Expenses	3	(109)	
Net revenue before taxation		85	
Taxation	4	-	
Net revenue after taxation			85
Total return before distributions			53
Finance costs: distributions	5		(84)
Change in net assets attributable to shareholders from Investment activities			(31)

Statement of change in net assets attributable to shareholders

For the period ended 31 July 2015

	19 Jun 15 to 31 Jul 15	
	£'000	£'000
Opening net assets attributable to shareholders		-
Movement due to sales and repurchases of shares		
Amount receivable on issue of shares	133,487	
Amount payable on cancellation of shares	(4,383)	
		129,104
Change in net assets attributable to shareholders from Investment activities (see above)		(31)
Retained distribution on accumulation shares		45
Closing net assets attributable to shareholders		129,118

Balance sheet

As at 31 July 2015

	Notes	2015 £'000	£'000
Assets			
Investment assets			128,189
Debtors	6	1,773	
Cash and bank balances		337	
Total other assets			2,110
Total assets			130,299
Liabilities			
Investment liabilities			(473)
Creditors	7	(687)	
Distribution payable on income shares		(21)	
Total other liabilities			(708)
Total liabilities			(1,181)
Net assets attributable to shareholders			129,118

Notes to the financial statements

For the period ended 31 July 2015

1. Net capital gains on investments

	19 Jun 15 to 31 Jul 15
	£'000
Net capital losses on investments during the period comprise:	
Forward currency contracts	492
Non-derivative securities	(429)
Other currency losses	(95)
Net capital losses on investments	(32)

2. Revenue

	19 Jun 15 to 31 Jul 15
	£'000
Interest on debt securities	194
Total revenue	194

3. Expenses

	19 Jun 15 to 31 Jul 15
	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>	
Authorised Corporate Director's periodic charge	90
Operating, administrative and servicing fees	19
	109
Total expenses	109

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

The Fund is subject to corporation tax at 20%, however the Fund is a bond fund making interest distributions and the interest distributions by the Fund are allowable in arriving at the amount of income liable to tax. As a result this has reduced the current tax liability of the Fund to nil. Tax is deducted at source from the interest distribution where applicable. This represents income tax withheld by the Depositary from the gross amount distributable and is accounted by the Depositary from the gross amount distributable and is accounted by the Depositary to HMRC on behalf of the shareholders. The tax charge comprises:

	19 Jun 15 to 31 Jul 15
	£'000
Current tax:	
Total Taxation	-

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	19 Jun 15 to 31 Jul 15
	3
Net revenue before taxation	85
Corporation tax of 20%	17
Effects of:	
Tax deductible interest distributions	(17)
Current tax charge	-

The Fund has not recognised a deferred tax asset in 2015 (2014 - nil).

5. Finance costs

Distributions and interest

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

	19 Jun 15 to 31 Jul 15
	£'000
Final	66
Add; Revenue deducted on cancellation of shares	4
Deduct: Revenue received on issue of shares	(2)
Gross distribution for the year	68
Interest	16
Total finance costs	84

Details of the distribution per unit are set out in the distribution table on page 445.

Movement between net revenue and distribution

	19 Jun 15 to 31 Jul 15
	£'000
Net revenue after taxation	85
Deduct:	
Undistributed revenue carried forward	(1)
Finance cost: distributions	84

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

6. Debtors

	2015 £'000
Accrued bond interest purchased	524
Accrued revenue	429
Amounts receivable for issue of shares	174
Sales awaiting settlement	646
Total debtors	1,773

7. Creditors

	2015 £'000
Accrued expenses	78
Amounts payable for cancellation of shares	592
Income tax payable	17
Total creditors	687

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at the period end is set out in the following table:

This is consistent with the exposure during both the current period and prior period.

	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
UK Sterling	337	113,011	966	114,314
Australian Dollar	-	7,319	-	7,319
Euro	-	6,893	-	6,893

	Floating Rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
2015				
Australian Dollar	-	-	(377)	(377)
Euro	-	-	(97)	(97)

Fixed rate financial assets

Currency	Weighted average interest rate (%)	Weighted average period for which rate is fixed (Years)
	2015	2015
UK Sterling	0.88	3.47
Australian Dollar	2.06	5.23
Euro	0.37	7.68

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

Tracking Error (TE) – (for Aberdeen Sterling Short Term Government Bond Fund)

The market risk of the Fund is monitored by the Investment Manager using tracking error risk analysis. Tracking error measures the expected magnitude of divergence of returns between the fund and benchmark over a given time. It reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis.

Model assumptions:

System:	Barclays Global Risk Model – Barclays Point
VaR methodology:	Historical parametric approach
Confidence level:	N/A
Holding period:	1 month
Decay factor for exponential smoothing of the historical market data:	N/A
Historical observation period:	Unconditional average (1 year half-life EWMA calibration is also optional)

The table of data below indicated the tracking error, contribution to tracking error for each risk factor i.e. expected divergence of returns of the Fund and its benchmark for the predefined various risk factors (foreign exchange risk, interest rate risk, inflation risk, credit spreads risk, default risk, and other idiosyncratic risk).

TE table

	FX risk	Interest rate risk	Inflation risk	Credit spread risk	Idiosyncratic risk	Credit default risk	Total TE	Annualised Total TE
31 July 2015	0.00	0.09	0.00	0.00	0.01	0.00	0.10	0.33

Objectives and limitations of TE methodology

The Barclays Global Risk Model (GRM) is a fixed income multi-factor risk model using the historical parametric approach where the model derives its risk measure using variances and correlations calculated from historical returns.

Under the Barclays GRM, the volatilities of individual securities are broken down into the sum of the systematic risk components, idiosyncratic risk components and credit default risk components. Systematic risk is derived from systematic return as the component of total return due to movements in the common (market-wide) risk factors. Idiosyncratic return is the residual component that cannot be explained by the systematic factors and is uncorrelated across issuers. Credit default risk is a unique concept of Barclays GRM and arises from exposure to the default risk of bonds rated Baa or lower and is assumed to be independent of both the systematic risk and idiosyncratic risk.

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

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 438. During the period the ACD held shares in the Fund and had a holding of 866 income 'A' shares (2014 - nil), 782 accumulation 'A' shares (2014 - nil), 1,005 income 'I' shares (2014 - nil), 996 accumulation 'I' shares (2014 - nil), 867 income 'P' shares (2014 - nil) and 682 accumulation 'Z' shares (2014 - nil) as at 31 July 2015.

£352,000 was due to the ACD (2014 - nil) at the period end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - nil) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material unitholders

Transact Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 23% of the Fund's units in issue. During the year, Transact Nominees Limited made total sales of £1,330,892 and total purchases of £871,837 in the Fund.

10. Shareholder funds

The Fund currently has 4 share classes; Class 'A' (Retail), Class 'I' (Institutional), Class 'P' (Institutional) and Class 'Z' (Institutional).

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

Class 'A': 1.00%
Class 'I': 0.50%
Class 'P': 0.20%
Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 436. The distribution per share class is given in the distribution table on page 445. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	19 Jun 15 to 31 Jul 15
	£'000
Analysis of total purchase costs	
Purchases in period before transaction costs	151,890
Purchases including transaction cost	151,890
Analysis of total sale costs	
Gross sales in period before transaction costs	23,990
Total sales net of transaction costs	23,990

Distribution table

For the period ended 31 July 2015 (in pence per share)

Final interest distribution

Group 2 : Shares purchased 19 June 2015 to 31 July 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/10/2015
Share class A Accumulation					
Group 1	0.01384	0.00277	0.01107	-	0.01107
Group 2	-	-	-	0.01107	0.01107
Share class A Income					
Group 1	0.01250	0.00250	0.01000	-	0.01000
Group 2	-	-	-	0.01000	0.01000
Share class I Accumulation					
Group 1	0.07568	0.01514	0.06054	-	0.06054
Group 2	-	-	-	0.06054	0.06054
Share class I Income					
Group 1	0.07500	0.01500	0.06000	-	0.06000
Group 2	-	-	-	0.06000	0.06000
Share class P Income					
Group 1	0.12500	0.02500	0.10000	-	0.10000
Group 2	-	-	-	-	0.10000
Share class Z Accumulation					
Group 1	0.18750	0.03750	0.15000	-	0.15000
Group 2	-	-	-	0.15000	0.15000

Equalisation

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

Aberdeen UK Equity Fund

For the year ended 31 July 2015

Investment objective and policy

The objective of the Fund is to provide capital growth through investment in companies registered in the United Kingdom, or companies which derive a significant proportion of their revenues or profits from the United Kingdom or have a significant proportion of their assets there.

Distribution

A final distribution of 1.82p per share will be paid to A income shareholders, 2.36p per share to I income shareholders, 2.1736p per share to A accumulation shareholders and 2.9786p per share to I accumulation shareholders on 31 October 2015. This makes a total of 2.68p for A income shareholders, 3.74p for I income shareholders, 3.1944p for A accumulation shareholders and 4.7033p for I accumulation shareholders for the year to 31 July 2015.

Corporate activity

Aberdeen UK Opportunities Equity Fund, a sub-fund of Aberdeen Investment Funds UK ICVC III, amalgamated into the Aberdeen UK Equity Fund, on the 10 July 2015. On amalgamation, Aberdeen UK Equity Fund A accumulation shareholders received 6.24337531 A accumulation shares for every one A accumulation share held, A income shareholders received 1.75243419 I income shares for every one A income share held, B accumulation shareholders received 4.82981039 I accumulation shares for every one B accumulation share held and B income shareholders received 0.65807374 I income shares for every one B income share held.

Performance review

The Aberdeen UK Equity Income - A income shares rose by 1.03% in sterling terms, compared with a gain in its benchmark, the FTSE All Share Index, of 5.38%.

Market review

In the year under review, the UK stockmarket rose and reached a 15-year high. Sentiment was buoyed by Britain's surprisingly resilient domestic economy, upbeat earnings news, along with a raft of M&A activity. Political developments also underpinned share prices, including the resounding yet unexpected Conservative victory at the polls, as well as Scotland's decision to stay in the Union. On the flip side, risk appetite was undermined by the Swiss central bank's unexpected de-pegging of the franc from the euro, the unfolding Greek debt drama, and continued China's slowdown. Uncertainty over the timing of the Fed's normalisation of interest rates, as well as weak commodity prices, dampened the resources sector. However, the market ended firmer towards the period-end on the back of improvements in the Chinese A-share market, as well as news of Greece's third bailout.

Portfolio review

At the stock level, holdings that contributed to relative return included Sage, which continued to improve its growth rates, with positive performance from newer products and ongoing subscription growth. Also contributing to performance was Croda, which issued an upbeat

first-quarter trading statement, revealing good sales to the life sciences segment and a welcome return to meaningful growth in its personal care division. Last, housebuilder Persimmon started 2015 with a healthy forward order book and saw good sales, supported by improving customer confidence and continued attractive terms available in the mortgage market.

In contrast, holdings that detracted included Weir, as its share price suffered on the back of lower commodity prices and weaker demand for its products. Also costing the fund was Rolls-Royce, as its share price weakened on the back of a succession of profit warnings that highlighted soft end market demand and short-term customer uncertainty to invest. Finally, BHP Billiton, which was affected by weaker commodity prices and this dampened sentiment towards the mining giant.

In key portfolio activity, we introduced specialty-chemicals manufacturer Elementis for its attractive industrial-coating business and a growing personal-care franchise, backed by a robust balance sheet. We also initiated a holding in engineering software and services developer Aveva on the back of a weak share price, having followed the company for some time. Its industry-leading intellectual property is supported by a net-cash balance sheet, enviable margins and recurring revenue streams. Meanwhile, we raised our exposure to Ultra Electronics as its valuation remained attractive. There's a potential for earnings growth as demand should improve and management is focused on increasing profitability. Share price weakness also allowed us to add to BG Group, Standard Chartered, Weir Group and Rolls Royce. Each of these businesses face near-term trading pressures but they also offer the franchise strength and balance-sheet robustness to endure and to make them attractive investment opportunities at their current valuations. Conversely, we pared several larger fund positions on price strength, including British American Tobacco, Prudential and Sage.

Outlook

The UK stockmarket, like its European peers, has had a volatile year. While it recovered some ground approaching year end, risks persist. These include uncertainty over Greece, the wider Eurozone fragility, and a weakening growth outlook in China. In Europe, data is likely to remain broadly stable, with growth benefiting from a weaker euro and the lower oil price. In addition, the ECB's policy loosening should help to underpin financial markets. While the short-term outlook for equity returns might well stay difficult, we are more sanguine about the medium to long-term. We believe that globally competitive businesses with genuine pricing power should prosper in the long run and further volatility ought to provide opportunities to add to our preferred holdings.

Pan European Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 97.08% (2014: 98.78%)			
Basic Materials 9.05% (2014: 8.49%)			
Chemicals 4.63% (2014: 2.93%)			
Croda International	262,000	7,964	3.04
Elementis	1,624,000	4,174	1.59
		12,138	4.63
Industrial Metals & Mining 0.20% (2014: nil)			
South32	656,500	537	0.20
Mining 4.22%, (2014: 5.56%)			
BHP Billiton	656,500	7,763	2.96
Rio Tinto	133,000	3,307	1.26
		11,070	4.22
Total Basic Materials		23,745	9.05
Consumer Goods 14.40% (2014: 13.80%)			
Automobiles & Parts 2.06% (2014: 1.95%)			
GKN	1,696,000	5,402	2.06
Food Producers 1.60% (2014: 5.48%)			
Associated British Foods	130,000	4,191	1.60
Household Goods & Home Construction 2.11% (2014: 2.05%)			
Persimmon	270,000	5,527	2.11
Personal Goods 4.15% (2014: nil)			
Unilever	374,000	10,872	4.15
Tobacco 4.48%, (2014: 4.32%)			
British American Tobacco	309,000	11,745	4.48
Total Consumer Goods		37,737	14.40
Consumer Services 11.76% (2014: 11.45%)			
Food & Drug Retailers 1.52% (2014: 1.65%)			
Tesco	1,847,000	3,984	1.52
General Retailers 2.08% (2014: 1.55%)			
Inchcape	678,000	5,444	2.08
Media 3.47% (2014: 3.74%)			
Pearson ^o	755,000	9,083	3.47

	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Security			
Travel & Leisure 4.69% (2014: 4.51%)			
Compass	768,000	7,871	3.00
Whitbread	85,000	4,412	1.69
		12,283	4.69
Total Consumer Services			
		30,794	11.76
Financials 15.49% (2014: 17.39%)			
Banks 7.58% (2014: 8.04%)			
HSBC	1,662,000	9,635	3.68
Standard Chartered Bank	1,043,000	10,224	3.90
		19,859	7.58
Equity Investment Instruments 1.47% (2014: 1.88%)			
Dunedin Smaller Companies Investment Trust	1,793,000	3,850	1.47
Epic Brand Investments	1,894,500	-	-
HIE Ventures^	6,075	-	-
		3,850	1.47
Financial Services 2.56% (2014: 2.63%)			
Schroders (non voting)	275,894	6,718	2.56
Life Insurance 3.88%, (2014: 4.84%)			
Prudential	675,000	10,176	3.88
Real Estate Investment & Services nil (2014: nil)			
Newfound	4,492,239	-	-
Total Financials			
		40,603	15.49
Health Care 5.84% (2014: 5.64%)			
Pharmaceuticals & Biotechnology 5.84%, (2014: 5.64%)			
AstraZeneca	177,000	7,646	2.92
GlaxoSmithKline	548,000	7,650	2.92
		15,296	5.84
Total Health Care			
		15,296	5.84
Industrials 17.22% (2014: 18.12%)			
Aerospace & Defense 8.39% (2014: 9.07%)			
Cobham	2,570,000	6,716	2.57
Rolls-Royce	1,228,747	9,757	3.72
Ultra Electronic	316,000	5,514	2.10
		21,987	8.39

	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Security			
Industrial Engineering 4.14% (2014: 4.34%)			
Spirax-Sarco Engineering	147,000	4,875	1.86
Weir ^{oo}	389,000	5,978	2.28
		10,853	4.14
Support Services 4.69% (2014: 4.71%)			
Aggreko ^{oo}	321,000	3,852	1.47
Experian	703,000	8,443	3.22
		12,295	4.69
Total Industrials		45,135	17.22
Oil & Gas 11.61% (2014: 13.50%)			
Alternative Energy nil (2014: nil)			
Nandan Cleantec	3,885,590	-	-
Oil & Gas Producers 8.73% (2014: 9.90%)			
BG	966,000	10,553	4.03
BP ^{oo}	904,000	3,575	1.35
Royal Dutch Shell 'A'	337,000	6,201	2.37
Royal Dutch Shell 'B' ^{oo}	138,000	2,567	0.98
		22,896	8.73
Oil Equipment, Services & Distribution 2.88% (2014: 3.60%)			
John Wood Group	1,207,000	7,550	2.88
Total Oil & Gas		30,446	11.61
Technology 4.77% (2014: 3.45%)			
Software & Computer Services 4.77% (2014: 3.45%)			
Aveva	211,000	4,653	1.78
Sage ^{oo}	1,506,000	7,846	2.99
		12,499	4.77
Total Technology		12,499	4.77
Telecommunications 4.03% (2014: 3.80%)			
Mobile Telecommunications 4.03% (2014: 3.80%)			
Inmarsat	590,000	5,239	2.00
Vodafone	2,202,000	5,326	2.03
		10,565	4.03
Total Telecommunications		10,565	4.03
Utilities 2.91% (2014: 3.14%)			
Electricity 0.01% (2014: nil)			
KSK Power Ventures	223,571	25	0.01

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Gas, Water & Multi-utilities 2.90% (2014 : 3.14%)			
Centrica	2,855,000	7,609	2.90
Total Utilities		7,634	2.91
Total Equities		254,454	97.08
Investment Funds 2.46% (2014: nil)			
Aberdeen ICVC - UK Smaller Companies Fund Z-2	1,856,214	6,474	2.46
Total Investment Funds		6,474	2.46
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		260,928	99.54
Investment asset including liabilities		260,928	99.54
Net other assets		1,193	0.46
Net assets		262,121	100.00

[†] Managed by subsidiaries of Aberdeen Asset Management PLC.

[°] A portion of this security is on loan at the year end.

[^] Unapproved/unquoted security.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation Shares in issue	73,462,945.28	71,801,543.47	80,126,286.63
A Income Shares in issue	36,286,398.04	16,361,670.50	18,046,234.26
I Accumulation Shares in issue	46,327,630.69	28,305,810.39	22,817,441.70
I Income Shares in issue	2,622,663.07	1,969,746.38	1,537,157.17
Net Asset Value attributable to			
A Accumulation shareholders (£'000)	124,465	119,119	132,933
A Income shareholders (£'000)	50,816	22,868	25,587
I Accumulation shareholders (£'000)	83,171	49,386	39,513
I Income shareholders (£'000)	3,669	2,750	2,177
Net asset value of Fund (£'000)	262,121	194,123	200,210
Net asset value per share			
A Accumulation	169.43	165.90	165.90
A Income	140.04	139.76	141.79
I Accumulation	179.53	174.47	173.17
I Income	139.89	139.60	141.65

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	2.0111	134.89	111.08
2011	A Income	1.8000	120.65	98.12
2011	I Accumulation	2.7020	139.06	114.65
2011	I Income	2.3500	120.76	98.08
2012	A Accumulation	2.3753	141.75	123.06
2012	A Income	2.0900	122.97	108.09
2012	I Accumulation	3.1144	147.29	127.44
2012	I Income	2.6500	123.13	108.14
2013	A Accumulation	2.4050	169.36	143.11
2013	A Income	2.0800	145.71	124.15
2013	I Accumulation	3.6068	177.11	148.74
2013	I Income	3.0000	145.88	124.34
2014	A Accumulation	2.3463	173.29	150.65
2014	A Income	2.0000	147.60	126.93
2014	I Accumulation	3.7718	182.06	158.70
2014	I Income	3.0700	147.82	126.99
2015 ^A	A Accumulation	3.1944	182.97	158.31
2015 ^A	A Income	2.6800	153.20	133.37
2015 ^A	I Accumulation	4.7033	193.63	167.07
2015 ^A	I Income	3.7400	153.42	133.68

^AAs at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %
31 July 2014	1.61	0.86
31 July 2015	1.60	0.85

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases.
- A full list of risks applicable to this Fund can be found in the Prospectus
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 12/08/1985 to 31/07/2015 ^B
Fund - A Income	1.03	53.25	665.35
Benchmark ^A	5.38	59.56	N/A

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	1.03	0.43	23.16	4.59	17.26

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A FTSE All Share Index.

^B Figures for Aberdeen UK Growth Unit Trust prior to 16 December 2005.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		1,959		(2,779)
Revenue	2	6,485		6,047	
Expenses	3	(2,636)		(2,856)	
Net revenue before taxation		3,849		3,191	
Taxation	4	(31)		-	
Net revenue after taxation			3,818		3,191
Total return before distributions			5,777		412
Finance costs: distributions	5		(3,831)		(3,193)
Change in net assets attributable to shareholders from investment activities			1,946		(2,781)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		194,123		200,210
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	5,589		10,624	
Amount receivable on amalgamations ^A	84,804		-	
Amount payable on cancellation of shares	(28,480)		(16,661)	
		61,913		(6,037)
Stamp duty reserve tax		-		(38)
Unclaimed distributions		28		16
Change in net assets attributable to shareholders from investment activities (see above)		1,946		(2,781)
Retained distribution on accumulation shares		4,111		2,753
Closing net assets attributable to shareholders		262,121		194,123

^A Relating to the amalgamation on 10 July 2015 of Aberdeen UK Opportunities Equity Fund, a sub-fund of Aberdeen Investment Funds ICVC III, into the fund.

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			260,928		191,757
Debtors	6	227		152	
Cash and bank balances		4,499		2,934	
Total other assets			4,726		3,086
Total assets			265,654		194,843
Creditors	7	(2,811)		(429)	
Distribution payable on income shares		(722)		(291)	
Total liabilities			(3,533)		(720)
Net assets attributable to shareholders			262,121		194,123

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains on investments

	2015	2014
	£'000	£'000
Net capital gains/(losses) on investments during the year comprise:		
Non-derivative securities	1,959	(2,776)
Other currency losses	-	(1)
Transaction costs	-	(2)
Net capital gains on investments	1,959	(2,779)

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	4	7
Overseas dividends	537	121
Stock dividends	-	368
Stock lending revenue	9	14
UK dividends	5,935	5,537
Total revenue	6,485	6,047

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	20,950	9,969

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £22,053,000 (2014 - £10,494,000) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
ABN AMRO N.V.	2,478	4,011
BNP Paribas Securities Services	19,575	-
Deutsche Bank	-	6,483
	22,053	10,494

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating).

With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	2,443	2,615
Operating, administrative and servicing fees	97	-
Registration fees	82	179
	2,622	2,794
<i>Payable to the Depository, associates of the Depository and agents of either of them:</i>		
Depository fee	11	24
Safe custody fees	4	8
	15	32
<i>Other expenses:</i>		
Audit fee	3	7
Legal and professional fees	1	1
Printing and postage fees	(5)	22
	(1)	30
Total expenses	2,636	2,856

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas tax reclaims	(15)	-
Overseas withholding tax	46	-
Total Taxation	31	-

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	3,849	3,191
Corporation tax of 20%	770	638
Effects of:		
Irrecoverable overseas withholding tax	31	-
Movement in excess management expenses	524	567
Non taxable overseas dividends	(107)	(24)
Other non taxable revenue	-	(74)
Non taxable UK dividends	(1,187)	(1,107)
Current tax charge	31	-

At the year end, there is a potential deferred tax asset of £15,620,000 (2014 - £15,096,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Interim	1,297	845
Final	3,699	2,299
	4,996	3,144
Add: Revenue deducted on cancellation of shares	225	109
Deduct: Revenue received on issue of shares	(1,390)	(60)
Net distribution for the year	3,831	3,193
Total finance costs	3,831	3,193

Details of the distribution per unit are set out in the distribution table on page 460.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	3,818	3,191
Add:		
Undistributed revenue brought forward	10	5
Movement between share classes due to conversions	7	7
Deduct:		
Undistributed revenue carried forward	(4)	(10)
Finance cost: distributions	3,831	3,193

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	151	98
Amounts receivable for issue of shares	15	54
Merger debtor	30	-
Overseas withholding tax reclaimable	15	-
Sales awaiting settlement	16	-
Total debtors	227	152

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	278	275
Amounts payable for cancellation of shares	389	154
Purchases awaiting settlement	2,144	-
Total creditors	2,811	429

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7.

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 453. During the year the ACD held shares in the Fund and had a holding of 713 income 'A' shares (2014 - 1,507), 601 accumulation 'A' shares (2014 - 3,024), 757 income 'I' shares (2014 - 1,456), 573 accumulation 'I' shares (2014 - 1,207) as at 31 July 2015. £628,000 was due to the ACD (2014 - £347,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £6,474,000 (2014 - £3,652,000) that were managed by subsidiaries of Aberdeen Asset Management PLC.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £3,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

10. Shareholder funds

The Fund currently has 2 share classes; Class 'A' (Retail) and Class 'I' (Institutional).

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

Class 'A': 1.50%

Class 'I': 0.75%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 450. The distribution per share class is given in the distribution table on page 460. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		101,593		24,073
Commissions	9		19	
Taxes	62		103	
Other costs	-		4	
Total transaction cost		71		126
Gross purchases total		101,664		24,199
Analysis of total sale costs				
Gross sales in year before transaction costs		34,459		23,043
Commissions	(25)		(20)	
Total transaction cost		(25)		(20)
Total sales net of transaction costs		34,434		23,023

Distribution table

For the year ended 31 July 2015 (in pence per share)

Interim dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 January 2015

	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Share class A Accumulation				
Group 1	1.0208	-	1.0208	0.5499
Group 2	0.1103	0.9105	1.0208	0.5499
Share class A Income				
Group 1	0.8600	-	0.8600	0.4700
Group 2	-	0.8600	0.8600	0.4700
Share class I Accumulation				
Group 1	1.7247	-	1.7247	1.2347
Group 2	0.3335	1.3912	1.7247	1.2347
Share class I Income				
Group 1	1.3800	-	1.3800	1.0100
Group 2	0.5196	0.8604	1.3800	1.0100

Final dividend distribution

Group 1 : Shares purchased prior to 1 February 2015

Group 2 : Shares purchased 1 February 2015 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation				
Group 1	2.1736	-	2.1736	1.7964
Group 2	-	2.1736	2.1736	1.7964
Share class A Income				
Group 1	1.8200	-	1.8200	1.5300
Group 2	-	1.8200	1.8200	1.5300
Share class I Accumulation				
Group 1	2.9786	-	2.9786	2.5371
Group 2	0.0176	2.9610	2.9786	2.5371
Share class I Income				
Group 1	2.3600	-	2.3600	2.0600
Group 2	0.4418	1.9182	2.3600	2.0600

Equalisation

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

Aberdeen UK Equity Income Fund

For the year ended 31 July 2015

Investment objective and policy

The Fund aims to achieve an attractive level of income combined with capital growth from a portfolio primarily consisting of UK Equity and Equity-related securities.

This Fund may invest in companies listed or incorporated anywhere in the world, as long as the companies' principal activities are in, or their main economic exposure is to, the UK.

This Fund may also invest in Equity and Equity-Related Securities of non-UK companies.

The Fund may also hold ancillary liquid assets and debt and debt-related securities.

Distribution

A final distribution of 9.05p per share will be paid to A income shareholders, 9.77p per share to I income shareholders, 25.5653p per share to A accumulation shareholders, 27.4517p per share to I accumulation shareholders and 29.5846p per share to Z accumulation shareholders on 31 October 2015. This makes a total 15.20p for A income shareholders, 16.37p for I income shareholders, 42.6592p for A accumulation shareholders, 45.6987p for I accumulation shareholders and 49.2056p for Z accumulation shareholders for the year to 31 July 2015.

Corporate activity

Aberdeen UK Equity Dividend Fund, a sub-fund of Aberdeen Investment Funds UK ICVC II, amalgamated into the Aberdeen UK Equity Income Fund, on the 19 June 2015. On amalgamation, Aberdeen UK Equity Dividend Fund A accumulation shareholders received 0.09846993 A accumulation shares for every one A accumulation share held, A income shareholders received 0.55421714 I income shares for every one A income share held, B accumulation shareholders received 0.09769399 I accumulation shares for every one B accumulation share held and B income shareholders received 0.21814148 I income shares for every one B income share held.

Performance review

The Aberdeen UK Equity Income - A accumulation shares fell by 0.66% in sterling terms, compared with a gain in its benchmark, the FTSE All Share Index, of 5.38%.

Market review

In the year under review, the UK stockmarket rose and reached a 15-year high. Sentiment was buoyed by Britain's surprisingly resilient domestic economy, upbeat earnings news, along with a raft of M&A activity. Political developments also underpinned share prices, including the resounding yet unexpected Conservative victory at the polls, as well as Scotland's decision to stay in the Union. On the flip side, risk appetite was undermined by the Swiss central bank's unexpected de-pegging of the franc from the euro, the unfolding Greek debt drama, and continued China's slowdown. Uncertainty over the timing of the Fed's normalisation of interest rates, as well as weak commodity prices, dampened the resources sector. However, the market ended firmer towards the period-end on the back of

improvements in the Chinese A-share market, as well as news of Greece's third bailout.

Portfolio review

At the stock level, holdings that contributed to relative return included Sage, which continued to improve its growth rates, with positive performance from newer products and ongoing subscription growth. Also contributing to performance was a lack of exposure to Glencore, as its price suffered on the back of weak commodity prices. Not holding this fairly large index constituent helped performance. Last, Schroders reported solid inflows in the second half of 2014, driven by good institutional asset gathering.

In contrast, holdings that detracted included BHP Billiton, which was affected by weaker commodity prices and this dampened sentiment towards the mining giant. Meanwhile, Casino lagged, reflecting ongoing competition in France and some concerns over Brazilian growth rates. Also costing the fund was Weir, as its share price suffered on the back of lower commodity prices and weaker demand for its products.

In key portfolio activity, we sold our small position in South32, received via its spin-off from BHP Billiton, re-investing the proceeds in our favoured mining names with better yields, and trimmed ENI in favour of other oil and gas holdings. Conversely, we introduced specialty chemicals manufacturer Elementis for its attractive industrial coating business and a growing personal care franchise, backed by a robust balance sheet. We initiated a holding in engineering software and services developer Aveva on the back of a weak share price, having followed the company for some time. Its industry-leading intellectual property is supported by a net-cash balance sheet, enviable margins and recurring revenue streams. We also added to Schroders, a good quality core holding with an attractive yield and raised our exposure to Ultra Electronics as its valuation remained attractive. There is a potential for earnings growth as demand is expected to improve and management is focused on increasing profitability through internal cost cutting.

Outlook

The UK stockmarket, like its European peers, has had a volatile year. While it recovered some ground approaching year end, risks persist. These include uncertainty over Greece, the wider Eurozone fragility, and a weakening growth outlook in China. In Europe, data is likely to remain broadly stable, with growth benefiting from a weaker euro and the lower oil price. In addition, the ECB's policy loosening should help to underpin financial markets. While the short-term outlook for equity returns might well stay difficult, we are more sanguine about the medium to long-term. We believe that globally competitive businesses with genuine pricing power should prosper in the long run and further volatility ought to provide opportunities to add to our preferred holdings.

Pan European Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 99.79% (2014: 99.70%)			
Basic Materials 6.82% (2014: 5.51%)			
Chemicals 3.13% (2014: 1.28%)			
Croda International	118,500	3,603	1.82
Elementis	1,011,000	2,598	1.31
		6,201	3.13
Mining 3.69% (2014: 4.23%)			
BHP Billiton	618,000	7,308	3.69
Total Basic Materials		13,509	6.82
Consumer Goods 12.36% (2014: 11.27%)			
Automobiles & Parts 1.55% (2014: 1.61%)			
GKN	967,500	3,081	1.55
Food Producers 1.28% (2014: 0.97%)			
Associated British Foods	79,000	2,547	1.28
Personal Goods 4.59% (2014: 3.98%)			
Unilever ^{co}	313,000	9,099	4.59
Tobacco 4.94% (2014: 4.71%)			
British American Tobacco	257,000	9,769	4.94
Total Consumer Goods		24,496	12.36
Consumer Services 9.63% (2014: 11.13%)			
Food & Drug Retailers 3.02% (2014: 3.88%)			
Casino Guichard Perrachon	56,500	2,702	1.36
Tesco	1,521,000	3,281	1.66
		5,983	3.02
General Retailers 1.48% (2014: 1.04%)			
Inchcape	365,000	2,931	1.48
Media 3.08% (2014: 4.03%)			
Pearson	508,000	6,111	3.08
Travel & Leisure 2.05% (2014: 2.18%)			
Compass	395,500	4,054	2.05
Total Consumer Services		19,079	9.63

	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Security			
Financials 22.00% (2014: 21.44%)			
Banks 8.16% (2014: 8.44%)			
HSBC	1,593,000	9,234	4.65
Standard Chartered Bank	709,838	6,958	3.51
		16,192	8.16
Equity Investment Instruments 1.70% (2014: 1.94%)			
Dunedin Smaller Companies Investment Trust [†]	1,570,634	3,373	1.70
Financial Services 6.33% (2014: 4.56%)			
Close Brothers	217,883	3,166	1.60
Provident Financial ^{°°}	140,000	4,162	2.10
Schroders (non voting)	215,000	5,235	2.63
		12,563	6.33
Life Insurance 3.86% (2014: 4.25%)			
Prudential	507,000	7,643	3.86
Real Estate Investment Trusts 1.95% (2014: 2.25%)			
Unibail-Rodamco (REIT)	22,500	3,858	1.95
Total Financials		43,629	22.00
Health Care 11.80% (2014: 11.35%)			
Pharmaceuticals & Biotechnology 11.80% (2014: 11.35%)			
AstraZeneca	197,500	8,532	4.30
GlaxoSmithKline ^{°°}	624,000	8,711	4.40
Roche	33,000	6,141	3.10
		23,384	11.80
Total Health Care		23,384	11.80
Industrials 8.52% (2014: 8.26%)			
Aerospace & Defense 5.40% (2014: 5.31%)			
Cobham	1,928,000	5,039	2.53
Rolls-Royce	361,000	2,866	1.45
Rolls-Royce Holdings	14,382,000	14	0.01
Ultra Electronic	160,000	2,792	1.41
		10,711	5.40
Industrial Engineering 1.45% (2014: 1.53%)			
Weir ^{°°}	187,000	2,874	1.45
Support Services 1.67% (2014: 1.42%)			
Experian	275,000	3,303	1.67
Total Industrials		16,888	8.52

	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Security			
Oil & Gas 11.17% (2014: 13.69%)			
Oil & Gas Producers 9.16% (2014: 11.86%)			
BG	242,000	2,644	1.33
BP ^{oo}	1,193,000	4,718	2.38
ENI	270,000	3,043	1.54
Royal Dutch Shell 'B' ^{oo}	417,000	7,759	3.91
		18,164	9.16
Oil Equipment, Services & Distribution 2.01% (2014: 1.83%)			
John Wood Group	637,000	3,984	2.01
Total Oil & Gas		22,148	11.17
Technology 3.94% (2014: 2.84%)			
Software & Computer Services 3.94% (2014: 2.84%)			
Aveva	122,500	2,701	1.36
Sage	982,000	5,116	2.58
		7,817	3.94
Total Technology		7,817	3.94
Telecommunications 5.09% (2014: 4.71%)			
Mobile Telecommunications 5.09% (2014: 4.71%)			
Inmarsat	435,000	3,863	1.95
Vodafone	2,572,000	6,220	3.14
		10,083	5.09
Total Telecommunications		10,083	5.09
Utilities 8.46% (2014: 9.52%)			
Electricity nil (2014: nil)			
KSK Power Ventures	72,008	8	-
Gas, Water & Multiutilities 8.46% (2014: 9.52%)			
Centrica	2,883,000	7,683	3.89
GDF Suez	311,000	3,849	1.94
National Grid	612,000	5,221	2.63
		16,753	8.46
Total Utilities		16,761	8.46
Total Equities		197,794	99.79

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %		
Investment Funds 1.36% (2014: 0.83%)					
Deutsche Global Liquidity Series - Managed Sterling Fund	1,343,000	1,343	0.68		
Aberdeen ICVC - UK Smaller Companies Fund Z-2 [†]	387,867	1,353	0.68		
		2,696	1.36		
Total Investment Funds		2,696	1.36		
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
		200,490	101.15		
Derivatives (0.06%) (2014: (0.01)%)					
Exchange Traded Stock Options (0.06%) (2014: (0.01)%)					
Options	Type	Expiry	Notional	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
Associated British Food	Call	18/09/15	(13)	(15)	(0.01)
Pearson	Put	18/09/15	(50)	(22)	(0.01)
Rolls-Royce	Put	21/08/15	(46)	(72)	(0.04)
Tesco	Call	18/09/15	(215)	(1)	-
Unilever	Call	21/08/15	(16)	(1)	-
Unrealised losses on option contracts				(111)	(0.06)
Unrealised losses on derivatives				(111)	(0.06)
Investment assets^A				200,379	101.09
Net other liabilities				(2,169)	(1.09)
Net assets				198,210	100.00

[†] Managed by subsidiaries of Aberdeen Asset Management PLC.

^A Including derivative liabilities.

[°] A portion of this security is on loan at the year end.

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	8,069,720.33	9,494,107.70	10,827,021.27
A Income shares in issue	25,649,033.59	12,424,562.18	15,211,783.69
I Accumulation shares in issue	944,691.18	818,950.22	308,076.89
I Income shares in issue	2,245,905.40	1,588,079.63	1,024,382.77
Z Accumulation shares in issue	55,632.38	59,032.38	91,732.38
Net asset value attributable to			
A Accumulation shareholders (£'000)	84,874	99,508	110,903
A Income shareholders (£'000)	93,174	46,851	58,359
I Accumulation shareholders (£'000)	10,672	9,148	3,338
I Income shareholders (£'000)	8,810	6,417	4,179
Z Accumulation shareholders (£'000)	680	708	1,059
Net asset value of Fund (£'000)	198,210	162,632	177,838
Net asset value pence per share			
A Accumulation	1,051.76	1,048.10	1,024.32
A Income	363.27	377.08	383.64
I Accumulation	1,129.69	1,117.06	1,083.53
I Income	392.28	404.04	407.97
Z Accumulation	1,221.56	1,199.10	1,154.50

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	31.4588	824.47	703.99
2011	A Income	13.2300	345.26	286.86
2011	I Accumulation	33.0539	861.59	736.55
2011	I Income	13.9800	362.87	301.85
2011	Z Accumulation	34.9224	902.07	772.92
2012	A Accumulation	36.1569	879.64	761.19
2012	A Income	14.5700	342.62	304.43
2012	I Accumulation	37.9093	926.42	798.98
2012	I Income	15.3600	362.83	321.29
2012	Z Accumulation	39.8991	982.84	843.63
2013	A Accumulation	38.2322	1,054.91	885.43
2013	A Income	14.7500	401.43	344.87
2013	I Accumulation	40.6023	1,117.91	932.65
2013	I Income	15.7500	426.36	365.27
2013	Z Accumulation	43.3021	1,193.46	989.59
2014	A Accumulation	40.9200	1,092.65	954.15
2014	A Income	15.1800	403.10	343.41
2014	I Accumulation	43.5192	1,163.27	1,018.74
2014	I Income	16.2300	431.45	368.63
2014	Z Accumulation	46.5867	1,247.38	1,095.42
2015 ^A	A Accumulation	42.6592	1,125.91	1,002.16
2015 ^A	A Income	15.2000	398.57	360.55
2015 ^A	I Accumulation	45.6987	1,207.81	1,071.79
2015 ^A	I Income	16.3700	429.86	387.67
2015 ^A	Z Accumulation	49.2056	1,304.39	1,154.43

^A As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.61	0.86	0.12
31 July 2015	1.61	0.86	0.11

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 11/04/1988 to 31/07/2015 ^B
Fund - A Accumulation	(0.66)	55.16	1,003.49
Benchmark ^A	5.38	59.56	962.43

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	(0.66)	2.99	22.96	4.76	17.73

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A FTSE All Share Index.

^B Figures for Aberdeen UK Equity Income Fund, a sub-fund of Aberdeen Investments I prior to 10 April 2006. Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital losses	1		(3,804)		(282)
Revenue	2	6,542		6,912	
Expenses	3	(2,450)		(2,661)	
Net revenue before taxation		4,092		4,251	
Taxation	4	(17)		8	
Net revenue after taxation			4,075		4,259
Total return before distributions			271		3,977
Finance costs: distributions	5		(6,337)		(6,700)
Change in net assets attributable to shareholders from Investment activities			(6,066)		(2,723)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		162,631		177,838
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	3,341		5,922	
Amount receivable on amalgamation ^A	57,901			
Amount payable on cancellation of shares	(23,629)		(22,715)	
		37,613		(16,793)
Stamp duty reserve tax		-		(24)
Unclaimed distributions		3		9
Change in net assets attributable to shareholders from Investment activities (see above)		(6,066)		(2,723)
Retained distribution on accumulation shares		4,029		4,324
Closing net assets attributable to shareholders		198,210		162,631

^A Relating to the amalgamation on 19 June 2015 of Aberdeen UK Equity Dividend Fund, a sub fund of Aberdeen Investment Funds UK ICVC II, into the Fund.

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			200,490		163,532
Debtors	6	566		597	
Cash and bank balances	7	330		454	
Total other assets			896		1,051
Total assets			201,386		164,583
Liabilities					
Investment liabilities			(111)		(29)
Creditors	8	(524)		(568)	
Distribution payable on income shares		(2,541)		(1,355)	
Total other liabilities			(3,065)		(1,923)
Total liabilities			(3,176)		(1,952)
Net assets attributable to shareholders			198,210		162,631

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital (losses) on investments

	2015 £'000	2014 £'000
The net capital (losses) on investments during the year comprise:		
Derivative contracts	(82)	74
Non-derivative securities	(3,709)	(351)
Other currency losses	(12)	(3)
Transaction costs	(1)	(2)
Net capital (losses) on investments	(3,804)	(282)

2. Revenue

	2015 £'000	2014 £'000
Bank interest	2	2
Interest on debt securities	3	6
Option premium	180	245
Other revenue	7	-
Overseas dividends	1,001	995
Stock dividends	539	418
Stock lending revenue	7	8
UK dividends	4,803	5,238
Total revenue	6,542	6,912

	2015 £'000	2014 £'000
Stock lending details		
Aggregate value of securities on loan at the year end	18,166	-

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £19,124,000 (2014 - nil) was held with the following counterparties:

Counterparty	2015 £'000	2014 £'000
ABN AMRO	9,410	-
BNP Paribas Securities Services	5,707	-
Société Générale	4,007	-
	19,124	-

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating).

With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	2,263	2,455
Operating, administrative and servicing fees	99	-
Registration fees	70	153
	2,432	2,608
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	9	20
Safe custody fees	5	11
	14	31
<i>Other expenses:</i>		
Audit fee	3	9
Legal & Professional fee	2	3
Printing and postage fees	(1)	10
	4	22
Total expenses	2,450	2,661

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas tax reclaims	(111)	(84)
Overseas withholding tax	128	76
Total taxation	17	(8)

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	4,092	4,251
Corporation tax of 20%	818	850
Effects of:		
Current year excess management expenses not utilised	450	480
Irrecoverable overseas withholding tax	17	76
Non taxable overseas dividends	(200)	(199)
Non taxable UK dividends	(960)	(953)
Other non taxable revenue	(108)	(178)
Withholding tax reclaims	-	(84)
Current tax charge	17	(8)

At the year end, there is a potential deferred tax asset of £16,351,000 (2014 - £15,900,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Interim	2,523	2,451
Final	4,880	4,067
	7,403	6,518
Revenue deducted on cancellation of shares	316	262
Revenue received on issue of shares	(1,382)	(80)
Net distribution for the year	6,337	6,700
Total finance costs	6,337	6,700

Details of the distribution per unit are set out in the distribution table on page 476.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	4,075	4,259
Add:		
Authorised Corporate Director's periodic charge paid from capital	2,263	2,455
Movement between share classes due to conversions	-	1
Undistributed revenue brought forward	4	-
Deduct:		
Tax relief on capital expenses	(3)	(11)
Undistributed revenue carried forward	(2)	(4)
Finance cost: distributions	6,337	6,700

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	348	381
Amounts receivable for issue of shares	26	47
Merger debtor	78	-
Overseas withholding tax reclaimable	114	169
Total debtors	566	597

7. Cash and bank balances

	2015	2014
	£'000	£'000
Amounts held at futures clearing houses and brokers	94	47
Cash and bank balances	236	407
Total cash and bank balances	330	454

8. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	266	250
Amounts payable for cancellation of shares	258	318
Total creditors	524	568

9. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7.

Derivative Exposure

The fund has open option contracts with total commitments of £2,449,000 (2014 - (£3,126,100)). As at 31 July 2015 the impact of the use of derivatives upon the fund is considered insignificant.

10. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 469. During the year the ACD held shares in the Fund and had a holding of 96 accumulation 'A' shares (2014 - 508), 282 income 'A' shares (2014 - 560), 125 accumulation 'I' shares (2014 - 232), 346 income 'I' shares (2014 - 493), and 124 accumulation 'Z' shares (2014 - 184) as at 31 July 2015. £474,000 was due to the manager (2014 - £498,000) at the year end.

The Investment Adviser

As at the year end the Fund held investments valued at £4,726,000 (2014 - £3,159,000) that were managed by subsidiaries of Aberdeen Asset Management PLC.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £3,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

11. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional)

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

Class 'A': 1.50%

Class 'I': 0.75%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 466. The distribution per share class is given in the distribution table on page 476. All share classes have the same rights on winding up.

12. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		76,828		19,734
Commissions	12		12	
Taxes	72		53	
Other costs	2		10	
Total transaction cost		86		75
Gross purchases total		76,914		19,809
Analysis of total sale costs				
Gross sales in year before transaction costs		36,263		34,068
Commissions	(24)		(26)	
Total transaction cost		(24)		(26)
Total sales net of transaction costs		36,239		34,042

Distribution table

For the year ended 31 July 2015 (in pence per share)

Interim dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2: Shares purchased 1 August 2014 to 31 January 2015

	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Share class A Accumulation				
Group 1	17.0939	-	17.0939	14.9253
Group 2	10.9980	6.0959	17.0939	14.9253
Share class A Income				
Group 1	6.1500	-	6.1500	5.5900
Group 2	2.0675	4.0825	6.1500	5.5900
Share class I Accumulation				
Group 1	18.2470	-	18.2470	15.8292
Group 2	6.9421	11.3049	18.2470	15.8292
Share class I Income				
Group 1	6.6000	-	6.6000	5.9600
Group 2	2.5446	4.0554	6.6000	5.9600
Share class Z Accumulation				
Group 1	19.6210	-	19.6210	16.9152
Group 2	8.1703	11.4507	19.6210	16.9152

Final dividend distribution

Group 1 : Shares purchased prior to 1 February 2015

Group 2 : Shares purchased 1 February to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation				
Group 1	25.5653	-	25.5653	25.9947
Group 2	6.8888	18.6765	25.5653	25.9947
Share class A Income				
Group 1	9.0500	-	9.0500	9.5900
Group 2	0.5169	8.5331	9.0500	9.5900
Share class I Accumulation				
Group 1	27.4517	-	27.4517	27.6900
Group 2	10.5142	16.9375	27.4517	27.6900
Share class I Income				
Group 1	9.7700	-	9.7700	10.2700
Group 2	2.0255	7.7445	9.7700	10.2700
Share class Z Accumulation				
Group 1	29.5846	-	29.5846	29.6715
Group 2	13.9892	15.5954	29.5846	29.6715

Equalisation

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

Aberdeen UK Mid-Cap Equity Fund

For the year ended 31 July 2015

Investment objective and policy

The Fund's objective is to maximise total return from capital investment predominantly in the companies of the FTSE 250 Index (excluding investment trusts), though other UK listed equities may be held where the ACD deems this appropriate.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Distribution

A final distribution of 1.42p per share will be paid to A income shareholders, 1.6212p per share to A accumulation shareholders, 1.75p per share to I income shareholders, 1.8281p per share to I accumulation shareholders and 3.3884p per share to Z accumulation shareholders on 31 October 2015. This makes a total of 1.96p for A income shareholders, 2.2355p for A accumulation shareholders, 2.7p for I income shareholders, 2.8133p for I accumulation shareholders and 5.5169p for Z accumulation shareholders for the year to 31 July 2015.

Performance review

The Aberdeen UK Mid-Cap Equity - A accumulation shares rose by 9.46% in sterling terms, compared with a gain in its benchmark, the FTSE 250 Index ex Investment Trusts Index, of 17.95%.

Market review

Mid-cap UK stocks rose and reached a 15-year high in the year under review. Sentiment was buoyed by Britain's surprisingly resilient domestic economy, upbeat earnings news, along with a raft of M&A activity. Political developments also underpinned share prices, including the resounding yet unexpected Conservative victory at the polls, as well as Scotland's decision to stay in the Union. On the flip side, risk appetite was undermined by the Swiss central bank's unexpected de-pegging of the franc from the euro, the unfolding Greek debt drama, and continued China's slowdown. Uncertainty over the timing of the Fed's normalisation of interest rates, as well as weak commodity prices, dampened the resources sector. However, the market ended firmer towards the period-end on the back of improvements in the Chinese A-share market, as well as news of Greece's third bailout.

Portfolio review

At the stock level, holdings that contributed to relative return included Dignity, which performed well following strong results towards the period end and a further acquisition of 36 funeral locations. Also benefiting the fund was the lack of exposure to Drax, as its shares weakened as the company reported lower margins as a result of weak gas and power prices. Last, Sage continued to improve its growth rates, with positive performance from newer products and ongoing subscription growth.

In contrast, holdings that detracted included Enquest, as its performance was hurt by uncertainty surrounding the oil price and its medium-term outlook. Also costing the fund was Fenner, as weakness in commodity-related end markets led to lower demand for its products and services. Finally, Oxford Instruments' shares suffered due to trading challenges in Russia and Japan, as well as weaker trading in its short lead-time industrial-analysis business. Encouragingly, it is taking action to rein in costs in response.

In key portfolio activity, we sold DMGT because of its fuller valuation after strong recent share price performance. We trimmed Hiscox, along with several larger fund holdings, including Sage, Dignity, Victrex and Berkeley Group, after they registered good relative performances. We also lowered our exposure to Cobham, as its valuation appeared less attractive after a strong run-up in its share price, and in light of its higher gearing resulting from management's recent acquisitions, and reduced our exposure to both Fuller's and Great Portland Estates to recycle capital into other opportunities.

This included the introduction of Aggreko, a global leader in power generation-for-hire and supplier of temperature control equipment, which enjoys market-leading positions and is attractively valued. We raised our exposure to Croda, Melrose, Oxford Instruments and Spectris, given their compelling valuations and good long-term prospects, as well as to Rotork, a maker of flow-control mechanisms for liquids and gases, taking advantage of price weakness. We also added to Aveva, Elementis, Enquest, Mothercare and Wood Group.

Outlook

The UK stockmarket, like its European peers, has had a volatile year. While it recovered some ground approaching year end, risks persist. These include uncertainty over Greece, the wider Eurozone fragility, and a weakening growth outlook in China. In Europe, data is likely to remain broadly stable, with growth benefiting from a weaker euro and the lower oil price. In addition, the ECB's policy loosening should help to underpin financial markets. While the short-term outlook for equity returns might well stay difficult, we are more sanguine about the medium to long-term. We believe that globally competitive businesses with genuine pricing power should prosper in the long run and further volatility ought to provide opportunities to add to our preferred holdings.

Pan European Equities team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 99.62% (2014: 99.57%)			
Basic Materials 7.79% (2014: 7.08%)			
Chemicals 7.79% (2014: 7.08%)			
Croda International	50,500	1,535	2.32
Elementis	658,000	1,691	2.56
Victrix	99,000	1,917	2.91
		5,143	7.79
Total Basic Materials		5,143	7.79
Consumer Goods 5.64% (2014: 6.09%)			
Food Producers 2.44% (2014: 2.22%)			
Devro	531,000	1,610	2.44
Household Goods & Home Construction 1.58% (2014: 2.49%)			
Berkeley	31,000	1,044	1.58
Personal Goods 1.62% (2014: 1.38%)			
PZ Cussons	309,000	1,073	1.62
Total Consumer Goods		3,727	5.64
Consumer Services 16.66% (2014: 17.04%)			
General Retailers 8.69% (2014: 7.38%)			
Dignity	57,000	1,395	2.11
Inchcape	319,500	2,566	3.89
Mothercare	656,000	1,779	2.69
		5,740	8.69
Media 3.21% (2014: 4.70%)			
Euromoney Institutional Investor	203,400	2,121	3.21
Travel & Leisure 4.76% (2014: 4.96%)			
Fuller Smith & Turner	96,000	1,143	1.73
Millennium & Copthorne Hotels	358,000	1,998	3.03
		3,141	4.76
Total Consumer Services		11,002	16.66
Financials 12.64% (2014: 13.05%)			
Financial Services 7.45% (2014: 7.18%)			
Close Brothers	126,000	1,831	2.78
Provident Financial	42,200	1,255	1.90
Rathbone Brothers	80,400	1,831	2.77
		4,917	7.45

	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Security			
Nonlife Insurance 2.06% (2014: 2.43%)			
Hiscox	147,000	1,360	2.06
Real Estate Investment & Services 1.59% (2014: 1.46%)			
Helical Bar	247,000	1,050	1.59
Real Estate Investment Trusts 1.54% (2014: 1.98%)			
Great Portland Estates	122,500	1,020	1.54
Total Financials		8,347	12.64
Health Care 4.44% (2014: 3.86%)			
Pharmaceuticals & Biotechnology 4.44% (2014: 3.86%)			
Abcam	266,000	1,556	2.35
Dechra Pharmaceuticals	140,000	1,378	2.09
		2,934	4.44
Total Health Care		2,934	4.44
Industrials 39.22% (2014: 35.41%)			
Aerospace & Defense 8.13% (2014: 8.93%)			
Cobham	531,000	1,388	2.10
Meggitt	358,000	1,663	2.52
Ultra Electronic	133,082	2,322	3.51
		5,373	8.13
Construction & Materials 1.68% (2014: 1.65%)			
Morgan Sindall	136,900	1,112	1.68
Electronic & Electrical Equipment 5.17% (2014: 3.86%)			
Oxford Instruments	206,180	1,889	2.86
Spectris	78,000	1,523	2.31
		3,412	5.17
General Industrials 4.06% (2014: 2.98%)			
RPC	394,000	2,683	4.06
Industrial Engineering 9.00% (2014: 9.83%)			
Fenner	609,500	1,018	1.54
Melrose Industries	512,000	1,417	2.15
Rotork	851,000	1,820	2.75
Spirax-Sarco Engineering	51,107	1,695	2.56
		5,950	9.00

	Nominal/ Quantity	Market value £'000	Percentage of total net assets %
Security			
Industrial Transportation 4.49% (2014: 3.01%)			
BBA Aviation	612,500	1,819	2.75
James Fisher & Sons	103,000	1,147	1.74
		2,966	4.49
Support Services 6.69% (2014: 5.15%)			
Aggreko	80,000	960	1.45
Berendsen	228,000	2,332	3.54
Travis Perkins	50,000	1,124	1.70
		4,416	6.69
Total Industrials		25,912	39.22
Oil & Gas 4.40% (2014: 6.29%)			
Oil & Gas Producers 1.25% (2014: 2.34%)			
EnQuest	2,321,000	824	1.25
Oil Equipment, Services & Distribution 3.15% (2014: 3.95%)			
John Wood Group	333,413	2,085	3.15
Total Oil & Gas		2,909	4.40
Technology 6.49% (2014: 7.79%)			
Software & Computer Services 6.49% (2014: 7.79%)			
Anite	1,267,172	1,593	2.41
Aveva	122,000	2,691	4.08
		4,284	6.49
Total Technology		4,284	6.49
Telecommunications 2.34% (2014: 2.96%)			
Mobile Telecommunications 2.34% (2014: 2.96%)			
Inmarsat	174,000	1,545	2.34
Total Telecommunications		1,545	2.34
Total Equities		65,803	99.62
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		65,803	99.62
Investment asset including liabilities		65,803	99.62
Net other assets		249	0.38
Net assets		66,052	100.0

Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	13,941,664.69	17,632,927.52	21,493,713.12
A Income shares in issue	4,053,302.28	4,612,509.95	5,046,964.43
I Accumulation shares in issue	4,402,272.58	5,704,025.17	1,224,024.02
I Income shares in issue	714,316.52	431,366.41	42,800.00
Z Accumulation shares in issue	12,362,976.10	12,349,376.10	12,264,176.10
Net asset value attributable to			
A Accumulation shareholders (£'000)	25,855	29,797	35,047
A Income shareholders (£'000)	6,527	6,852	7,312
I Accumulation shareholders (£'000)	6,505	7,623	1,566
I Income shareholders (£'000)	998	556	54
Z Accumulation shareholders (£'000)	26,167	23,462	22,148
Net asset value of Fund (£'000)	66,052	68,290	66,127
Net asset value pence per share			
A Accumulation	185.45	168.98	163.06
A Income	161.02	148.54	144.87
I Accumulation	147.77	133.64	127.98
I Income	139.72	128.88	125.68
Z Accumulation	211.66	189.99	180.59

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	1.4752	123.25	98.88
2011	A Income	1.3600	113.59	90.16
2011	Z Accumulation	3.3915	132.36	106.57
2012	A Accumulation	1.5834	134.07	106.32
2012	A Income	1.4400	120.61	96.94
2012 ^A	I Accumulation	-	104.76	97.91
2012 ^A	I Income	-	104.76	97.91
2012	Z Accumulation	3.5299	147.18	115.02
2013	A Accumulation	1.9812	175.14	136.24
2013	A Income	1.7800	155.61	122.56
2013	I Accumulation	2.2368	137.90	106.47
2013	I Income	2.2300	135.43	106.47
2013	Z Accumulation	4.5000	195.19	149.60
2014	A Accumulation	1.8044	177.57	152.81
2014	A Income	1.6000	157.35	134.33
2014	I Accumulation	2.4336	140.29	121.04
2014	I Income	2.3800	136.89	116.71
2014	Z Accumulation	4.8698	199.22	172.35
2015 ^B	A Accumulation	2.2355	195.93	167.68
2015 ^B	A Income	1.9600	171.62	147.40
2015 ^B	I Accumulation	2.8133	155.94	133.07
2015 ^B	I Income	2.7000	149.28	128.32
2015 ^B	Z Accumulation	5.5169	223.09	189.84

^A Share class I launched on 1 October 2012.

^B As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.63	0.88	0.13
31 July 2015	1.60	0.85	0.10

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risk of investing in this Fund:
- A full list of risks applicable to this fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 18/02/1982 to 31/07/2015 ^B
Fund - A Accumulation	9.46	90.22	3,877.54
Benchmark ^A	17.95	111.99	N/A

Annual discrete performance to 31 July^B

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	9.46	3.68	35.49	2.68	20.48

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A FTSE 250 Index to 31/10/2011, then FTSE 250 Ex IT's.

^B Figures for Aberdeen UK Mid Cap Unit Trust prior to 24 April 2006.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains	1		4,952		1,622
Revenue	2	1,899		1,911	
Expenses	3	(636)		(767)	
Net revenue before taxation		1,263		1,144	
Taxation	4	-		-	
Net revenue after taxation			1,263		1,144
Total return before distributions			6,215		2,766
Finance costs: distributions	5		(1,266)		(1,150)
Change in net assets attributable to shareholders from investment activities			4,949		1,616

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		68,290		66,127
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	3,465		13,201	
Amount payable on cancellation of shares	(11,775)		(13,683)	
		(8,310)		(482)
Stamp duty reserve tax		-		(23)
Unclaimed distributions		1		-
Change in net assets attributable to shareholders from investment activities (see above)		4,949		1,616
Retained distribution on accumulation shares		1,122		1,052
Closing net assets attributable to shareholders		66,052		68,290

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			65,803		67,994
Debtors	6	78		43	
Cash and bank balances		397		833	
Total other assets			475		876
Total assets			66,278		68,870
Liabilities					
Creditors	7	(156)		(518)	
Distribution payable on income shares		(70)		(62)	
Total liabilities			(226)		(580)
Net assets attributable to shareholders			66,052		68,290

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains on investments

	2015 £'000	2014 £'000
Net capital gains on investments during the year comprise:		
Non-derivative securities	4,954	1,624
Transaction costs	(2)	(2)
Net capital gains on investments	4,952	1,622

2. Revenue

	2015 £'000	2014 £'000
Bank interest	1	2
Overseas dividends	134	193
Stock dividends	14	24
Stock lending revenue	-	2
UK dividends	1,741	1,690
Underwriting commission	9	-
Total Revenue	1,899	1,911

3. Expenses

	2015 £'000	2014 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	562	679
Operating, administrative and servicing fees	36	-
Registration fees	29	64
	627	743
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	4	9
Safe custody fees	1	3
	5	12
<i>Other expenses:</i>		
Audit fee	3	7
Legal & Professional fee	1	1
Printing and postage fees	-	4
	4	12
Total expenses	636	767

Irrecoverable VAT is included in the above expenses where relevant.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

4. Taxation

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	1,263	1,144
Corporation tax of 20%	253	229
Effects of:		
Movement in excess management expenses	123	151
Non taxable overseas dividends	(27)	(39)
Non taxable stock dividends	(3)	(4)
UK dividends	(346)	(337)
Current tax charge	-	-

At the year end, there is a potential deferred tax asset of £4,973,000 (2014 - £4,850,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Interim	426	380
Final	795	755
	1,221	1,135
Add: Revenue deducted on cancellation of shares	63	84
Deduct: Revenue received on issue of shares	(18)	(69)
Net distribution for the year	1,266	1,150
Total finance costs	1,266	1,150

Details of the distribution per share are set out in the distribution table on page 490.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	1,264	1,144
Add:		
Undistributed revenue brought forward	1	1
Movement between share classes due to conversions	1	6
Deduct:		
Undistributed revenue carried forward	-	(1)
Finance cost: distributions	1,266	1,150

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	55	23
Amounts receivable for issue of shares	23	20
Total debtors	78	43

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	56	77
Amounts payable for cancellation of shares	100	355
Purchases awaiting settlement	-	86
Total creditors	156	518

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7.

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 484. During the year the ACD held shares in the Fund and had a holding of 628 accumulation 'A' shares (2014 - 1,220), 689 income 'A' shares (2014 - 1,428), 718 accumulation 'I' shares (2014 - 1,513), 719 income 'I' shares (2014 - 1,564) and 498 accumulation 'Z' shares (2014 - 1,092) as at 31 July 2015. £122,000 was due to the ACD (2014 - £400,000) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £1,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Windsor Life Assurance Co Ltd held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 35% of the Fund's units in issue.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional)

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

Class 'A': 1.50%

Class 'I': 0.75%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 481. The distribution per share class is given in the distribution table on page 490. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		9,520		12,221
Commissions	7		14	
Taxes	44		53	
Other costs	-		1	
Total transaction cost		51		68
Gross purchases total		9,571		12,289
Analysis of total sale costs				
Gross sales in year before transaction costs		16,727		10,944
Commissions	(11)		(7)	
Total transaction cost		(11)		(7)
Total sales net of transaction costs		16,716		10,937

Distribution table

For the year ended 31 July 2015 (in pence per share)

Interim dividend distribution

Group 1: Shares purchased prior to 1 August 2014

Group 2: Shares purchased 1 August 2014 to 31 January 2015

	Net revenue	Equalisation	Distribution paid 30/04/2015	Distribution paid 30/04/2014
Shares class A Accumulation				
Group 1	0.6143	-	0.6143	0.4502
Group 2	0.2970	0.3173	0.6143	0.4502
Shares class A Income				
Group 1	0.5400	-	0.5400	0.4000
Group 2	-	0.5400	0.5400	0.4000
Shares class I Accumulation				
Group 1	0.9852	-	0.9852	0.8554
Group 2	0.3568	0.6284	0.9852	0.8554
Shares class I Income				
Group 1	0.9500	-	0.9500	0.8400
Group 2	0.3559	0.5941	0.9500	0.8400
Shares class Z Accumulation				
Group 1	2.1285	-	2.1285	1.9228
Group 2	0.9928	1.1357	2.1285	1.9228

Final dividend distribution

Group 1: Shares purchased prior to 1 February 2015

Group 2: Shares purchased 1 February 2015 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/2015	Distribution paid 31/10/2014
Shares class A Accumulation				
Group 1	1.6212	-	1.6212	1.3542
Group 2	0.7207	0.9005	1.6212	1.3542
Shares class A Income				
Group 1	1.4200	-	1.4200	1.2000
Group 2	0.6197	0.8003	1.4200	1.2000
Shares class I Accumulation				
Group 1	1.8281	-	1.8281	1.5782
Group 2	0.5415	1.2866	1.8281	1.5782
Shares class I Income				
Group 1	1.7500	-	1.7500	1.5400
Group 2	0.7113	1.0387	1.7500	1.5400
Shares class Z Accumulation				
Group 1	3.3884	-	3.3884	2.9470
Group 2	1.4214	1.9670	3.3884	2.9470

Equalisation

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

Aberdeen UK Smaller Companies Equity Fund

For the year ended 31 July 2015

Investment objective and policy

The investment objective of Aberdeen UK Smaller Companies Equity Fund is to provide capital growth, whilst not excluding the occurrence of income, from investment in smaller UK companies being companies which are not included within the 200 largest UK companies at the time of purchase, in terms of market capitalisation.

Distribution

A final distribution of 2.4292p per share will be paid to A accumulation shareholders, 1.7995p per share to I accumulation shares and 5.2420p per share to Z accumulation shareholders on 31 October 2015. This makes a total of 3.6138p for A accumulation shareholders, 2.9080p for I accumulation shareholders and 8.8149p for Z accumulation shareholders for the year to 31 July 2015.

Corporate activity

Aberdeen UK Small Cap Equity Fund, a sub-fund of Aberdeen Investment Funds UK ICVC III, amalgamated into the Aberdeen UK Smaller Companies Equity Fund, on the 10 July 2015. On amalgamation, Aberdeen UK Small Cap Equity Fund A accumulation shareholders received 1.39683189 A accumulation shares for every one A accumulation share held, B accumulation shareholders received 4.63704277 I accumulation shares for every one B accumulation share held and C accumulation shareholders received 1.62113031 I accumulation shares for every one C accumulation share held.

Performance review

The Aberdeen UK Smaller Companies Fund rose by 14.65% in sterling terms, compared with a gain in its benchmark, the FTSE Small Cap ex Investment Trusts Index, of 10.54%.

Market review

Small-cap UK stocks rose and reached a 15-year high in the year under review. Sentiment was buoyed by Britain's surprisingly resilient domestic economy, upbeat earnings news, along with a raft of M&A activity. Political developments also underpinned share prices, including the resounding yet unexpected Conservative victory at the polls, as well as Scotland's decision to stay in the Union. On the flip side, risk appetite was undermined by the Swiss central bank's unexpected de-pegging of the franc from the euro, the unfolding Greek debt drama, and continued China's slowdown. Uncertainty over the timing of the Fed's normalisation of interest rates, as well as weak commodity prices, dampened the resources sector. However, the market ended firmer towards the period-end on the back of improvements in the Chinese A-share market, as well as news of Greece's third bailout.

Portfolio review

At the stock level, holdings that contributed to relative return included Dignity, which performed well following strong results towards the period end and a further acquisition of 36 funeral locations. Also benefiting the fund was Dechra, which reported encouraging first-half results, achieving good growth in its major markets of Europe and the US. Last, Domino Printing's shares rose following the successful acquisition of the business by Brother Industries.

In contrast, holdings that detracted included Enquest, as its performance was hurt by uncertainty surrounding the oil price and its medium-term outlook. Also costing the fund was Fenner, as weakness in commodity-related end markets led to lower demand for its products and services. Finally, Oxford Instruments' shares suffered due to trading challenges in Russia and Japan, as well as weaker trading in its short lead-time industrial-analysis business. Encouragingly, it is taking action to rein in costs in response.

In key portfolio activity, we sold Domino Printing after its acquisition by Brother Industries, along with both Majestic Wine and McBride in order to recycle capital into more attractive opportunities elsewhere. We reduced our position in several larger fund holdings following share price strength, including Dignity, Victrex and Dechra Pharmaceuticals, along with Bellway, which had outgrown its small-cap status.

Against this, we introduced world-leading materials testing and calibration group Exova for its exposure to broad revenue streams and an attractive valuation. We also initiated two holdings on valuation grounds: Xaar, a world-leader in industrial ink-jet printing technology, and Ultra Electronics, for its well-invested niche technologies within the defence, security and aerospace sectors. Both have robust business models and solid balance sheets. We continued to build our position in industrial property owner Hansteen, and raised our exposure to Aveva and Enquest, as well as to Manx. We also added to Mothercare and Elementis on the back of recent share price weakness and longer term potential.

Outlook

The UK stockmarket, like its European peers, has had a volatile year. While it recovered some ground approaching year end, risks persist. These include uncertainty over Greece, the wider Eurozone fragility, and a weakening growth outlook in China. In Europe, data is likely to remain broadly stable, with growth benefiting from a weaker euro and the lower oil price. In addition, the ECB's policy loosening should help to underpin financial markets. While the short-term outlook for equity returns might well stay difficult, we are more sanguine about the medium to long-term. We believe that globally competitive businesses with genuine pricing power should prosper in the long run and further volatility ought to provide opportunities to add to our preferred holdings.

Pan European Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 96.90% (2014: 99.35%)			
Basic Materials 5.18% (2014: 5.73%)			
Chemicals 5.18% (2014: 5.73%)			
Elementis	3,934,000	10,111	3.02
Victrex	374,500	7,250	2.16
		17,361	5.18
Total Basic Materials		17,361	5.18
Consumer Goods 5.69% (2014: 7.73%)			
Beverages 1.19% (2014: 1.70%)			
Barr	707,712	3,999	1.19
Food Producers 2.85% (2014: 2.77%)			
Devro	3,151,000	9,555	2.85
Household Goods & Home Construction 1.65% (2014: 3.26%)			
Bellway	229,000	5,521	1.65
Total Consumer Goods		19,075	5.69
Consumer Services 19.72% (2014: 22.31%)			
Food & Drug Retailers 1.39% (2014: 1.40%)			
Greggs	343,000	4,648	1.39
General Retailers 5.40% (2014: 4.41%)			
Dignity	358,000	8,760	2.61
Mothercare	3,445,500	9,346	2.79
NewScreen Media	2,086,383	-	-
		18,106	5.40
Media 9.34% (2014: 12.50%)			
Bloomsbury	2,986,073	4,875	1.45
Euromoney Institutional Investor sm	902,500	9,413	2.81
Huntsworth	10,237,035	4,376	1.31
Wilmington	4,846,423	12,686	3.77
		31,350	9.34
Travel & Leisure 3.59% (2014: 4.00%)			
Fuller Smith & Turner	709,000	8,444	2.52
Restaurant	530,500	3,578	1.07
		12,022	3.59
Total Consumer Services		66,126	19.72

	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Security			
Financials 14.10% (2014: 13.30%)			
Equity Investment Instruments nil (2014: nil)			
HIE Ventures	18,769	-	-
Financial Services 3.67% (2014: 3.57%)			
Numis	1,525,000	4,026	1.20
Rathbone Brothers	363,000	8,266	2.47
		12,292	3.67
Life Insurance 0.11% (2014: nil)			
Chesnara	104,946	355	0.11
Real Estate Investment & Services 7.54% (2014: 7.64%)			
Development Securities	3,289,000	8,839	2.64
Helical Bar	2,285,000	9,717	2.89
Savills	688,000	6,739	2.01
		25,295	7.54
Real Estate Investment Trusts 2.78% (2014: 2.09%)			
Hansteen Holdings	7,664,000	9,335	2.78
Total Financials		47,277	14.10
Health Care 5.42% (2014: 5.42%)			
Pharmaceuticals & Biotechnology 5.42% (2014: 5.42%)			
Abcam	1,186,500	6,941	2.07
Dechra Pharmaceuticals	1,140,000	11,223	3.35
		18,164	5.42
Total Health Care		18,164	5.42
Industrials 36.90% (2014: 36.54%)			
Aerospace & Defense 1.88% (2014: nil)			
Ultra Electronic	360,357	6,288	1.88
Construction & Materials 4.04% (2014: 4.10%)			
Keller	483,000	5,110	1.52
Morgan Sindall	1,038,710	8,434	2.52
		13,544	4.04
Electronic & Electrical Equipment 10.62% (2014: 11.37%)			
Oxford Instruments	1,120,708	10,266	3.06
TT electronics	4,744,000	7,045	2.10
Xaar	796,000	4,123	1.23
XP Power	864,000	14,205	4.23
		35,639	10.62

	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Security			
General Industrials 4.02% (2014: 3.94%)			
RPC	1,978,000	13,470	4.02
Industrial Engineering 1.74% (2014: 3.48%)			
Fenner	3,484,000	5,818	1.74
Industrial Transportation 4.65% (2014: 5.29%)			
BBA Aviation	2,937,000	8,720	2.60
James Fisher & Sons	617,976	6,884	2.05
		15,604	4.65
Support Services 9.95% (2014: 8.36%)			
Acal	3,563,783	10,585	3.15
Berendsen	961,000	9,831	2.93
Exova	2,583,846	4,347	1.30
Robert Walters	1,909,000	8,629	2.57
		33,392	9.95
Total Industrials		123,755	36.90
Oil & Gas 1.23% (2014: 2.31%)			
Oil & Gas Producers 1.23% (2014: 2.31%)			
EnQuest	11,660,000	4,139	1.23
Total Oil & Gas		4,139	1.23
Technology 6.69% (2014: 4.86%)			
Software & Computer Services 6.69% (2014: 4.86%)			
Anite	9,532,212	11,986	3.58
Aveva	473,000	10,430	3.11
		22,416	6.69
Total Technology		22,416	6.69
Telecommunications 1.97% (2014: 1.15%)			
Fixed Line Telecommunications 1.97% (2014: 1.15%)			
Manx Telecom	3,443,000	6,611	1.97
Total Telecommunications		6,611	1.97
Utilities nil (2014: nil)			
Electricity nil (2014: nil)			
KSK Power Ventures	34,625	4	-
Total Utilities		4	-

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Total Equities		324,928	96.90
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		324,928	96.90
Investment asset including liabilities		324,928	96.90
Net other assets		10,392	3.10
Net assets		335,320	100.00

* A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	84,392,325.72	60,633,156.06	61,238,128.33
I Accumulation shares in issue	8,153,273.05	2,411,635.64	453,196.76
Z Accumulation shares in issue	19,072,190.10	16,935,690.10	17,220,590.10
Net asset value attributable to			
A Accumulation shareholders (£'000)	256,077	160,323	152,004
I Accumulation shareholders (£'000)	12,737	3,259	571
Z Accumulation shareholders (£'000)	66,506	50,695	47,670
Net asset value of Fund (£'000)	335,320	214,277	200,245
Net asset value pence per share			
A Accumulation	303.44	264.42	248.22
I Accumulation	156.22	135.12	125.88
Z Accumulation	348.70	299.34	276.82

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	2.7627	195.22	156.04
2011	Z Accumulation	5.8585	211.08	169.69
2012	A Accumulation	2.8357	207.51	162.38
2012 ^A	I Accumulation	-	104.77	98.86
2012	Z Accumulation	5.9278	229.38	176.92
2013	A Accumulation	2.9227	281.80	211.04
2013	I Accumulation	2.0264	143.36	106.57
2013	Z Accumulation	6.8191	316.23	233.34
2014	A Accumulation	2.5394	288.87	241.76
2014	I Accumulation	2.3411	147.14	123.73
2014	Z Accumulation	7.4264	324.94	274.56
2015 ^B	A Accumulation	3.6138	309.36	258.31
2015 ^B	I Accumulation	2.9080	159.08	132.43
2015 ^B	Z Accumulation	8.8149	354.67	294.36

^A I Accumulation share class launched on 1 October 2012.

^B As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.61	0.86	0.11
31 July 2015	1.61	0.86	0.11

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
- Smaller companies: Shares of smaller companies may be more difficult to buy and sell than those of larger companies. This means that the Investment Manager may not be able to buy and sell at the best time or may suffer losses. This could reduce your returns.
- Specialist: The Fund invests in a specialist sector and it will not perform in line with funds that have a broader investment policy.
- A full list of risks applicable to this Fund can be found in the Prospectus
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 30/04/1993 to 31/07/2015 ^B
Fund - A Accumulation	14.65	100.29	614.12
Benchmark ^A	10.54	114.90	575.04

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	14.65	6.60	34.32	(1.94)	24.42

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A Hoare Govett Smaller Companies Ex IT's to 31/03/2006 then FTSE Small Cap Ex IT's.

^B Figures for Aberdeen UK Emerging Companies Unit Trust prior to 17 June 2005.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital gains	1		31,247		10,960
Revenue	2	6,679		5,604	
Expenses	3	(2,812)		(2,748)	
Net revenue before taxation		3,867		2,856	
Taxation	4	-		-	
Net revenue after taxation			3,867		2,856
Total return before distributions			35,114		13,816
Finance costs: distributions	5		(3,873)		(2,859)
Change in net assets attributable to shareholders from investment activities			31,241		10,957

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		214,277		200,245
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	13,528		3,742	
Amount receivable on amalgamations ^A	79,812		-	
Amount payable on cancellation of shares	(8,155)		(3,513)	
		85,185		229
Stamp duty reserve tax		-		(10)
Change in net assets attributable to shareholders from investment activities (see above)		31,241		10,957
Retained distribution on accumulation shares		4,617		2,856
Closing net assets attributable to shareholders		335,320		214,277

^A Relating to the amalgamation on 10 July 2015 of Aberdeen UK Smaller Cap Equity Fund, a sub-fund of Aberdeen Investment Funds ICVC III, into the Fund.

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			324,928		212,892
Debtors	6	4,094		375	
Cash and bank balances		7,022		2,312	
Total other assets			11,116		2,687
Total assets			336,044		215,579
Liabilities					
Creditors	7	(724)		(1,302)	
Total liabilities			(724)		(1,302)
Net assets attributable to shareholders			335,320		214,277

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital gains on investments

	2015 £'000	2014 £'000
Net capital gains on investments during the year comprise:		
Non-derivative securities	31,249	10,963
Transaction costs	(2)	(3)
Net capital gains on investments	31,247	10,960

2. Revenue

	2015 £'000	2014 £'000
Bank interest	11	5
Overseas dividends	496	273
Stock lending revenue	2	2
UK dividends	6,106	5,324
Underwriting commission	64	-
Total Revenue	6,679	5,604

	2015 £'000	2014 £'000
Stock lending details		
Aggregate value of securities on loan at the year end	85	59

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £91,000(2014 - £62,000) was held with the following counterparties:

Counterparty	2015 £'000	2014 £'000
Deutsche Bank AG London	91	-
BNP Paribas Securities Services	-	62
	91	62

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating).

With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

3. Expenses

	2015 £'000	2014 £'000
<i>Payable to Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	2,571	2,501
Operating, administrative and servicing fees	124	-
Registration fees	96	199
	2,791	2,700
<i>Payable to Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	13	26
Safe custody fees	4	9
	17	35
<i>Other expenses:</i>		
Audit fee	3	7
Legal & professional fees	1	1
Printing and postage fees	-	5
	4	13
Total expenses	2,812	2,748

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015 £'000	2014 £'000
Net revenue before taxation	3,867	2,856
Corporation tax of 20%	773	571
<i>Effects of:</i>		
Movement in excess management expenses	520	539
Non taxable overseas dividends	(99)	(54)
Non taxable UK dividends	(1,194)	(1,056)
Current tax charge	-	-

At the year end, there is a potential deferred tax asset of £4,553,000 (2014 - £4,033,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Interim	1,420	1,200
Final	3,197	1,657
	4,617	2,857
Add: Revenue deducted on cancellation of shares	61	15
Deduct: Revenue received on issue of shares	(805)	(13)
Net distribution for the year	3,873	2,859
Total finance costs	3,873	2,859

Details of the distribution per share are set out in the distribution table on page 504.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	3,867	2,856
Add:		
Movement between share classes due to conversions	6	3
Finance cost: distributions	3,873	2,859

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	342	296
Amounts receivable for issue of shares	2,378	44
Merger debtor	50	-
Sales awaiting settlement	1,324	35
Total debtors	4,094	375

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	333	255
Amounts payable for cancellation of shares	391	24
Purchases awaiting settlement	-	1,023
Total creditors	724	1,302

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregate financial statements on page 7.

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 498. During the year the ACD held shares in the Fund and had a holding of 347 accumulation 'A' shares (2014 - 772), 675 accumulation 'I' shares (2014 - 1,505), 354 accumulation 'Z' shares (2014 - 728), as at 31 July 2015. £304,000 was due to the ACD (2014 - £220,000) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £3,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Windsor Life Assurance Co Ltd held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 62% of the Fund's units in issue. During the year, Windsor Life Assurance Co Ltd made total sales of £124,034 in the Fund.

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional)

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

Class 'A': 1.50%

Class 'I': 0.75%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 498.

The distribution per share class is given in the distribution table on page 504. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		120,255		43,528
Commissions	34		43	
Taxes	158		169	
Other costs	-		3	
Total transaction cost		192		215
Gross purchases total		120,447		43,743
Analysis of total sale costs				
Gross sales in year before transaction costs		39,707		35,275
Commissions	(38)		(32)	
Total transaction cost		(38)		(32)
Total sales net of transaction costs		39,669		35,243

Distribution table

For the year ended 31 July 2015 (in pence per share)

Interim dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 January 2015

	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Share class A Accumulation				
Group 1	1.1846	-	1.1846	0.9943
Group 2	0.5852	0.5994	1.1846	0.9943
Share class I Accumulation				
Group 1	1.1085	-	1.1085	1.0187
Group 2	0.3333	0.7752	1.1085	1.0187
Share class Z Accumulation				
Group 1	3.5729	-	3.5729	3.3649
Group 2	1.7284	1.8445	3.5729	3.3649

Final dividend distribution

Group 1 : Shares purchased prior to 1 February 2015

Group 2 : Shares purchased 1 February 2015 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation				
Group 1	2.4292	-	2.4292	1.5451
Group 2	-	2.4292	2.4292	1.5451
Share class I Accumulation				
Group 1	1.7995	-	1.7995	1.3224
Group 2	0.1948	1.6047	1.7995	1.3224
Share class Z Accumulation				
Group 1	5.2420	-	5.2420	4.0615
Group 2	0.3050	4.9370	5.2420	4.0615

Equalisation

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

Aberdeen World Equity Fund

For the year ended 31 July 2015

Investment objective and policy

The investment objective of Aberdeen World Equity Fund is to provide long term total return from an internationally diversified portfolio of equities.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Distribution

A final distribution of 1.86p per share will be paid to A income shareholders, 2.1262p per share to A accumulation shareholders, 1.61p per share to I income shareholders, 2.7082p per share to I accumulation shareholders and 4.0226 to Z accumulation shareholders on 31 October 2015. This makes a total of 2.14p for A income shareholders, 2.4457p for A accumulation shareholders, 2.10p for I income shareholders, 3.5290p for I accumulation shareholders and 5.9809p for Z accumulation shareholders for the year to 31 July 2015.

Corporate activity

Aberdeen Global Equity Fund, a sub-fund of Aberdeen Investment Funds UK ICVC III, amalgamated into the Aberdeen World Equity Fund, on the 10 July 2015. On amalgamation, Aberdeen Global Equity Fund A accumulation shareholders received 2.90034700 A accumulation shares for every one A accumulation share held and B accumulation shareholders received 0.70902276 I accumulation shares for every one B accumulation share held.

Performance review

The Aberdeen World Equity - A income shares fell by 3.21% in sterling terms, compared with its benchmark, the MSCI World Index's total return of 14.13%.

Market review

Global equities eked out gains during the 12 months under review, with developed markets generally outperforming their emerging counterparts. At the beginning of the period, asset prices continued to be buoyed by accommodative monetary policy from major central banks. As the European Central Bank launched its quantitative easing programme, disappointing economic data in China and Japan fuelled hopes of further stimulus. However, gains were pared towards the end of the period by escalating instability in the Middle East. Jitters also intensified over the Greek debt talks. The nation closed its banks and imposed capital controls after negotiations with its creditors collapsed. Eventually, optimism returned after parliament passed key reforms that paved the way for an agreement on its third bailout package.

In China, still-underwhelming economic data, along with a sharp fall in its equity markets, led the central bank to cut rates by another 25 basis points in late June. Government measures to prop up the stockmarket fell short: major indices saw their biggest one-day drop in more than eight years towards the end of the period. The manufacturing sector also contracted for the fifth consecutive month, weighing on sentiment around the region. The US appeared on track to raise interest rates this year, as robust consumer spending underpinned economic growth of 2.3% in the second quarter.

Portfolio review

At the stock level, Vale was the major detractor. For most of the reporting period, the miner suffered from lower iron ore prices and concerns over Chinese growth. Its first quarter results showed sales volume increases and cost cutting efforts were not able to offset the broader price declines. Our other commodity holdings, including BHP Billiton, Tenaris and Petrobras, were also among the top detractors from relative performance. BHP Billiton was hurt by lower iron ore prices, while the decline in oil prices affected Tenaris and Petrobras. Tenaris also posted weaker-than-expected quarterly results because of lower sales of premium pipes. Despite reporting healthy quarterly results that were driven by healthy interest and fee income, Brazilian lender Banco Bradesco fell along with other local banks on worries that the government's decision to hike taxes on personal loans may slow lending growth.

Against this, US-listed CVS Health performed well, boosted by a US\$10 billion share buyback and an increased dividend payout. Our Swiss holding Novartis also contributed to relative performance, as it has a positive outlook for 2015 as a result of recent drug successes and a portfolio overhaul. Japan Tobacco was another contributor. It posted healthy results, supported by overseas sales of its flagship cigarette brands. We also benefited from not holding Exxon Mobil, which was hurt by the oil price slump.

In portfolio activity, we sold Brazilian state oil giant Petrobras, because of the deterioration in its business quality. We also divested UK utility company Centrica, owing to increased regulatory and political interference; Eni, on concerns over the sustainability of its dividend; and PetroChina, following relative price strength. In addition, we sold US conglomerate United Technologies. Following the appointment of a new chief executive at the end of last year, its recent results have highlighted rising pressures in its core businesses.

Against this, we introduced several holdings. These were UK aircraft engine manufacturer Rolls Royce, Hong Kong-based conglomerate Jardine Matheson, and UK-listed Experian, which were mentioned in the interim report. We also introduced German household product manufacturer Henkel, which has an established market position in its core portfolio and is financially well-managed; TJX Companies, a discount apparel and home goods retailer based in the US; and US-listed Cognizant, an IT services company that is expanding internationally.

Outlook

Global macroeconomic prospects are unlikely to improve dramatically in the short term, given the persistent headwinds. While the US economy seems to be stabilising, its global peers are on shakier footing. In Europe, manufacturing and services sectors continue to moderate, while the Greek drama plays out in the periphery: the nation appears to have avoided an imminent default after reaching a deal with its creditors on the terms of a third bailout, but concern over the health of the economy remains. Chinese equities continue to sputter despite Beijing's efforts to prop up prices, while its economic slowdown has crimped export demand in many of its key trading partners. As a result, we would not be surprised by continued bouts of volatility in the months ahead. Although our holdings will not be immune from the market noise, their sound fundamentals should position them for earnings growth in the long run.

Global Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 97.25% (2014: 95.55%)			
Asia Pacific 10.50% (2014: 10.09%)			
Australia 0.12% (2014: nil)			
South32	676,891	553	0.12
China nil(2014: 1.55%)			
Hong Kong 4.47% (2014: 2.33%)			
AIA	2,679,800	11,153	2.47
Jardine Matheson	125,900	4,362	0.96
Swire Pacific 'A'	576,500	4,713	1.04
		20,228	4.47
Singapore 1.00% (2014: 0.88%)			
City Developments	1,037,000	4,526	1.00
South Korea 1.95% (2014: 2.43%)			
Samsung Electronics (PREF)	17,725	8,824	1.95
Taiwan 2.96% (2014: 2.90%)			
Taiwan Semiconductor Manufacturing	4,743,105	13,382	2.96
Total Asia Pacific		47,513	10.50
Europe, Middle East & Africa (ex United Kingdom) 22.81% (2014: 22.90%)			
France 1.49% (2014: 1.34%)			
Schneider Electric	149,400	6,726	1.49
Germany 1.07% (2014: nil)			
Henkel Non-Voting Preference	63,400	4,839	1.07
Italy 1.88% (2014: 4.87%)			
Tenaris (ADR)	528,000	8,506	1.88
South Africa 1.46% (2014: 1.48%)			
MTN	615,600	6,597	1.46
Sweden 5.10% (2014: 4.22%)			
Atlas Copco 'A' [∞]	525,500	9,259	2.04
Ericsson	946,900	6,531	1.44
Nordea Bank	911,000	7,312	1.62
		23,102	5.10

	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Security			
Switzerland 11.81% (2014: 10.99%)			
Nestle	207,700	10,130	2.24
Novartis	242,700	16,230	3.59
Roche	96,900	18,032	3.97
Zurich Insurance	46,400	9,105	2.01
		53,497	11.81
Total Europe, Middle East & Africa (ex United Kingdom)		103,267	22.81
Japan 7.67% (2014: 6.18%)			
Daito Trust Construction Co	65,900	4,463	0.99
Fanuc Corp	66,600	7,110	1.57
Japan Tobacco	461,700	11,491	2.54
Shin-Etsu Chemical Co	304,400	11,674	2.57
		34,738	7.67
Total Japan		34,738	7.67
Latin America 5.37% (2014: 8.78%)			
Brazil 3.38% (2014: 6.88%)			
Banco Bradesco (ADR)	2,012,036	10,224	2.26
Vale (ADR) (PREF)	1,847,300	5,067	1.12
		15,291	3.38
Mexico 1.99% (2014: 1.90%)			
FEMSA (ADR)	155,100	9,008	1.99
Total Latin America		24,299	5.37
North America 35.46% (2014: 31.66%)			
Canada 3.76% (2014: 3.90%)			
Canadian National Railway	116,100	4,659	1.03
Canadian National Railway	108,100	4,323	0.96
Potash Corporation of Saskatchewan™	459,000	8,025	1.77
		17,007	3.76

Security	Nominal / Quantity	Market value £'000	Percentage of total net assets %
United States 31.70% (2014: 27.76%)			
Baxalta Warrants	210,400	4,425	0.98
Baxter International	210,400	5,403	1.19
Chevron	91,700	5,195	1.15
Cognizant Technology Solutions	171,100	6,919	1.53
Comcast	270,000	10,812	2.39
CVS Caremark	259,700	18,718	4.15
EOG Resources	300,191	14,851	3.29
Johnson & Johnson	183,400	11,781	2.60
Oracle	451,500	11,556	2.55
PepsiCo	188,700	11,652	2.57
Philip Morris International	192,600	10,556	2.33
Praxair ^o	88,700	6,489	1.43
Schlumberger	184,500	9,792	2.16
TJX	154,300	6,904	1.53
Visa	173,600	8,388	1.85
		143,441	31.70
Total North America		160,448	35.46
United Kingdom 15.44% (2014: 15.94%)			
BHP Billiton	712,500	8,425	1.86
British American Tobacco	396,800	15,081	3.33
Experian	449,931	5,404	1.19
HSBC	1,536,573	8,908	1.97
Rolls-Royce	882,444	7,007	1.55
Royal Dutch Shell 'B' ^o	506,500	9,423	2.08
Sinclair Research	1,500	-	-
Standard Chartered ^o	1,028,343	10,080	2.23
Vodafone	2,310,085	5,587	1.23
		69,915	15.44
Total United Kingdom		69,915	15.44
Total Equities		440,180	97.25
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		440,180	97.25
Investment assets		440,180	97.25
Net other assets		12,463	2.75
Net assets		452,643	100.00

^o A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation shares in issue	101,857,035.30	115,110,352.73	138,349,832.01
A Income shares in issue	26,398,977.97	30,102,532.43	35,529,376.26
I Accumulation shares in issue	110,704,016.79	78,688,492.10	34,053,887.15
I Income shares in issue	7,572,949.08	7,468,508.61	2,146,498.78
Z Accumulation shares in issue	3,572,921.42	4,008,221.42	3,813,021.42
Net asset value attributable to			
A Accumulation shareholders (£'000)	185,878	214,688	252,776
A Income shareholders (£'000)	41,653	49,196	57,462
I Accumulation shareholders (£'000)	209,340	151,318	63,833
I Income shareholders (£'000)	8,392	8,574	2,439
Z Accumulation shareholders (£'000)	7,380	8,335	7,652
Net asset value of Fund (£'000)	452,643	432,111	384,162
Net asset value pence per share			
A Accumulation	182.49	186.51	182.71
A Income	157.78	163.43	161.73
I Accumulation	189.10	192.30	187.45
I Income	110.81	114.80	113.63
Z Accumulation	206.54	207.95	200.68

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011	A Accumulation	2.3267	157.83	132.13
2011	A Income	2.1500	145.81	120.42
2011	I Accumulation	3.0846	160.23	134.21
2011	Z Accumulation	4.7705	168.05	140.93
2012	A Accumulation	2.3887	163.13	144.51
2012	A Income	2.1700	146.39	131.13
2012	I Accumulation	3.2466	166.87	147.38
2012 ^A	I Income	-	103.04	97.74
2012	Z Accumulation	5.2706	177.60	155.91
2013	A Accumulation	2.4569	191.70	163.09
2013	A Income	2.2000	171.57	146.35
2013	I Accumulation	3.3970	196.49	166.84
2013	I Income	2.0900	120.74	103.02
2013	Z Accumulation	5.4734	209.95	177.60

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2014	A Accumulation	1.8553	197.94	168.66
2014	A Income	1.6400	173.48	149.02
2014	I Accumulation	2.8466	204.19	173.47
2014	I Income	1.7200	121.94	104.68
2014	Z Accumulation	5.0562	221.05	186.69
2015 ^B	A Accumulation	2.4457	204.29	179.06
2015 ^B	A Income	2.1400	178.72	156.64
2015 ^B	I Accumulation	3.5290	211.37	185.54
2015 ^B	I Income	2.1000	125.66	110.30
2015 ^B	Z Accumulation	5.9809	230.19	202.64

^A I Income share class launched 1 October 2012.

^B As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2014	1.65	1.15	0.15
31 July 2015	1.65	1.15	0.15

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risk of investing in this Fund:
- Exchange rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment. A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 01/09/1983 to 31/07/2015
Fund - A Income	(3.21)	37.10	882.17
Benchmark ^A	14.13	79.76	N/A

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	(3.21)	3.27	15.88	4.04	13.77

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A MSCI World Index.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	1		(15,076)		4,855
Revenue	2	13,511		12,481	
Expenses	3	(6,413)		(6,027)	
Net revenue before taxation		7,098		6,454	
Taxation	4	(41)		(1,632)	
Net revenue after taxation			7,057		4,822
Total return before distributions			(8,019)		9,677
Finance costs: distributions	5		(7,069)		(4,853)
Change in net assets attributable to shareholders from investment activities			(15,088)		4,824

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		432,111		384,162
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	59,381		81,948	
Amount receivable on amalgamation ^A	19,035		-	
Amount payable on cancellation of shares	(49,346)		(43,221)	
		29,070		38,727
Stamp duty reserve tax		-		(51)
Unclaimed distributions		4		3
Change in net assets attributable to shareholders from investment activities (see above)		(15,088)		4,824
Retained distribution on accumulation shares		6,546		4,446
Closing net assets attributable to shareholders		452,643		432,111

^A Relating to the amalgamation on 10 July 2015 of Aberdeen Global Equity Fund, a sub-fund of Aberdeen Investment Funds ICVC III, into the Fund.

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			440,180		412,870
Debtors	6	15,804		2,375	
Cash and bank balances		9,041		19,860	
Total other assets			24,845		22,235
Total assets			465,025		435,105
Liabilities					
Creditors	7	(11,769)		(2,481)	
Distribution payable on income shares		(613)		(513)	
Total other liabilities			(12,382)		(2,994)
Net assets attributable to shareholders			452,643		432,111

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital (losses)/gains on investments

	2015	2014
	£'000	£'000
Net capital (losses)/gains on investments during the year comprise:		
Non-Derivative securities	(15,060)	5,002
Other currency gains/(losses)	(1)	(147)
Transaction costs	(17)	(7)
Class actions	2	7
Net capital (losses)/gains on investments	(15,076)	4,855

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	25	17
Other revenue	1	-
Overseas dividends	10,457	9,382
Stock lending revenue	32	22
UK dividends	2,996	3,060
Total revenue	13,511	12,481

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	29,233	11,987

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £30,859,000 (2014 - £12,618,000) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
ABN AMRO	4,796	12,618
BNP Paribas Securities Services	10,337	-
Deutsche Bank	6,296	-
Societe Generale	9,430	-
	30,859	12,618

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling.

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	5,737	5,430
Operating, administrative and servicing fees	326	-
Registration fees	206	365
	6,269	5,795
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	32	45
Safe custody fees	57	102
	89	147
<i>Other expenses:</i>		
Audit fee	3	7
Dividend collection charges	33	46
Legal & professional fees	21	14
Printing and postage fees	(2)	18
	55	85
Total expenses	6,413	6,027

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Overseas withholding tax	902	1,063
Overseas withholding tax reclaims written off	103	-
Overseas withholding tax reclaims written back	(964)	569
Total taxation	41	1,632

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	7,098	6,454
Corporation tax of 20%	1,420	1,291
Effects of:		
Current year excess management expenses not utilised	1,166	976
Irrecoverable overseas withholding tax	22	1,632
Non taxable overseas dividends	(1,968)	(1,655)
Non taxable UK dividends	(599)	(612)
Current tax charge	41	1,632

At the year end, there is a potential deferred tax asset of £7,176,000 (2014 - £6,010,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Interim	1,360	971
Final	5,921	4,096
	7,281	5,067
Add: Revenue deducted on cancellation of shares	281	224
Deduct: Revenue received on issue of shares	(493)	(438)
Net distribution for the year	7,069	4,853
Total finance costs	7,069	4,853

Details of the distribution per share are set out in the distribution table on page 520.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	7,057	4,822
Add:		
Undistributed revenue brought forward	19	17
Movement between share classes due to conversions	11	33
Deduct:		
Undistributed revenue carried forward	(18)	(19)
Finance cost: distributions	7,069	4,853

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	434	673
Amounts receivable for issue of shares	73	908
Currency transactions awaiting settlement	5,695	-
Merger debtor	47	-
Other Debtor	29	-
Overseas withholding tax reclaimable	496	794
Sales awaiting settlement	9,030	-
Total debtors	15,804	2,375

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	532	571
Amounts payable for cancellation of shares	723	558
Currency transactions awaiting settlement	5,691	-
Purchases awaiting settlement	4,823	1,352
Total creditors	11,769	2,481

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
Australian Dollar	-	553	553
Brazilian Real	-	15,291	15,291
Canadian Dollar	14	17,007	17,021
Commercial Rand	-	6,597	6,597
Euro	-	29,495	29,495
Hong Kong Dollar	-	15,867	15,867
Japanese Yen	-	34,738	34,738
Mexican Peso	-	9,008	9,008
Singapore Dollar	-	8,888	8,888
South Korea Won	-	8,824	8,824
Swedish Krone	-	23,102	23,102
Swiss Franc	-	53,496	53,496
Taiwan Dollar	10	13,382	13,392
US Dollar	23	143,441	143,464

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2014			
Canadian Dollar	-	12,589	12,589
Commercial Rand	-	6,414	6,414
Euro	-	14,003	14,003
Hong Kong Dollar	-	16,754	16,754
Japanese Yen	-	26,700	26,700
Swedish Krone	-	18,236	18,236
Singapore Dollar	-	3,791	3,791
South Korea Won	-	10,490	10,490
Swiss Franc	-	47,490	47,490
Taiwan Dollar	7	12,523	12,530
US Dollar	-	175,005	175,005

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 512. During the year the ACD held shares in the Fund and had a holding of 618 accumulation 'A' shares (2014 - 2,748), 716 income 'A' shares (2014 - 3,015), 597 accumulation 'I' shares (2014 - 1,062) 906 income 'I' shares (2014 - 1,741), and 471 accumulation 'Z' shares (2014 - 999) as at 31 July 2015. £651,000 was due to the ACD (2014 - £190,000 was due to) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with Depositary (2014 - £10,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Cofunds Nominee Ltd held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 35% of the Fund's units in issue. During the year, COFUNDS NOMINEE LTD made total sales of £20,173,499 and total purchases of £57,585,635 in the Fund.

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional)

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

Class 'A': 1.50%

Class 'I': 1.00%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 509. The distribution per share class is given in the distribution table on page 520. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		102,961		82,595
Commissions	77		50	
Taxes	80		75	
Other costs	7		6	
Total transaction cost		164		131
Gross purchases total		103,125		82,726
Analysis of total sale costs				
Gross sales in year before transaction costs		60,844		37,952
Commissions	(61)		(39)	
Taxes	(13)		(2)	
Other costs	(1)		(4)	
Total transaction cost		(75)		(45)
Total sale net of transaction costs		60,769		37,907

Distribution table

For the year ended 31 July 2015 (in pence per share)

Interim dividend distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 January 2015

	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Share class A Accumulation				
Group 1	0.3195	-	0.3195	0.2824
Group 2	0.0086	0.3109	0.3195	0.2824
Share class A Income				
Group 1	0.2800	-	0.2800	0.2500
Group 2	-	0.2800	0.2800	0.2500
Share class I Accumulation				
Group 1	0.8208	-	0.8208	0.7589
Group 2	0.2330	0.5878	0.8208	0.7589
Share class I Income				
Group 1	0.4900	-	0.4900	0.4600
Group 2	0.1851	0.3049	0.4900	0.4600
Share class Z Accumulation				
Group 1	1.9583	-	1.9583	1.8000
Group 2	0.8627	1.0956	1.9583	1.8000

Final dividend distribution

Group 1 : Shares purchased prior to 1 February 2015

Group 2 : Shares purchased 1 February 2015 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation				
Group 1	2.1262	-	2.1262	1.5729
Group 2	0.1436	1.9826	2.1262	1.5729
Share class A Income				
Group 1	1.8600	-	1.8600	1.3900
Group 2	0.2494	1.6106	1.8600	1.3900
Share class I Accumulation				
Group 1	2.7082	-	2.7082	2.0877
Group 2	1.0412	1.6670	2.7082	2.0877
Share class I Income				
Group 1	1.6100	-	1.6100	1.2600
Group 2	0.6106	0.9994	1.6100	1.2600
Share class Z Accumulation				
Group 1	4.0226	-	4.0226	3.2562
Group 2	0.5026	3.5200	4.0226	3.2562

Equalisation

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

Aberdeen World Equity Income Fund

For the year ended 31 July 2015

Investment objective and policy

The investment objective is to provide income and capital appreciation for investors over the long term in companies worldwide. The investment policy is to invest primarily in equity and equity related securities of companies worldwide which offer attractive yields and sustainable dividends. The Fund may also invest up to 10% of its assets in fixed income securities including non-investment grade debt. The Fund may also invest in derivatives, including credit default swaps, money market instruments, cash, near cash, deposits and shares in collective investment schemes.

Distribution

A final distribution of 0.51p per share will be paid to A income shareholders, 0.9795p per share to A accumulation shareholders, 0.53p per share to I income shareholders and 0.9439p per share to I accumulation shareholders on 31 October 2015. This makes a total of 2.46p for A income shareholders, 4.6438p for A accumulation shareholders, 2.53p for I income shareholders and 4.4293p per share for I accumulation shareholders for the year to 31 July 2015.

Performance review

The Aberdeen World Equity Income Fund A Income shares fell by 7.66% in sterling terms, compared with its benchmark, the MSCI World Index's increase of 14.13%.

Market review

Global equities eked out gains during the 12 months under review, with developed markets generally outperforming their emerging counterparts. At the beginning of the period, asset prices continued to be buoyed by accommodative monetary policy from major central banks. As the European Central Bank launched its quantitative easing programme, disappointing economic data in China and Japan fuelled hopes of further stimulus. However, gains were pared towards the end of the period by escalating instability in the Middle East. Jitters also intensified over the Greek debt talks. The nation closed its banks and imposed capital controls after negotiations with its creditors collapsed. Eventually, optimism returned after parliament passed key reforms that paved the way for an agreement on its third bailout package.

In China, still-underwhelming economic data, along with a sharp fall in its equity markets, led the central bank to cut rates by another 25 basis points in late June. Government measures to prop up the stockmarket fell short: major indices saw their biggest one-day drop in more than eight years towards the end of the period. The manufacturing sector also contracted for the fifth consecutive month, weighing on sentiment around the region. The US appeared on track to raise interest rates this year, as robust consumer spending underpinned economic growth of 2.3% in the second quarter.

Portfolio review

At the stock level, Vale was the major detractor. For most of the reporting period, the miner suffered from lower iron ore prices and concerns over Chinese growth. Its first quarter results showed sales volume increases and cost cutting efforts were not able to offset the broader price declines. Despite reporting healthy quarterly results that were driven by healthy interest and fee income, Brazilian lender Banco Bradesco fell along with other local banks on worries that the government's decision to hike taxes on personal loans may slow lending growth. French mass retailer Casino lagged, reflecting ongoing competition in France and some concerns over Brazilian growth rates.

Conversely, Japan Tobacco was a key contributor to relative return. It posted healthy results, supported by overseas sales of its flagship cigarette brands. In Switzerland, Novartis has a positive outlook for 2015 as a result of recent drug successes and a portfolio overhaul. We also benefited from not holding Exxon Mobil and Chevron Corp, which were weighed down by the oil price slump.

In portfolio activity, we sold out of our position in Petrobras, owing to concerns over its deteriorating business quality and ability to pay its debt. We also divested Comcast, due to its comparatively low yield and insufficient scope for dividend growth, and PetroChina, following relative price strength.

Outlook

Global macroeconomic prospects are unlikely to improve dramatically in the short term, given the persistent headwinds. While the US economy seems to be stabilising, its global peers are on shakier footing. In Europe, manufacturing and services sectors continue to moderate, while the Greek drama plays out in the periphery: the nation appears to have avoided an imminent default after reaching a deal with its creditors on the terms of a third bailout, but concern over the health of the economy remains. Chinese equities continue to sputter despite Beijing's efforts to prop up prices, while its economic slowdown has crimped export demand in many of its key trading partners. As a result, we would not be surprised by continued bouts of volatility in the months ahead. Although our holdings will not be immune from the market noise, their sound fundamentals should position them for earnings growth in the long run.

Global Equities Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Nominal	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market			
Equities 100.18% (2014: 99.90%)			
Asia Pacific 16.06% (2014: 15.56%)			
Australia 1.63% (2014: 1.72%)			
Coca-Cola Amatil	403,500	1,757	1.47
South32	227,934	186	0.16
		1,943	1.63
China nil (2014: 1.73%)			
Indonesia 1.47% (2014: 0.80%)			
Unilever Indonesia	934,900	1,760	1.47
Malaysia 2.81% (2014: 2.45%)			
British American Tobacco Malaysia	297,800	3,358	2.81
Singapore 4.03% (2014: 3.29%)			
Singapore Telecommunications	2,521,000	4,817	4.03
Taiwan 6.12% (2014: 5.57%)			
Taiwan Mobile	2,020,900	4,266	3.58
TSMC (ADR)	213,400	3,025	2.54
		7,291	6.12
Total Asia Pacific		19,169	16.06
Europe, Middle East & Africa (ex United Kingdom) 25.62% (2014: 24.71%)			
France 7.06% (2014: 6.18%)			
Casino Guichard Perrachon	72,100	3,448	2.89
GDF Suez	193,300	2,392	2.00
Total	81,100	2,588	2.17
		8,428	7.06
Italy 1.22% (2014: 4.03%)			
ENI	129,500	1,460	1.22
South Africa 2.54% (2014: 2.03%)			
MTN	282,800	3,031	2.54
Sweden 4.86% (2014: 3.53%)			
Atlas Copco 'B'	150,900	2,386	2.00
Nordea Bank	426,000	3,419	2.86
		5,805	4.86

Security	Nominal	Market value £'000	Percentage of total net assets %
Switzerland 9.94% (2014: 8.94%)			
Nestle	24,700	1,205	1.01
Novartis	34,300	2,294	1.92
Roche	22,800	4,242	3.54
Zurich Insurance	21,100	4,140	3.47
		11,881	9.94
Total Europe, Middle East & Africa (ex United Kingdom)		30,605	25.62
Japan 5.20% (2014: 3.66%)			
Daito Trust Construction Co	39,400	2,669	2.23
Japan Tobacco	142,200	3,539	2.97
		6,208	5.20
Total Japan		6,208	5.20
Latin America 18.14% (2014: 19.02%)			
Argentina 1.60% (2014: nil)			
Tenaris (ADR)	118,300	1,906	1.60
Brazil 9.99% (2014: 12.59%)			
Banco Bradesco (ADR)	599,640	3,047	2.55
Souza Cruz	870,500	3,972	3.33
Telefonica Brasil (ADR)	289,000	2,409	2.02
Vale (ADR) (PREF)	911,500	2,500	2.09
		11,928	9.99
Chile 1.28% (2014: 1.58%)			
Sociedad Quimica y Minera de Chile (ADR) (PREF)	176,400	1,526	1.28
Mexico 5.27% (2014: 4.85%)			
FEMSA (ADR)	63,800	3,706	3.10
Kimberly-Clark de Mexico	1,736,100	2,590	2.17
		6,296	5.27
Total Latin America		21,656	18.14
North America 20.19% (2014: 20.21%)			
Canada 5.63% (2014: 4.98%)			
Potash Corporation of Saskatchewan™	203,000	3,549	2.97
TELUS	144,400	3,174	2.66
		6,723	5.63

Security	Nominal	Market value £'000	Percentage of total net assets %
United States 14.56% (2014: 15.23%)			
Baxalta Warrants	90,800	1,910	1.60
Baxter International	69,500	1,785	1.49
Johnson & Johnson	30,700	1,972	1.65
PepsiCo	43,500	2,686	2.25
Philip Morris International	97,700	5,355	4.49
Verizon Communications	82,700	2,480	2.08
Verizon Communications	39,800	1,199	1.00
		17,387	14.56
Total North America		24,110	20.19
United Kingdom 14.97% (2014: 16.74%)			
BHP Billiton	240,500	2,844	2.38
British American Tobacco	110,700	4,208	3.52
HSBC	538,596	3,122	2.61
Royal Dutch Shell 'B' [∞]	173,200	3,222	2.70
Standard Chartered Bank	289,541	2,838	2.38
Vodafone	680,000	1,645	1.38
		17,879	14.97
Total United Kingdom		17,879	14.97
Total Equities		119,627	100.18
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market		119,627	100.18
Investment assets		119,627	100.18
Net other liabilities		(220)	(0.18)
Net assets		119,407	100.00

[∞] A portion of this security is on loan at the year end.
Comparative figures are as at 31 July 2014.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation Shares in issue	3,205,756.20	4,815,599.41	4,914,805.06
A Income Shares in issue	44,161,387.86	64,779,487.57	110,066,318.80
I Accumulation Shares in issue	4,242,695.74	2,823,195.22	1,308,448.34
I Income Shares in issue	150,744,035.96	211,676,414.40	254,174,687.40
Net asset value attributable to			
A Accumulation shareholders (£'000)	3,475	5,574	5,815
A Income shareholders (£'000)	24,703	40,283	72,779
I Accumulation shareholders (£'000)	4,393	3,105	1,464
I Income shareholders (£'000)	86,836	134,872	171,334
Net asset value of Fund (£'000)	119,407	183,834	251,392
Net asset value per share			
A Accumulation	108.41	115.74	118.31
A Income	55.94	62.18	66.12
I Accumulation	103.54	109.98	111.87
I Income	57.60	63.72	67.41

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2011 ^A	A Accumulation	-	100.93	90.46
2011	A Income	2.5300	64.66	54.76
2011	I Income	2.5300	65.24	55.28
2012	A Accumulation	4.3113	108.49	97.38
2012	A Income	2.5700	63.65	56.97
2012 ^B	I Accumulation	-	102.05	98.03
2012	I Income	2.6200	64.46	57.77
2013	A Accumulation	4.3846	126.58	108.13
2013	A Income	2.5100	71.31	60.64
2013	I Accumulation	4.1319	119.58	101.95
2013	I Income	2.5500	72.63	61.93
2014	A Accumulation	4.4803	122.84	105.15
2014	A Income	2.4700	66.01	57.33
2014	I Accumulation	4.2398	116.79	99.69
2014	I Income	2.5200	67.68	58.85
2015 ^C	A Accumulation	4.6438	121.64	106.07
2015 ^C	A Income	2.4600	64.36	55.23
2015 ^C	I Accumulation	4.4293	116.02	101.30
2015 ^C	I Income	2.5300	66.19	56.88

^A Share class A Accumulation launched on 3 August 2011.

^B Share class I Accumulation launched on 1 October 2012.

^C As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %
31 July 2014	1.66	1.16
31 July 2015	1.65	1.15

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risk of investing in this Fund:
- Exchange rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 03/04/1987 to 31/07/2015 ^B
Fund - A Income	(7.66)	20.28	248.27
Benchmark ^A	14.13	79.76	N/A

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% change	(7.66)	(1.04)	11.56	3.75	13.73

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A MSCI World Index.

^B Figures for Aberdeen Global Income Plus Fund, a sub-fund of Aberdeen International Funds ICVC, prior to 9 October 2009. Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital losses	1		(12,314)		(11,877)
Revenue	2	7,127		8,913	
Expenses	3	(2,079)		(2,705)	
Finance Costs: Interests	5	-		(1)	
Net revenue before taxation		5,048		6,207	
Taxation	4	(413)		(444)	
Net revenue after taxation			4,635		5,763
Total return before distributions			(7,679)		(6,114)
Finance costs: Distributions			(6,466)		(8,153)
Change in net assets attributable to shareholders from Investment activities			(14,145)		(14,267)

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		183,834		251,392
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	8,579		12,513	
Amount payable on cancellation of shares	(59,213)		(66,107)	
		(50,634)		(53,594)
Stamp duty reserve tax		-		(21)
Unclaimed distributions		3		-
Change in net assets attributable to shareholders from Investment activities (see above)		(14,145)		(14,267)
Retained distribution on accumulation shares		349		324
Closing net assets attributable to shareholders		119,407		183,834

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			119,627		183,654
Debtors	6	4,668		1,210	
Cash and bank balances		330		728	
Total other assets			4,998		1,938
Total assets			124,625		185,592
Liabilities					
Creditors	7	(4,194)		(465)	
Distribution payable on income shares		(1,024)		(1,293)	
Total liabilities			(5,218)		(1,758)
Net assets attributable to shareholders			119,407		183,834

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital (losses) on investments

	2015	2014
	£'000	£'000
Net capital (losses) on investments during the year comprise:		
Non-derivative securities	(12,293)	(11,723)
Other currency losses	(14)	(147)
Transaction costs	(7)	(7)
Net capital (losses) on investments	(12,314)	(11,877)

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	4	5
Other revenue	15	-
Overseas dividends	5,889	7,252
Stock lending revenue	16	12
UK dividends	1,203	1,644
Total revenue	7,127	8,913

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	6,406	-

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £6,744,000 (2014 - nil) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
BNP Paribas Securities Services	6,744	-
	6,744	-

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating).

With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	1,823	2,381
Operating, administrative and servicing fees	108	-
Registration fees	81	184
	2,012	2,565
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	11	25
Safe custody fees	29	68
	40	93
<i>Other expenses:</i>		
Audit fee	3	7
Dividend collection charges	9	30
Legal & Professional fee	13	5
Printing and postage fees	2	5
	27	47
Total expenses	2,079	2,705

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

	2015	2014
	£'000	£'000
The tax charge comprises:		
Current tax:		
Overseas tax reclaims	(78)	(209)
Overseas withholding tax	491	653
Total Taxation	413	444

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	5,048	6,207
Corporation tax of 20%	1,010	1,241
Effects of:		
Irrecoverable overseas withholding tax	413	424
Current year excess management expenses not utilised	281	399
Non taxable overseas dividends	(1,050)	(1,292)
Other non taxable revenue	(45)	(31)
UK dividends	(196)	(297)
Current tax charge	413	444

At the year end, there is a potential deferred tax asset of £1,709,000 (2014 - £1,443,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
First interim	1,864	1,986
Second interim	865	1,200
Third interim	2,336	3,347
Final	1,096	1,357
	6,161	7,890
Revenue deducted on cancellation of shares	343	332
Revenue received on issue of shares	(38)	(70)
Net distribution for the year	6,466	8,152
Interest	-	1
Total finance costs	6,466	8,153

Details of the distribution per share are set out in the distribution table on page 535.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	4,635	5,763
Add:		
Undistributed revenue brought forward	24	33
Movement between share classes due to conversions	-	(1)
Authorised Corporate Director's periodic charge paid from capital	1,823	2,381
Deduct:		
Undistributed revenue carried forward	(16)	(24)
Finance cost: distributions	6,466	8,152

6. Debtors

	2015	2014
	£'000	£'000
Accrued revenue	444	283
Amounts receivable for issue of shares	176	199
Currency transactions awaiting settlement	1,834	-
Other debtor	26	-
Overseas withholding tax reclaimable	348	728
Sales awaiting settlement	1,840	-
Total debtors	4,668	1,210

7. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	138	226
Amounts payable for cancellation of shares	2,216	239
Currency transactions awaiting settlement	1,840	-
Total creditors	4,194	465

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Currency exposure

The exposure to each currency can be found below:

Net foreign currency assets

	Monetary exposure £'000	Non-monetary exposure £'000	Total £'000
2015			
Argentine Peso	-	1,906	1,906
Australian Dollar	-	1,943	1,943
Brazilian Real	-	11,929	11,929
British Pound	320	17,879	18,199
Canadian Dollar	-	6,723	6,723
Chile	-	1,526	1,526
Euro	-	9,888	9,888
Indonesian Rupiah	-	1,760	1,760
Japanese Yen	-	6,208	6,208
Malaysian Ringgit	-	3,358	3,358
Mexican Peso	-	6,295	6,295
New Taiwan Dollar	10	7,291	7,301
Singapore Dollar	-	4,817	4,817
South African Rand	-	3,031	3,031
Swedish Krona	-	5,805	5,805
Swiss Franc	-	11,881	11,881
US Dollar	-	17,387	17,387
2014			
Australian Dollar	-	3,154	3,154
Brazilian Real	-	5,214	5,214
British Pound	-	30,762	30,762
Canadian Dollar	-	9,162	9,162
Euro	4	14,919	14,923
Hong Kong Dollar	-	3,179	3,179
Indonesian Rupiah	-	1,471	1,471
Japanese Yen	-	6,735	6,735
Malaysian Ringgit	-	4,496	4,496
Mexican Peso	-	3,482	3,482
New Taiwan Dollar	280	5,605	5,885
Singapore Dollar	-	6,052	6,052
South African Rand	-	3,727	3,727
Swedish Krona	-	6,504	6,504
Swiss Franc	-	16,412	16,412
US Dollar	-	62,780	62,780

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 527. During the year the ACD held shares in the Fund and had a holding of 995 accumulation 'A' shares (2014 - 1,754), 1,861 income 'A' shares (2014 - 3,220), 1,027 accumulation 'I' shares (2014 - 1,866) and 1,743 income 'I' shares (2014 - 3,094) as at 31 July 2015. £2,229,000 was due to the ACD (2014 - £247,000) at the year end.

The Depositary

The fees received by the Depositary are set out in note 3. No balance was outstanding with the Depositary (2014 - £8,000) at the year end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

Cofunds Nominee Ltd held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 23% of the Fund's units in issue. During the year, Cofunds Nominee Ltd made total sales of £21,394,847 and total purchases of £4,809,052 in the Fund.

10. Shareholder funds

The Fund currently has 2 share classes; Class 'A' (Retail) and Class 'I' (Institutional)

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

Class 'A': 1.50%

Class 'I': 1.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 525. The distribution per share class is given in the distribution table on page 535. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	2015		2014	
	£'000	£'000	£'000	£'000
Analysis of total purchase costs				
Purchases in year before transaction costs		6,930		26,798
Commissions	8		25	
Taxes	4		7	
Other costs	3		1	
Total transaction cost		15		33
Gross purchases total		6,945		26,831
Analysis of total sale costs				
Gross sales in year before transaction costs		58,724		83,979
Commissions	(35)		(45)	
Taxes	(7)		(7)	
Other costs	(4)		(2)	
Total Sale transaction cost		(46)		(54)
Total sales net of transaction costs		58,678		83,925

Distribution table

For the year ended 31 July 2015 (in pence per share)

First interim dividend distribution

Group 1: Shares purchased prior to 1 August 2014

Group 2: Shares purchased 1 August 2014 to 31 October 2014

	Net revenue	Equalisation	Distribution paid 31/01/2015	Distribution paid 31/01/2014
Shares class A Accumulation				
Group 1	1.1726	-	1.1726	1.0020
Group 2	0.4986	0.6740	1.1726	1.0020
Shares class A Income				
Group 1	0.6300	-	0.6300	0.5600
Group 2	0.2321	0.3979	0.6300	0.5600
Shares class I Accumulation				
Group 1	1.1220	-	1.1220	0.9460
Group 2	0.5815	0.5405	1.1220	0.9460
Shares class I Income				
Group 1	0.6500	-	0.6500	0.5700
Group 2	0.3299	0.3201	0.6500	0.5700

Second interim dividend distribution

Group 1: Shares purchased prior to 1 November 2014

Group 2: Shares purchased 1 November 2014 to 31 January 2015

	Net revenue	Equalisation	Distribution paid 30/04/2015	Distribution paid 30/04/2014
Shares class A Accumulation				
Group 1	0.6017	-	0.6017	0.6316
Group 2	0.3327	0.2690	0.6017	0.6316
Shares class A Income				
Group 1	0.3200	-	0.3200	0.3500
Group 2	0.1448	0.1752	0.3200	0.3500
Shares class I Accumulation				
Group 1	0.5754	-	0.5754	0.6193
Group 2	0.2436	0.3318	0.5754	0.6193
Shares class I Income				
Group 1	0.3300	-	0.3300	0.3700
Group 2	0.2023	0.1277	0.3300	0.3700

Third interim dividend distribution

Group 1: Shares purchased prior to 1 February 2015

Group 2: Shares purchased 1 February 2015 to 30 April 2015

	Net revenue	Equalisation	Distribution paid 31/07/2015	Distribution paid 31/07/2014
Shares class A Accumulation				
Group 1	1.8900	-	1.8900	1.9968
Group 2	1.3538	0.5362	1.8900	1.9968
Shares class A Income				
Group 1	1.0000	-	1.0000	1.1000
Group 2	0.6376	0.3624	1.0000	1.1000
Shares class I Accumulation				
Group 1	1.7880	-	1.7880	1.8692
Group 2	1.2125	0.5755	1.7880	1.8692
Shares class I Income				
Group 1	1.0200	-	1.0200	1.1100
Group 2	0.5748	0.4452	1.0200	1.1100

Final dividend distribution

Group 1: Shares purchased prior to 1 May 2015

Group 2: Shares purchased 1 May 2015 to 31 July 2015

	Net revenue	Equalisation	Distribution paid 31/10/2015	Distribution paid 31/10/2014
Shares class A Accumulation				
Group 1	0.9795	-	0.9795	0.8499
Group 2	0.4784	0.5011	0.9795	0.8499
Shares class A Income				
Group 1	0.5100	-	0.5100	0.4600
Group 2	0.0631	0.4469	0.5100	0.4600
Shares class I Accumulation				
Group 1	0.9439	-	0.9439	0.8053
Group 2	0.6116	0.3323	0.9439	0.8053
Shares class I Income				
Group 1	0.5300	-	0.5300	0.4700
Group 2	0.2472	0.2828	0.5300	0.4700

Equalisation

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

Aberdeen World Government Bond Fund

For the period ended 31 July 2015

Investment objective and policy

The Fund aims to provide a combination of income and capital growth by investing predominantly in global Debt and debt-related securities issued by governments, public bodies and supranational issuers.

The Fund may also invest in other transferable securities, including Investment Grade corporate Debt and debt-related securities, as well as money market instruments, deposits, cash and near cash, derivatives (for efficient portfolio management only) and units in collective investment schemes (including other funds managed by the Investment Adviser or its affiliates).

Distribution

A final distribution of 0.04p per share will be paid to A income shareholders, 0.04752p per share to A accumulation shareholders, 0.07p per share to I income shareholders, 0.07063p per share to I accumulation shareholders and 0.20077p per share to Z accumulation shareholders on 31 October 2015.

Corporate activity

Aberdeen World Government Bond Fund, a sub-fund of Aberdeen Investment Funds UK ICVC II, amalgamated into the Aberdeen World Government Bond Fund, on the 19 June 2015. On amalgamation, Aberdeen World Government Bond Fund A accumulation shareholders received one A accumulation share for every A accumulation share held, A income shareholders received one A income share for every A income share held, C accumulation shareholders received one I accumulation share for every C accumulation share held, C income shareholders received one I income share for every C income share held and X accumulation shareholders received one Z accumulation share for every X accumulation share held.

Performance review

The Aberdeen World Government Bond Fund A Accumulation shares fell by 0.08% in sterling terms, compared to an increase in the benchmark, JP Morgan Global GBI Unhedged TR, of 1.58%.

Managers review

Central bank activity, global disinflation and various geopolitical issues were continued sources of volatility over the year.

In October, the Federal Reserve (Fed) concluded their quantitative easing (QE) program and attention then turned to when the first hike in interest rates would occur. Speculation in response to various pieces of Fed communication saw the market consider a number of possible 'lift-off' dates, beginning with April then June however both dates were later ruled out. The June Federal Open Market Committee meeting was perhaps a little more dovish than expected. Those investors expecting a September hike were looking for a clear signal that this was indeed the Committee's decision. However, there was probably not enough in the communication to firmly lay the groundwork for September, although it remains very much on the table.

The European Central Bank (ECB) announced a number of easing measures over the period to battle falling inflation expectations. It cut both of its benchmark policy rates with interests on reserves cut to negative territory. It initiated an asset-backed securities and covered bond purchase program before finally launching full sovereign QE later in January 2015. The various easing moves prompted a sharp euro sell-off over the year.

Greece was the focus of many headlines as tensions between the anti-austerity government (elected in January 2015) and Eurozone creditors mounted. Missing a 30 June deadline of a payment of EUR1.6 billion forced the ECB to cap emergency liquidity assistance provision to Greek banks at the end of June, causing banks across the country to shut.

Greek Prime Minister, Alexis Tsipras, called a referendum on whether the Greek people are willing to accept the creditor's proposals. After the resounding "No" vote, there was some expectation that Tsipras would return to the talks with a renewed mandate to resist further austerity, however, he seemed ready to sign up to a package of austerity remarkably similar – or arguably worse – than that rejected in the referendum in return for a longer funding deal, and some sort of debt restructuring.

Elsewhere, in January, the Swiss National Bank unexpectedly removed its currency floor against the euro, triggering a violent appreciation of the franc by as much as 30.00% intra-day. The removal was accompanied by a rate cut to -0.75% in an attempt to control the inevitable franc rally.

In the UK, fears over the breakup of Britain were calmed after the referendum on Scottish independence resulted in a vote in favour of remaining part of the UK. The Bank of England meetings were fairly uneventful over the period. Commentary was largely dictated by risks to meeting the inflation target from a strong sterling, and a pessimistic view on the path of productivity growth. In the UK General Election, the Conservative Party won a surprise outright parliamentary majority, while the Scottish National Party won 56 out of 59 possible seats in Scotland. The biggest risk from a Conservative led government now relates to the UK's relationship with the EU as they have promised renegotiation and then a referendum on whether the UK wishes to be part of the EU, which is due to take place no later than December 2017.

In Australia, the Reserve Bank of Australia surprised the market by cutting its cash rate twice by 25 basis points to 2.00%. The move was prompted by slowing growth, easing inflation and a fragile recovery in the non-mining sector. Meanwhile, the People's Bank of China also eased policy several times, reducing the required rate of return for all depositary institutions. The bank also cut its policy rate to 2.00%, a move that was largely expected given the recent softness in activity

Portfolio review

The fund outperformed relative to the benchmark over the period. Active currency management led returns, while bond returns marginally detracted. In currencies, our long US dollar position versus the Australian dollar, the euro and Japanese were the biggest drivers of return, while our structural underweight in emerging market currencies, particularly the Russian rouble also added value. In rates, our US short duration position in the first half of the period detracted, while US yield curve positioning also contributed negatively as the curve finished steeper. Allocation to hard currency emerging market debt added value, while our overweight to China through various offshore renminbi deals was a significant contributor to outperformance. Overall the portfolio remains positioned for flatter yield curves, weaker emerging market currencies and a stronger US dollar.

Outlook

We foresee front-end curve flattening, especially in the US, as Fed tightening will lead to underperformance of the 2-year sector while 5-year's will remain contained by a lower neutral rate. Even as the Fed moves towards hiking it is unlikely that the US – Europe rates spread will materially widen. In the Eurozone periphery we see the ECB's QE program as ultimately positive for spreads, and expect spread compression to resume now that headline risk from Greece seems to have subsided. In currencies, broad based dollar strength is likely to continue as the Fed gets closer to hiking, while expansionary monetary policies elsewhere will also support the dollar.

Global Macro Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Bonds 93.91%					
Government Bonds 93.91%					
Australia 9.11%					
Australia (Commonwealth of)	5.7500	15/05/21	5,720,000	3,198	4.85
Australia (Commonwealth of)	3.2500	21/04/25	3,460,000	1,694	2.57
Australia (Commonwealth of)	4.5000	15/04/20	2,136,000	1,113	1.69
				6,005	9.11
Belgium 1.28%					
Belgium (Kingdom of)	2.2500	22/06/23	605,304	482	0.72
Belgium (Kingdom of)	3.7500	22/06/45	145,822	149	0.23
Belgium (Kingdom of)	4.2500	28/03/41	110,000	119	0.18
Belgium (Kingdom of)	5.5000	28/03/28	90,000	96	0.15
				846	1.28
Canada 1.46%					
Canada (Government of)	5.7500	01/06/33	656,000	505	0.77
Canada (Government of)	1.5000	01/02/17	911,000	456	0.69
				961	1.46
Denmark nil					
Denmark (Kingdom of)	3.0000	15/11/21	69	-	-
France 3.27%					
France (Government of)	3.0000	25/04/22	1,196,371	991	1.50
France (Government of)	5.5000	25/04/29	784,295	849	1.29
France (Government of)	4.5000	25/04/41	281,971	313	0.48
France (Government of)	3.2500	25/10/21	1,241	1	-
				2,154	3.27
Germany 8.46%					
Germany (Federal Republic of)	0.5000	15/02/25	5,716,000	4,005	6.08
Germany (Federal Republic of)	1.0000	22/02/19	1,225,267	903	1.37
Germany (Federal Republic of)	4.7500	04/07/34	362,781	415	0.63
Germany (Federal Republic of)	3.2500	04/07/42	245,551	252	0.38
				5,575	8.46
Ireland 1.21%					
Ireland (Republic of)	3.4000	18/03/24	943,604	797	1.21
Italy 5.02%					
Italy (Republic of)	3.7500	01/09/24	1,307,000	1,081	1.64
Italy (Republic of)	5.7500	01/02/33	617,000	641	0.97
Italy (Republic of)	4.7500	01/09/21	677,000	581	0.88
Italy (Republic of)	3.7500	01/08/21	645,000	526	0.80
Italy (Republic of)	5.0000	01/09/40	481,000	478	0.73
				3,307	5.02

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
Japan 20.20%					
Japan (Government of)	2.1000	20/06/29	475,750,000	2,914	4.43
Japan (Government of)	1.7000	20/03/17	461,600,000	2,453	3.73
Japan (Government of)	1.4000	20/09/19	345,850,000	1,887	2.86
Japan (Government of)	0.8000	20/12/22	339,500,000	1,831	2.78
Japan (Government of)	1.3000	20/03/19	212,900,000	1,151	1.75
Japan (Government of)	2.5000	20/09/36	167,200,000	1,069	1.62
Japan (Government of)	1.8000	20/03/43	173,400,000	982	1.49
Japan (Government of)	1.1000	20/03/21	106,450,000	581	0.88
Japan (Government of)	2.1000	20/12/26	48,150,000	293	0.44
Japan (Government of)	1.9000	20/03/53	25,850,000	148	0.22
				13,309	20.20
Mexico 2.16%					
Mexico (Government of)	10.0000	05/12/24	27,702,800	1,421	2.16
Netherlands 1.92%					
Netherlands (Kingdom of)	2.5000	15/01/17	925,652	681	1.03
Netherlands (Kingdom of)	1.7500	15/07/23	380,000	294	0.45
Netherlands (Kingdom of)	3.7500	15/01/42	265,188	289	0.44
				1,264	1.92
Spain 2.72%					
Spain (Kingdom of)	4.8000	31/01/24	1,608,000	1,415	2.15
Spain (Kingdom of)	5.1500	31/10/44	370,000	376	0.57
				1,791	2.72
Sweden 0.45%					
Sweden (Kingdom of)	5.0000	01/12/20	2,445,000	230	0.34
Sweden (Kingdom of)	2.5000	12/05/25	800,000	70	0.11
				300	0.45
United Kingdom 8.39%					
UK Treasury	4.7500	07/09/15	3,096,316	3,110	4.72
UK Treasury	3.5000	22/07/68	754,705	991	1.50
UK Treasury	5.0000	07/03/18	813,273	901	1.37
UK Treasury	4.7500	07/12/38	377,943	528	0.80
				5,530	8.39

Security	Coupon (%)	Maturity	Nominal / Quantity	Market value £'000	Percentage of total net assets %
United States 28.26%					
US Treasury	1.6250	30/06/20	5,350,000	3,442	5.23
US Treasury	1.5000	31/05/20	5,126,000	3,281	4.98
US Treasury	1.3750	30/04/20	4,786,000	3,048	4.63
US Treasury	2.1250	15/05/25	3,444,000	2,192	3.33
US Treasury	3.7500	15/11/43	2,860,000	2,134	3.24
US Treasury	1.3750	31/03/20	2,210,000	1,409	2.14
US Treasury	4.2500	15/05/39	1,636,100	1,306	1.98
US Treasury	0.3750	31/08/15	1,400,000	897	1.36
US Treasury	2.7500	15/11/42	955,400	590	0.90
US Treasury	5.2500	15/11/28	231,200	197	0.30
US Treasury	5.3750	15/02/31	130,000	115	0.17
				18,611	28.26
Total Government Bonds				61,871	93.91
Total Bonds				61,871	93.91
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				61,871	93.91

Derivatives 0.20%

Forward currency exchange contracts 0.20%

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
Deutsche Bank	AUD	USD	04/09/15	1,326,000	990,600	(12)	(0.02)
Royal Bank of Canada	AUD	GBP	04/09/15	862,000	430,921	(26)	(0.04)
Royal Bank of Canada	DKK	GBP	04/09/15	4,194,000	402,084	(4)	(0.01)
Deutsche Bank	EUR	USD	04/09/15	273,795	309,000	(4)	(0.01)
Royal Bank of Canada	EUR	GBP	04/09/15	396,000	285,236	(5)	(0.01)
Citigroup	EUR	GBP	04/09/15	753,328	535,000	(1)	-
Deutsche Bank	EUR	USD	04/09/15	916,129	1,025,000	(8)	(0.01)
BNP Paribas	EUR	GBP	04/09/15	928,000	672,884	(15)	(0.02)
JPM Chase	GBP	EUR	04/09/15	1,011,800	1,406,000	16	0.02
UBS	GBP	AUD	04/09/15	1,269,030	2,684,000	8	0.01
BNP Paribas	GBP	AUD	04/09/15	134,774	270,000	8	0.01
Citigroup	GBP	EUR	04/09/15	1,360,370	1,934,000	(10)	(0.01)
Deutsche Bank	GBP	MXN	04/09/15	1,524,509	36,061,000	86	0.13
JPM Chase	GBP	CAD	04/09/15	154,144	294,000	9	0.01
JPM Chase	GBP	EUR	04/09/15	1,550,021	2,187,000	1	-
Citigroup	GBP	JPY	04/09/15	162,298	31,570,000	(1)	-
BNP Paribas	GBP	EUR	04/09/15	163,251	225,000	4	0.01
HSBC	GBP	USD	04/09/15	1,742,791	2,733,000	(9)	(0.01)
Deutsche Bank	GBP	SEK	04/09/15	1,836,867	23,871,000	52	0.08
Royal Bank of Canada	GBP	EUR	04/09/15	278,892	388,000	4	0.01
BNP Paribas	GBP	USD	04/09/15	302,951	462,000	7	0.01
HSBC	GBP	JPY	04/09/15	312,588	59,050,000	7	0.01
BNP Paribas	GBP	AUD	04/09/15	5,255,362	10,537,000	304	0.46

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/(Losses) £'000	Percentage of total net assets %
Royal Bank of Canada	GBP	USD	04/09/15	566,083	876,000	5	0.01
Deutsche Bank	GBP	EUR	04/09/15	649,000	920,515	(3)	-
BNP Paribas	GBP	USD	04/09/15	690,404	1,098,000	(13)	(0.02)
Deutsche Bank	GBP	JPY	04/09/15	80,027	15,290,000	1	-
Citigroup	GBP	USD	04/09/15	96,422	152,000	(1)	-
Royal Bank of Canada	GBP	USD	04/09/15	98,756	153,000	1	-
Deutsche Bank	JPY	USD	04/09/15	139,320,000	1,110,208	9	0.01
JPM Chase	JPY	GBP	04/09/15	60,370,000	319,451	(7)	(0.01)
HSBC	JPY	GBP	04/09/15	6,858,000	35,713	-	-
HSBC	MXN	GBP	04/09/15	1,401,000	58,422	(3)	-
UBS	SEK	GBP	04/09/15	22,912,000	1,719,871	(6)	(0.01)
JPM Chase	USD	EUR	04/09/15	1,169,678	1,044,000	10	0.02
UBS	USD	GBP	04/09/15	1,567,000	1,003,984	-	-
Royal Bank of Canada	USD	GBP	04/09/15	17,539,000	11,526,698	(285)	(0.43)
Deutsche Bank	USD	GBP	04/09/15	207,000	136,412	(4)	(0.01)
Citigroup	USD	GBP	04/09/15	3,158,000	2,008,345	16	0.02
Unrealised gains on forward currency exchange contracts						131	0.20
Unrealised gains on derivatives						131	0.20
Investment assets^A						62,002	94.11
Net other assets						3,880	5.89
Net assets						65,882	100.00

Currently forwards positions are not collateralised.

^A Including derivative liabilities.

Comparative table

Accounting period	31 Jul 15
A Accumulation Shares in issue	162,007.41
A Income Shares in issue	804,495.89
I Accumulation Shares in issue	31,564,722.51
I Income Shares in issue	22,038.18
Z Accumulation Shares in issue	20,836,247.01
Net Asset Value attributable to	
A Accumulation shareholders (£'000)	234
A Income shareholders (£'000)	978
I Accumulation shareholders (£'000)	31,592
I Income shareholders (£'000)	22
Z Accumulation shareholders (£'000)	33,056
Net asset value of Fund (£'000)	65,882
Net asset value pence per share	
A Accumulation	144.49
A Income	121.57
I Accumulation	100.09
I Income	99.11
Z Accumulation	158.65

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2015 ^{AB}	A Accumulation	0.04752	146.17	141.47
2015 ^{AB}	A Income	0.04000	123.02	119.07
2015 ^{AB}	I Accumulation	0.07063	101.22	97.96
2015 ^{AB}	I Income	0.07000	100.31	97.07
2015 ^{AB}	Z Accumulation	0.20077	160.41	155.21

^A The Fund was launched on 19 June 2015.

^B As at 31 July 2015.

Ongoing charges figure

	A Shares %	I Shares %	Z Shares %
31 July 2015	1.16	0.66	0.16

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 3 because funds of this type have experienced low to medium rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
- Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	5 Years 31/07/2010 to 31/07/2015	Since launch 05/07/2004 to 31/07/2015 ^B
Fund - A Accumulation	(0.08)	(1.24)	44.09
Benchmark ^A	1.58	4.40	75.64

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014	31/07/2012 to 31/07/2013	31/07/2011 to 31/07/2012	31/07/2010 to 31/07/2011
% Change	(0.08)	(7.56)	(3.29)	6.33	3.98

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A JP Morgan Global GBI Unhedged TR.

^B The Aberdeen Investment Funds ICVC World Government Bond Fund was created by the transfer of the Aberdeen Investment Funds ICVC II World Government Bond Fund into the Aberdeen Investments ICVC range on 19/06/2015. The historical track record shown prior to this date reflects that of the Aberdeen Investment Funds ICVC II World Government Bond Fund which launched on 05/07/2004.

Figures are as at valuation point.

Statement of total return

For the period ended 31 July 2015

	Notes	19 Jun 15 to 31 Jul 15	
		£'000	£'000
Income			
Net capital gains	1		1,149
Revenue	2	116	
Expenses	3	(32)	
Net revenue before taxation		84	
Taxation	4	-	
Net revenue after taxation for the period			84
Total return before distributions			1,233
Finance costs: distributions	5		(81)
Change in net assets attributable to shareholders from Investment activities			1,152

Statement of change in net assets attributable to shareholders

For the period ended 31 July 2015

	19 Jun 15 to 31 Jul 15	
	£'000	£'000
Opening net assets attributable to shareholders		-
Movement due to sales and repurchases of shares		
Amount receivable on issue of shares	64,868	
Amount payable on cancellation of shares	(202)	
		64,666
Change in net assets attributable to shareholders from Investment activities (see above)		1,152
Retained distribution on accumulation shares		64
Closing net assets attributable to shareholders		65,882

Balance sheet

As at 31 July 2015

	Notes	2015	
		£'000	£'000
Assets			
Investment assets			62,419
Debtors	6	3,718	
Cash and bank balances		202	
Total other assets			3,920
Total assets			66,339
Liabilities			
Investment liabilities			(417)
Creditors	7	(40)	
Total other liabilities			(40)
Total liabilities			(457)
Net assets attributable to shareholders			65,882

Notes to the financial statements

For the period ended 31 July 2015

1. Net capital gains on investments

	19 Jun 15 to 31 Jul 15
	£'000
The net capital gains on investments during the period comprise:	
Forward currency contracts	130
Non-derivative securities	612
Other currency gains	407
Net capital gains on investments	1,149

2. Revenue

	19 Jun 15 to 31 Jul 15
	£'000
Interest on debt securities	116
Total revenue	116

3. Expenses

	19 Jun 15 to 31 Jul 15
	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>	
Authorised Corporate Director's periodic charge	20
Operating, administrative and servicing fees	12
Total expenses	32

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

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

Reconciliation of the tax charge for the period:

	19 Jun 15 to 31 Jul 15
	£'000
Net revenue before taxation	84
Corporation tax of 20%	17
Effects of:	
Tax deductible interest distributions	(17)
Current tax charge	-

No provision for deferred tax has been made in the current accounting period.
There are no factors which affect future tax charges.

5. Finance costs

Distributions and interest

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

	19 Jun 15 to 31 Jul 15
	£'000
Final	81
Total finance costs	81

Details of the distribution per unit are set out in the distribution table on page 552.

Movement between net revenue and distribution

	19 Jun 15 to 31 Jul 15
	£'000
Net revenue after taxation	84
Deduct:	
Undistributed revenue carried forward	(3)
	81

6. Debtors

	2015
	£'000
Accrued bond interest purchased	318
Accrued revenue	172
Amounts receivable for issue of shares	80
Sales awaiting settlement	3,148
Total debtors	3,718

7. Creditors

	2015
	£'000
Accrued expenses	23
Income tax payable	17
Total creditors	40

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

8. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

Interest rate risk profile of the Fund's financial assets and liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at the end of the period is set out in the following table: This is consistent with the exposure during the current period.

Net foreign currency assets

	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
Australian Dollar	-	6,005	-	6,005
Canadian Dollar	-	961	-	961
Danish Krone	-	-	-	-
Euro	22	15,734	-	15,756
Japanese Yen	-	13,309	9	13,318
Mexican Peso	-	1,421	-	1,421
Swedish Krona	-	299	-	299
UK Sterling	180	5,530	512	6,222
US Dollar	-	18,612	26	18,638

	Floating Rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
2015				
Australian Dollar	-	-	(38)	(38)
Canadian Dollar	-	-	-	-
Danish Krone	-	-	(4)	(4)
Euro	-	-	(33)	(33)
Japanese Yen	-	-	(7)	(7)
Mexican Peso	-	-	(3)	(3)
Swedish Krona	-	-	(6)	(6)
UK Sterling	-	-	(37)	(37)
US Dollar	-	-	(288)	(288)

Fixed rate financial assets

Currency	Weighted average interest rate (%)	Weighted average period for which rate is fixed (Years)
	2015	2015
Australian Dollar	2.51	6.70
Canadian Dollar	1.42	10.00
Danish Krone	0.43	6.30
Euro	1.34	11.10
Japanese Yen	0.46	9.89
Mexican Peso	6.11	9.36
Swedish Krona	0.51	6.37
UK Sterling	1.09	11.80
US Dollar	1.98	10.00

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

Tracking Error (TE) – (for Aberdeen World Government Bond Fund)

The market risk of the Fund is monitored by the Investment Manager using tracking error risk analysis. Tracking error measures the expected magnitude of divergence of returns between the fund and benchmark over a given time. It reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis.

Model assumptions:

System:	Barclays Global Risk Model – Barclays Point
VaR methodology:	Historical parametric approach
Confidence level:	N/A
Holding period:	1 month
Decay factor for exponential smoothing of the historical market data:	N/A
Historical observation period:	Unconditional average (1 year half-life EWMA calibration is also optional)

The table of data below indicated the tracking error, contribution to tracking error for each risk factor i.e. expected divergence of returns of the Fund and its benchmark for the predefined various risk factors (foreign exchange risk, interest rate risk, inflation risk, credit spreads risk, default risk, and other idiosyncratic risk).

TE table

	FX risk	Interest rate risk	Inflation risk	Credit spread risk	Idiosyncratic risk	Credit default risk	Total TE	Annualised Total TE
31 July 2015	0.12	0.09	0.00	0.00	0.01	0.00	0.22	0.75

Objectives and limitations of TE methodology

The Barclays Global Risk Model (GRM) is a fixed income multi-factor risk model using the historical parametric approach where the model derives its risk measure using variances and correlations calculated from historical returns.

Under the Barclays GRM, the volatilities of individual securities are broken down into the sum of the systematic risk components, idiosyncratic risk components and credit default risk components. Systematic risk is derived from systematic return as the component of total return due to movements in the common (market-wide) risk factors. Idiosyncratic return is the residual component that cannot be explained by the systematic factors and is uncorrelated across issuers. Credit default risk is a unique concept of Barclays GRM and arises from exposure to the default risk of bonds rated Baa or lower and is assumed to be independent of both the systematic risk and idiosyncratic risk.

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

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

9. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 545. During the period the ACD held shares in the Fund and had a holding of 695 accumulation 'A' shares, 825 income 'A' shares, 1,010 accumulation 'I' shares, 1,060 income 'I' shares, and 630 accumulation 'Z' shares as at 31 July 2015. £66,000 was due from the ACD at the period end.

The Depositary

No balance was outstanding with the Depositary at the period end. All cash balances are held with the Depositary and all bank interest earned was for such deposits.

Material shareholders

State Street Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 98% of the Fund's units in issue. During the year, State Street Nominees Limited made total sales of £193,589 and total purchases of £156,090 in the Fund.

10. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional), and Class 'Z' (Institutional).

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

Class 'A': 1.00%

Class 'I': 0.50%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 543. The distribution per share class is given in the distribution table on page 552. All share classes have the same rights on winding up.

11. Portfolio transaction costs

	19 Jun 15 to 31 Jul 15
	£'000
Analysis of total purchase costs	
Purchases in year before transaction costs	83,309
Gross purchases total	83,309
Analysis of total sale costs	
Gross sales in year before transaction costs	21,973
Total sales net of transaction costs	21,973

Distribution table

For the period ended 31 July 2015 (in pence per share)

Final interest distribution

Group 2 : Shares purchased 19 June to 31 July 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/10/2015
Share class A Accumulation					
Group 1	0.05940	0.01188	0.04752	-	0.04752
Group 2	0.00602	0.00120	0.00482	0.04270	0.04752
Share class A Income					
Group 1	0.05000	0.01000	0.04000	-	0.04000
Group 2	-	-	-	0.04000	0.04000
Share class I Accumulation					
Group 1	0.08829	0.01766	0.07063	-	0.07063
Group 2	0.00314	0.00063	0.00251	0.06812	0.07063
Share class I Income					
Group 1	0.08750	0.01750	0.07000	-	0.07000
Group 2	0.08750	0.01750	0.07000	-	0.07000
Share class Z Accumulation					
Group 1	0.25096	0.05019	0.20077	-	0.20077
Group 2	0.25096	0.05019	0.20077	-	0.20077

Equalisation

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

Aberdeen World Opportunistic Bond Fund

For the year ended 31 July 2015

Investment objective and policy

The Fund's investment objective is long-term total return to be achieved by investing primarily in a diversified portfolio of global investment and sub-investment grade debt and debt related securities issued by companies, governments, government related bodies and supranational institutions.

Additionally, the Fund may invest in other transferable securities and units in collective investments schemes, including those managed by the ACD or companies affiliated with the ACD. The Fund's assets will primarily be either denominated in sterling or denominated in currencies other than sterling and hedged back to sterling. The Fund may use financial derivative instruments for investment purposes or efficient portfolio management including hedging where appropriate.

Note: The term 'total return' means a combination of income and capital growth and no positive return is implied.

Distribution

A final distribution of 1.39p per share will be paid to A income shareholders, 1.48452p per share to A accumulation shareholders, 1.37p per share to I income shareholders, 1.46137p per share to I accumulation shareholders and 1.36598p per share to Z accumulation shareholders on 31 October 2015. This makes a total of 3.28p for A income shareholders, 3.46561p for A accumulation shareholders, 3.14p for I income shareholders, 3.31686p for I accumulation shareholders and 3.09906p per share to Z accumulation shareholders for the year to 31 July 2015.

Performance review

The Aberdeen World Opportunistic Bond Fund A Accumulation shares fell by 0.73%, compared to an increase of 2.96% by the benchmark Barclays Global Agg Credit Index.

Market review

The period saw heightened volatility in credit markets globally. Major themes over the period included a slowdown in US economic data, the European Central Bank (ECB) announcing a €60 billion per month quantitative easing (QE) program and a collapse in oil prices combined with turbulent equity markets in China. In general it was a difficult period for credit markets, with the Barclays Global Corporate Index materially widening by 40.6%.

Divergent central bank policies have left many investors in paradox as the US Federal Reserve ended their asset purchase programme in October, as expected. Attention then turned to when interest rates would be raised, causing a change in market sentiment. Meanwhile, the European Central Bank announced the beginning of their own QE programme which saw European government bond yields hitting new lows fuelled largely by continued anticipation of the benefits of the European Central Bank's ECB QE programme. Intra-day during April, the German 10-year hit an all-time low of 0.05%. This would prove to be the bottom, and yields subsequently rose to 0.37% by month end. April's 19 basis points increase in German 10-years understates the relative shift, which saw yields rise over 100% in April. There were several drivers of the rise in yields. First European inflation

expectations began to recover given the continued slow improvement in the European economy and the belief the market has fully priced in the impact of the ECB's QE, and arguably April's intra-month low in yields signalled a dramatically overbought market.

In Europe, aside from the implementation of QE, news flow over the period was largely dominated by negotiations between Greece and its creditors. The election of far-left political party, Syriza, in Greece caused significant market uncertainty in light of Greece's financial situation. There were impacts on global credit markets; however, the reaction of credit spreads was relatively subdued. Greek Prime Minister, Alexis Tsipras, called a referendum on whether the Greek people are willing to accept the creditor's proposals. After the resounding "No" vote, there was some expectation that Tsipras would return to the talks with a renewed mandate to resist further austerity, however, he seemed ready to sign up to a package of austerity remarkably similar – or arguably worse – than that rejected in the referendum in return for a longer funding deal, and some sort of debt restructuring.

The period saw continued commodity price volatility with oil dropping to a four month low in July, after falling 55% at the end of 2014. The recent turbulence in Chinese equity markets has added further concerns for the world's top importer of crude oil as it deals with an economic slowdown and policy options running low. Given the size of the energy market and its influence on both investment grade and high yield markets, oil price volatility remains one of the primary drivers of credit weakness throughout the period.

Emerging markets (EM) displayed similar trends to wider credit markets, widening by 24.6% as measured by the Barclays EM USD Corp and Quasi-Sov Index. A surprisingly volatile period for EM market due largely to corruption investigations in Brazilian state-affiliated energy company Petrobras, raising fears of wide spread corruption as well as commodity price woes. In other news Russia's central bank raised interest rates by 6.5% to 17% in an attempt to defend the rouble. After several months under pressure and negative headlines due to the continuing crisis in Ukraine, the commodity-dependent country now faces additional challenges from the collapse in global oil prices.

Portfolio review

Total fund performance was positive for the year 1.65%, though underperforming the Barclays Global Aggregate Credit on a relative basis 1.31%. A main contribution to relative underperformance was our short duration position in quarter four, 2014. More recently our overweight to financial insurers and industrial consumers was a key contributor to positive performance. Though relatively stable in terms of positioning, our overweight to industrial energy credits was a drag on performance as commodity markets continue to remain volatile. Amidst the volatile rates environment we continued our risk reduction policy, an area of particular focus for the period was reducing any significant issuer concentration as well as the fund's lower tier 2 financials exposure. Our EM allocation over the period was significantly reduced as we foresee turbulent times ahead for the commodity market and oil exporting countries. Towards the end of the period we removed our long 0.5 year US position which was implemented to hedge the Greek crisis.

Outlook

We remain positive on credit which continues to maintain strength fundamentally. In the US, over 70% of Standard & Poor's 500 companies beat earnings expectations with over 50% of companies surpassing revenue estimates too. In Europe, earnings momentum has improved and we expect both earnings and sales beats to exceed 60% on a year-over-year basis. Concerns around Greece still remain, however, and markets are likely to be revisiting Greek debt sustainability and its position in the Eurozone going forward. China's slowdown and the implications from stuttering global growth and falling commodity prices must also be factored in to our outlook.

Global Credit Team

August 2015

Portfolio statement

As at 31 July 2015

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market					
Asset Backed Bonds / Mortgage Backed Bonds 3.85% (2014: 0.29%)					
United States 3.85% (2014: 0.29%)					
Americold 2010 Trust	FRN	14/01/29	587,158	377	0.30
Bear Stearns ARM Trust 2007-4	FRN	25/06/47	626,231	358	0.29
COMM	FRN	10/12/49	540,000	342	0.27
First Horizon Alternative Mortgage Securities Trust 2005-FA2	FRN	25/04/35	469,746	247	0.20
GreenPoint Mortgage Loan Trust 2004-1	FRN	25/10/34	464,749	262	0.21
IndyMac INDA Mortgage Loan Trust 2007-AR1	VAR	25/03/37	483,085	286	0.23
JPMCC	5.4640	01/01/49	489,000	324	0.26
MDST	5.2500	15/12/45	314,250	210	0.17
Merrill Lynch Mortgage Investors Trust MLMI Series 2005-A5	VAR	25/06/35	497,725	311	0.25
RALI Series 2006-QS1 Trust	5.7500	25/01/36	488,153	276	0.22
STARM	VAR	25/04/37	743,174	393	0.31
WAMU	VAR	25/01/37	765,216	416	0.33
WaMu Mortgage Pass-Through Certificates Series 2006-AR12 Trust	FRN	25/10/36	465,590	249	0.20
WaMu Mortgage Pass-Through Certificates Series 2007-HY7 Trust	VAR	25/07/37	524,206	311	0.25
WFMBS	VAR	25/06/35	683,287	447	0.36
				4,809	3.85
Total Asset Backed Bonds / Mortgage Backed Bonds				4,809	3.85
Corporate Bonds 88.30% (2014: 94.88%)					
Australia 5.43% (2014: 2.39%)					
APT Pipelines	4.2000	23/03/25	1,550,000	974	0.78
APT Pipelines	2.0000	22/03/27	1,015,000	686	0.55
Australia & New Zealand Banking	4.5000	19/03/24	890,000	579	0.46
National Australia Bank (EMTN)	0.8750	20/01/22	1,070,000	749	0.60
Origin Energy Finance	VAR	16/09/74	1,590,000	1,043	0.83
QBE Insurance	VAR	02/12/44	870,000	585	0.47
QBE Insurance	2.4000	01/05/18	905,000	584	0.47
Suncorp Metway	2.3500	27/04/20	1,470,000	928	0.74
Telstra	3.1250	07/04/25	1,050,000	656	0.53
				6,784	5.43
Austria 0.03% (2014: 1.66%)					
Wienerberger (PERP)	6.5000	29/12/49	49,000	36	0.03
Brazil 1.01% (2014: 3.59%)					
QGOG Atlantic Alaskan Rigs	5.2500	30/07/18	1,175,460	621	0.50
Samarco Mineracao	4.1250	01/11/22	1,100,000	645	0.51
				1,266	1.01

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Canada 1.44% (2014: 0.41%)					
Air Canada	7.6250	01/10/19	487,000	257	0.21
Canadian Natural Resources	1.7500	15/01/18	870,000	553	0.44
Canadian Pacific Rail Road	4.8000	01/08/45	273,000	176	0.14
Rogers Communications	6.1100	25/08/40	360,000	211	0.17
Shaw Communications	6.7500	09/11/39	1,000,000	603	0.48
				1,800	1.44
Cayman Islands 0.22% (2104: Nil)					
Mizzen Bondco	7.0000	01/05/21	284,100	277	0.22
China 1.54% (2014: 1.73%)					
CNOOC Curtis Funding No 1	4.5000	03/10/23	900,000	607	0.49
Industrial & Commercial Bank of China New York (MTN)	3.2310	13/11/19	1,000,000	649	0.52
State Grid Europe Development 2014	1.5000	26/01/22	970,000	673	0.53
				1,929	1.54
Colombia 0.68% (2014: 0.26%)					
Ecopetrol	5.8750	28/05/45	1,049,000	587	0.47
Pacific Rubiales Energy	5.6250	19/01/25	650,000	263	0.21
				850	0.68
Croatia Nil (2014: 0.70%)					
Denmark Nil (2014: 0.63%)					
France 5.65% (2014: 8.07%)					
ALD International (EMTN)	0.7500	26/01/18	1,200,000	849	0.68
AXA (EMTN) (PERP)	VAR	31/12/49	810,000	580	0.46
BNP Paribas Cardif (PERP)	VAR	31/12/49	700,000	496	0.40
Cap Gemini	2.5000	01/07/23	1,100,000	809	0.65
Credit Agricole Assurances (PERP)	VAR	31/10/49	800,000	577	0.46
Electricite de France	FRN	29/01/49	1,720,000	1,130	0.90
Orange (EMTN) (PERP)	VAR	29/10/49	930,000	958	0.77
RCI Banque (EMTN)	6.0000	18/10/16	524,000	254	0.20
Societe Generale (EMTN) (PERP)	9.3750	04/09/49	650,000	570	0.46
Total (EMTN) (PERP)	VAR	29/12/49	1,210,000	839	0.67
				7,062	5.65
Germany 2.91% (2014: 3.32%)					
Alba	8.0000	15/05/18	600,000	414	0.33
Daimler Finance North America	1.6500	02/03/18	1,517,000	969	0.78
Deutsche Annington Finance (PERP)	VAR	29/12/49	1,100,000	784	0.63
Safari Holding Verwaltungs	8.2500	15/02/21	660,000	491	0.39
Volkswagen International Finance (PERP)	VAR	29/12/49	1,430,000	982	0.78
				3,640	2.91

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Hong Kong 2.72% (2014: 1.54%)					
CNPC General Capital	2.7500	14/05/19	2,060,000	1,323	1.06
Green Dragon Gas	10.0000	20/11/17	1,000,000	625	0.50
Hutchison Whampoa Europe Finance (PERP)	VAR	29/05/49	1,220,000	889	0.71
Hutchison Whampoa Finance 14	1.3750	31/10/21	800,000	565	0.45
				3,402	2.72
India 5.39% (2014: 5.04%)					
ABJA Investment	4.8500	31/01/20	1,270,000	817	0.65
Bharti Airtel International Netherlands	3.3750	20/05/21	380,000	283	0.23
Export-Import Bank of India (EMTN)	2.7500	01/04/20	1,829,000	1,159	0.93
GCX	7.0000	01/08/19	1,020,000	660	0.53
HDFC Bank (EMTN)	3.0000	06/03/18	1,250,000	810	0.65
ICICI Bank Dubai (EMTN)	3.5000	18/03/20	1,100,000	716	0.57
Indian Railway Finance	3.9170	26/02/19	1,110,000	733	0.59
NTPC (EMTN)	5.6250	14/07/21	1,400,000	987	0.79
ONGC Videsh	2.7500	15/07/21	800,000	567	0.45
				6,732	5.39
Indonesia 1.59% (2014: 0.33%)					
Indo Energy Finance II	6.3750	24/01/23	1,450,000	562	0.45
Pelabuhan Indonesia II PT	4.2500	05/05/25	940,000	566	0.45
Pertamina Persero	4.3000	20/05/23	1,400,000	864	0.69
				1,992	1.59
Ireland 0.96% (2014: 1.28%)					
Ryanair (EMTN)	1.1250	10/03/23	1,050,000	714	0.57
XLIT	5.5000	31/03/45	800,000	491	0.39
				1,205	0.96
Italy 1.95% (2014: 0.95%)					
Enel	VAR	24/09/73	869,000	653	0.52
Enel Finance International	5.1250	07/10/19	814,000	575	0.46
Gamenet	7.2500	01/08/18	1,000,000	673	0.54
Generali Finance (EMTN) (PERP)	VAR	30/11/49	765,000	537	0.43
				2,438	1.95
Japan 0.38% (2014: 0.39%)					
Bank of Tokyo-Mitsubishi UFJ (EMTN)	0.8750	11/03/22	690,000	477	0.38
Kazakhstan nil (2014: 0.69%)					
Lithuania 0.50% (2014: 0.86%)					
Bite Finance	FRN	15/02/18	900,000	628	0.50

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Luxembourg 1.02% (2014: 1.77%)					
Intelsat Jackson Holdings	5.5000	01/06/32	855,000	497	0.40
Matterhorn Telecom	3.6250	01/05/22	795,000	498	0.39
Matterhorn Telecom	3.8750	01/05/22	424,000	281	0.23
				1,276	1.02
Mexico 1.17% (2014: 0.70%)					
Cemex SAB de CV	4.7500	11/01/22	520,000	369	0.29
Petroleos Mexicanos	5.5000	21/01/21	1,320,000	915	0.74
Petroleos Mexicanos	4.2500	15/01/25	284,000	177	0.14
				1,461	1.17
Netherlands 4.71% (2104: 3.85%)					
ABN AMRO Bank	4.7500	28/07/25	660,000	424	0.34
ABN AMRO Bank (EMTN)	VAR	30/06/25	420,000	304	0.24
ABN AMRO Bank (MTN)	3.2500	09/04/20	1,450,000	673	0.54
Aegon (EMTN)	VAR	25/04/44	870,000	641	0.51
ING Groep (PERP)	VAR	29/12/49	1,000,000	643	0.51
Koninklijke DSM (EMTN)	1.0000	09/04/25	990,000	661	0.53
LGE VI	7.1250	15/05/24	770,000	602	0.48
Rabobank Nederland	4.3750	04/08/25	1,087,000	700	0.56
TenneT (EMTN)	1.7500	04/06/27	1,040,000	733	0.60
Vesteda Finance (EMTN)	1.7500	22/07/19	700,000	500	0.40
				5,881	4.71
Nigeria 0.12% (2014:0.69%)					
Zenith Bank (EMTN)	6.2500	22/04/19	259,000	156	0.12
Singapore 0.36% (2014: 0.64%)					
HPHT Finance 15	2.2500	17/03/18	700,000	447	0.36
Slovakia nil (2014: 0.54%)					
South Africa 0.37% (2014: nil)					
Sappi Papier	7.5000	15/06/32	325,000	197	0.16
Sappi Papier Holdings	6.6250	15/04/21	400,000	266	0.21
				463	0.37
South Korea nil (2014: 2.46%)					
Spain 1.03% (2014: 3.53%)					
Gas Natural Fenosa Finance (PERP)	VAR	29/12/49	1,100,000	724	0.58
OHL Investments	4.0000	25/04/18	400,000	261	0.21
PortAventura Entertainment Barcelona	7.2500	01/12/20	300,000	221	0.18
Redexis Gas Finance (EMTN)	2.7500	08/04/21	100,000	75	0.06
				1,281	1.03

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Sweden 1.34% (2014: 1.94%)					
Nordea Bank (EMTN) (PERP)	VAR	29/09/49	620,000	399	0.32
Svenska Handelsbanken (MTN)	4.5000	10/04/19	1,340,000	658	0.53
Svenska Handelsbanken (PERP)	VAR	29/12/49	970,000	615	0.49
				1,672	1.34
Switzerland 2.89% (2014: 2.45%)					
Cloverie	VAR	11/09/44	1,300,000	828	0.66
Credit Suisse (MTN)	3.5000	29/04/20	1,300,000	608	0.49
Demeter Investments for Swiss Life (PERP)	VAR	29/12/49	1,100,000	789	0.63
Selecta	6.5000	15/06/20	910,000	587	0.47
UBS	1.3750	01/06/17	1,250,000	799	0.64
				3,611	2.89
Thailand 0.41% (2014: 0.61%)					
Thai Oil	3.6250	23/01/23	800,000	508	0.41
United Arab Emirates 0.76% (2014: nil)					
ADCB Finance Cayman (EMTN)	3.0000	04/03/19	1,450,000	949	0.76
United Kingdom 14.80% (2014: 20.24%)					
Abbey National Treasury Services (EMTN)	1.1250	14/01/22	450,000	315	0.25
Aviva (EMTN)	VAR	04/12/45	890,000	613	0.49
Barclays Bank (EMTN)	6.7500	16/01/23	750,000	813	0.65
Boparan Finance (EMTN)	4.3750	15/07/21	700,000	458	0.37
BP Capital Markets (EMTN)	1.5730	16/02/27	910,000	627	0.50
British Telecom	5.9500	15/01/18	844,000	596	0.48
BUPA Finance	3.3750	17/06/21	400,000	412	0.33
Centrica	VAR	10/04/75	300,000	297	0.24
Experian Finance (EMTN)	3.5000	15/10/21	390,000	408	0.33
Galaxy Bidco	6.3750	15/11/20	400,000	406	0.33
Hastings Insurance Finance	8.0000	21/10/20	510,000	541	0.43
HSBC (PERP)	VAR	29/12/49	520,000	335	0.27
KCA Deutag UK Finance	7.2500	15/05/21	900,000	461	0.37
KCA Deutag UK Finance	7.2500	15/05/21	700,000	359	0.29
Legal & General (EMTN)	VAR	27/06/64	600,000	641	0.51
Legal & General Finance	FRN	29/05/49	600,000	627	0.50
Lloyds Bank	1.7500	14/05/18	860,000	551	0.44
Lloyds Bank (MTN)	3.2500	01/04/20	500,000	234	0.19
Nationwide Building Society (EMTN)	1.2500	03/03/25	710,000	483	0.39
PGH Capital	5.7500	07/07/21	1,300,000	1,406	1.12
Pizzaexpress Financing 2	6.6250	01/08/21	232,000	240	0.19
Royal Bank of Scotland (EMTN)	1.6250	25/06/19	550,000	394	0.32
R&R Ice Cream	8.2500	15/05/20	1,050,000	501	0.40
RSA Insurance	VAR	10/10/45	730,000	761	0.61
Santander UK	5.0000	07/11/23	950,000	631	0.50
Santander UK Group (PERP)	VAR	29/12/49	270,000	276	0.22
Scottish Widows	5.5000	16/06/23	700,000	742	0.59

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Silk Bidco	7.5000	01/02/22	220,000	163	0.13
SSE	FRN	01/10/49	1,100,000	737	0.59
SSE (PERP)	VAR	29/12/49	450,000	440	0.35
SSE (PERP)	VAR	29/12/49	240,000	165	0.13
Thames Water Utilities Financial (EMTN)	4.0000	19/06/25	1,070,000	1,149	0.92
Whitbread	3.3750	16/10/25	352,000	353	0.28
WPP Finance Deutschland (EMTN)	1.6250	23/03/30	940,000	602	0.48
Yorkshire Building Society (EMTN)	2.1250	18/03/19	1,030,000	758	0.61
				18,495	14.80
United States 26.92% (2014: 20.80%)					
American Express	4.0500	03/12/42	220,000	132	0.11
American International	4.3750	15/01/55	1,000,000	581	0.46
Apple	3.4500	09/02/45	940,000	516	0.41
Bank of America (PERP)	VAR	29/12/49	930,000	593	0.47
Blue Racer Finance	6.1250	15/11/22	480,000	313	0.25
CBS	4.6000	15/01/45	610,000	353	0.28
CCO Safari II	6.4840	23/10/45	790,000	524	0.42
CCO Safari II	4.4640	23/07/22	520,000	335	0.27
Cisco Systems	3.0000	15/06/22	850,000	549	0.44
Citigroup	2.4000	18/02/20	1,170,000	745	0.60
Citigroup	3.3900	18/11/21	1,160,000	595	0.48
Citigroup	1.7500	28/01/25	730,000	510	0.41
Coca-Cola	1.6250	09/03/35	930,000	609	0.49
Columbia Pipeline	2.4500	01/06/18	439,000	283	0.23
Columbia Pipeline	3.3000	01/06/20	373,000	240	0.19
Comcast	6.9500	15/08/37	720,000	611	0.49
CVS Health	3.5000	20/07/22	591,000	387	0.31
Energy Transfer Partners	5.2000	01/02/22	900,000	596	0.48
Exelon	5.1000	15/06/45	341,000	225	0.18
Exelon Generation	2.9500	15/01/20	643,000	414	0.33
Ford Motor Credit	5.7500	01/02/21	1,960,000	1,411	1.13
General Motors Financial (EMTN)	0.8500	23/02/18	1,130,000	797	0.64
Georgia-Pacific	5.4000	01/11/20	1,175,000	843	0.67
Goldman Sachs	3.7500	22/05/25	1,269,000	811	0.65
Goldman Sachs	2.5500	23/10/19	1,050,000	677	0.54
Harley-Davidson	3.5000	28/07/25	510,000	327	0.26
Harley-Davidson	4.6250	28/07/45	371,000	238	0.19
Health Care REIT	4.8000	20/11/28	400,000	435	0.35
HJ Heinz	3.5000	15/07/22	757,000	489	0.39
HJ Heinz Finance	7.1250	01/08/39	375,000	303	0.24
HJ Heinz Finance	6.7500	15/03/32	297,000	221	0.18
Home Depot	2.6250	01/06/22	478,000	303	0.24
HSBC Finance	6.6760	15/01/21	1,461,000	1,093	0.87
Intel	4.9000	29/07/45	225,000	148	0.12
International Game Technology	6.2500	15/02/22	500,000	315	0.25
International Game Technology	6.5000	15/02/25	500,000	307	0.25
International Paper	5.1500	15/05/46	696,000	441	0.35

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
Jones Energy Finance	6.7500	01/04/22	110,000	64	0.05
JP Morgan Mortgage Trust 2005-A8	5.0283	25/11/35	421,358	256	0.20
JPMorgan Chase	3.8750	10/09/24	1,200,000	760	0.61
JPMorgan Chase (PERP)	VAR	31/12/49	1,450,000	908	0.73
Kinder Morgan	5.5500	01/06/45	973,000	567	0.45
Kinder Morgan	2.2500	16/03/27	280,000	184	0.15
Kinder Morgan Energy Partners	3.5000	01/03/21	428,000	266	0.21
Laboratory of America	4.7000	01/02/45	610,000	363	0.29
Legg Mason	3.9500	15/07/24	640,000	419	0.34
Legg Mason	5.6250	15/01/44	400,000	271	0.22
Marathon Petroleum	4.7500	15/09/44	980,000	584	0.47
Microsoft	3.7500	12/02/45	783,000	459	0.37
Mondelez International	2.3750	06/03/35	280,000	181	0.15
Morgan Stanley	3.7000	23/10/24	710,000	456	0.36
Municipal Electric Authority of Georgia	6.6370	01/04/57	800,000	622	0.50
National Rural Utilities Cooperative Finance	FRN	30/04/43	1,585,000	1,012	0.81
New Jersey St	4.2520	01/01/16	100,000	65	0.05
Penske Truck Leasing Finance	3.3750	01/02/22	1,224,000	766	0.61
Perrigo Finance	3.5000	15/12/21	1,157,000	739	0.59
Phillips 66	4.8750	15/11/44	613,000	379	0.30
Prologis	1.3750	07/10/20	760,000	536	0.43
QUALCOMM	4.8000	20/05/45	1,009,000	584	0.47
Quest Diagnostics	4.7000	30/03/45	108,000	63	0.05
Sabine Pass Liquefaction	6.2500	15/03/22	1,000,000	660	0.53
Seagate HDD Cayman	4.8750	01/06/27	880,000	542	0.43
United Technologies	VAR	04/05/18	1,097,000	704	0.56
Valeant Pharmaceuticals	4.5000	15/05/23	908,000	632	0.51
Verizon Communications	6.5500	15/09/43	565,000	428	0.34
Verizon Communications	5.0120	21/08/54	472,000	280	0.22
Williams Partners	3.6000	15/03/22	2,000,000	1,237	0.99
Williams Partners	3.9000	15/01/25	652,000	390	0.31
				33,647	26.92
Venezuela nil (2014: 0.82%)					
Total Corporate Bonds				110,365	88.30
Government Bonds 3.33% (2014: 5.42%)					
France 0.87% (2014: 0.67%)					
Agence Francaise Development	FRN	29/07/49	1,500,000	1,083	0.87
Germany nil (2014: 0.80%)					
Indonesia nil (2014: 1.22%)					
Sweden 0.92% (2014: nil)					
Svensk Exportkredit (EMTN)	VAR	14/11/23	1,800,000	1,156	0.92

Security	Coupon (%)	Maturity	Nominal / Quantity	Market Value £'000	Percentage of total net assets %
United States 0.99% (2014: 2.73%)					
US Treasury	4.3750	15/05/40	680,000	554	0.45
US Treasury	2.5000	15/05/24	540,000	356	0.28
US Treasury	4.6250	15/02/40	390,000	329	0.26
				1,239	0.99
Total Government Bonds				4,165	3.33
Total Bonds				119,339	95.48
Total Transferable securities and money market instruments admitted to an official exchange listing / dealt in on another regulated market				119,339	95.48

Derivatives 0.38% (2014: (0.14)%)

Futures (0.02%) (2014: (0.10)%)

Future	Maturity	Notional	Unrealised Gains/ (Losses) £'000	Percentage of total net assets %
CBT US Long Bond	21/09/15	28	31	0.02
CBT US Ultra Bond	21/09/15	21	61	0.05
CBT US 10 Year Note	21/09/15	(17)	(6)	(0.01)
CBT US 2 Year Note	30/09/15	22	7	0.01
CBT US 5 Year Note	30/09/15	2	1	-
EUX Euro Bobl	08/09/15	(49)	(26)	(0.02)
EUX Euro Bund	08/09/15	(40)	(110)	(0.08)
EUX Euro Buxl	08/09/15	11	11	0.01
Unrealised losses on futures contracts			(31)	(0.02)

Forward currency exchange contracts 0.40% (2014: (0.04)%)

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/ (Losses) £'000	Percentage of total net assets %
Barclays Capital	EUR	GBP	11/08/15	1,410,000	994,979	4	-
Barclays Capital	GBP	USD	11/08/15	100,584	156,000	1	-
Barclays Capital	GBP	EUR	11/08/15	111,764	161,000	(2)	-
Barclays Capital	GBP	USD	11/08/15	11,509,039	17,893,000	42	0.03
Barclays Capital	USD	GBP	11/08/15	339,000	219,851	(3)	-
Citigroup	EUR	GBP	11/08/15	145,000	102,953	-	-
Citigroup	EUR	GBP	11/08/15	490,000	342,977	4	-
Citigroup	GBP	USD	11/08/15	87,745	137,000	-	-
Citigroup	GBP	USD	11/08/15	231,750	360,000	1	-
Citigroup	GBP	USD	11/08/15	768,358	1,196,000	2	-
Citigroup	GBP	CHF	11/08/15	1,104,085	1,622,000	22	0.02
Citigroup	GBP	USD	11/08/15	11,508,418	17,893,000	41	0.03
Deutsche Bank	EUR	GBP	11/08/15	374,000	262,911	2	-
Deutsche Bank	GBP	EUR	11/08/15	105,105	146,000	2	-
Deutsche Bank	GBP	USD	11/08/15	112,582	176,000	-	-

Counterparty	Buy	Sell	Settlement	Buy Amount	Sell Amount	Unrealised Gains/ (Losses) £'000	Percentage of total net assets %
Deutsche Bank	GBP	USD	11/08/15	120,989	189,000	-	-
Deutsche Bank	GBP	EUR	11/08/15	124,246	178,000	(2)	-
Deutsche Bank	GBP	EUR	11/08/15	150,312	211,000	1	-
Deutsche Bank	GBP	USD	11/08/15	237,615	371,000	-	-
Deutsche Bank	GBP	USD	11/08/15	401,955	625,000	1	-
Deutsche Bank	GBP	EUR	11/08/15	11,115,933	15,659,000	27	0.02
Deutsche Bank	GBP	USD	11/08/15	11,508,440	17,893,000	41	0.03
Goldman Sachs	GBP	EUR	11/08/15	163,533	234,000	(2)	-
Goldman Sachs	GBP	USD	11/08/15	455,599	703,000	5	-
Goldman Sachs	GBP	USD	11/08/15	11,507,714	17,893,000	41	0.03
HSBC	GBP	EUR	11/08/15	140,033	194,000	3	-
HSBC	GBP	CAD	11/08/15	1,634,496	3,217,000	50	0.05
HSBC	GBP	USD	11/08/15	11,510,031	17,893,000	43	0.03
JPM Chase	GBP	USD	11/08/15	1,186,179	1,841,000	6	0.01
JPM Chase	GBP	USD	11/08/15	11,508,440	17,893,000	41	0.03
JPM Chase	USD	GBP	11/08/15	215,000	137,300	-	-
Royal Bank of Canada	EUR	GBP	11/08/15	104,000	73,563	-	-
Royal Bank of Canada	GBP	AUD	11/08/15	3,661,782	7,596,000	90	0.08
Royal Bank of Canada	GBP	EUR	11/08/15	11,110,770	15,660,000	21	0.02
Royal Bank of Canada	USD	GBP	11/08/15	154,000	99,244	(1)	-
Royal Bank of Canada	USD	GBP	11/08/15	426,000	275,267	(2)	-
Royal Bank of Canada	USD	GBP	11/08/15	595,000	384,036	(3)	-
UBS	EUR	GBP	11/08/15	207,000	144,359	2	-
UBS	EUR	GBP	11/08/15	403,000	287,496	(2)	-
UBS	GBP	USD	11/08/15	138,312	216,000	-	-
UBS	GBP	USD	11/08/15	138,747	213,000	2	-
UBS	GBP	EUR	11/08/15	11,113,662	15,659,000	25	0.02
UBS	USD	GBP	11/08/15	210,000	136,536	(2)	-
Unrealised gains on forward currency exchange contracts						501	0.40
Unrealised gains on derivatives						470	0.38
Investment asset^A						119,809	95.86
Net other assets						5,165	4.14
Net assets						124,974	100.00

Currently forwards positions are not collateralised.

^A Including derivative liabilities.

Comparative figures are as at 31 July 2014.

Of the total investment above 1,410,229, 1.13% (2014: £203,000, 1.09%) were invested in unrated securities and 21,451,553, 17.34% (2014: £5,710,000, 30.70%) were invested in securities below investment grade.

Comparative table

Accounting period	31 Jul 15	31 Jul 14	31 Jul 13
A Accumulation Shares in issue	139,283.65	2,659,049.57	2,526,450.00
A Income Shares in issue	7,485.74	2,484,850.00	2,482,750.00
I Accumulation Shares in issue	1,722,501.51	3,958,469.70	2,478,250.00
I Income Shares in issue	463,000.83	2,498,350.00	2,507,650.00
Z Accumulation Shares in issue	121,556,628.75	6,427,983.25	-
Net asset value attributable to			
A Accumulation shareholders (£'000)	148	2,831	2,499
A Income shareholders (£'000)	7	2,524	2,425
I Accumulation shareholders (£'000)	1,845	4,242	2,456
I Income shareholders (£'000)	459	2,554	2,454
Z Accumulation shareholders (£'000)	122,515	6,451	-
Net asset value of Fund (£'000)	124,974	18,602	9,834
Net asset value pence per share			
A Accumulation	106.13	106.47	98.92
A Income	97.98	101.57	97.66
I Accumulation	107.13	107.17	99.12
I Income	99.07	102.23	97.85
Z Accumulation	100.79	100.35	-

Performance record

Calendar year		Net revenue pence per share	Highest price pence per share	Lowest price pence per share
2013 ^A	A Accumulation	1.26000	103.14	96.96
2013 ^A	A Income	1.26000	103.14	96.60
2013 ^A	I Accumulation	1.26000	103.22	97.10
2013 ^A	I Income	1.26000	103.22	96.83
2014	A Accumulation	3.53520	107.95	101.80
2014	A Income	3.46000	103.88	99.36
2014	I Accumulation	3.56613	108.70	102.22
2014	I Income	3.49000	104.55	99.79
2014 ^B	Z Accumulation	0.57176	101.84	99.10
2015 ^C	A Accumulation	3.46561	109.06	105.14
2015 ^C	A Income	3.28000	102.11	98.44
2015 ^C	I Accumulation	3.31686	109.99	106.14
2015 ^C	I Income	3.14000	103.11	99.50
2015 ^C	Z Accumulation	3.09906	103.34	99.82

^A The Fund was launched on 11 March 2013.

^B Accumulation Z share class launched 30 May 2014.

^C As at 31 July 2015.

Ongoing charges figure

	Share class A	Share Class I	Share class Z
31 July 2014	1.13	0.63	0.13
31 July 2015	1.13	0.63	0.13

Source: Aberdeen Asset Managers Limited.

The ongoing charges figure (OCF) is the total expenses paid by each share class in the year against its average net asset value. This includes the annual management charge, the other operating expenses and any synthetic element to incorporate the ongoing charges of any underlying collective investments. The OCF can fluctuate as underlying costs change. Where underlying costs have changed, the OCF disclosed in the Key Investor Information Document will be updated to reflect current changes.

Risk and reward profile

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

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

Risk and reward indicator table as at 31 July 2015.

- This Fund is ranked at 3 because funds of this type have experienced low to medium rises and falls in value in the past.
- Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:
- Bonds: Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond. Where a bond market has a low number of buyers and/ or a high number of sellers, it may be harder to sell particular bonds at an anticipated price and/or in a timely manner.
- Derivatives for investment purposes: The Fund can use derivatives in order to meet its investment objectives or to protect from price and currency movements. This may result in gains or losses that are greater than the original amount invested.
- Exchange rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- Emerging markets: Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This may mean your money is at greater risk.
- A full list of risks applicable to this Fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this Fund which is available on our website at aberdeen-asset.co.uk

Cumulative performance (%)

	Period of report 31/07/2014 to 31/07/2015	Since launch 11/03/2013 to 31/07/2015
Fund - A Accumulation	(0.73)	6.19
Benchmark ^A	2.96	8.59

Annual discrete performance to 31 July

	31/07/2014 to 31/07/2015	31/07/2013 to 31/07/2014
% Change	(0.73)	7.58

Source: Lipper, Total Return, NAV to NAV, UK Net income reinvested, £.

^A Barclays Global Aggregate Credit (Hedged GBP 100%) Index.

Figures are as at valuation point.

Statement of total return

For the year ended 31 July 2015

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	1		(3,438)		607
Revenue	2	4,259		565	
Expenses	3	(163)		(78)	
Net revenue before taxation		4,096		487	
Taxation	4	(1)		-	
Net revenue after taxation			4,095		487
Total return before distributions			657		1,094
Finance costs: distributions	5		(4,133)		(522)
Change in net assets attributable to shareholders from investment activities			(3,476)		572

Statement of change in net assets attributable to shareholders

For the year ended 31 July 2015

	2015		2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		18,602		9,834
Movement due to sales and repurchases of shares				
Amount receivable on issue of shares	19,338		7,971	
Amount receivable on in specie transfers ^A	101,441		-	
Amount payable on cancellation of shares	(14,792)		(96)	
		105,987		7,875
Dilution charged		-		55
Change in net assets attributable to shareholders from investment activities (see above)		(3,476)		572
Retained distribution on accumulation shares		3,861		266
Closing net assets attributable to shareholders		124,974		18,602

^A Relating to in specie transfer to Aberdeen World Strategic Bond from Aberdeen Alpha F.I.20 Year Sterling Index Linked Fund on 26 September 2014.

Balance sheet

As at 31 July 2015

		2015		2014	
	Notes	£'000	£'000	£'000	£'000
Assets					
Investment assets			119,970		18,829
Debtors	6	1,572		1,282	
Cash and bank balances	7	5,053		119	
Total other assets			6,625		1,401
Total assets			126,595		20,230
Liabilities					
Investment liabilities			(161)		(144)
Creditors	8	(1,452)		(1,400)	
Distribution payable on income shares		(7)		(84)	
Total other liabilities			(1,459)		(1,484)
Total liabilities			(1,621)		(1,628)
Net assets attributable to shareholders			124,974		18,602

Notes to the financial statements

For the year ended 31 July 2015

1. Net capital (losses)/gains on investments

	2015	2014
	£'000	£'000
Net capital (losses)/gains on investments during the year comprise:		
Forward currency contracts	1,420	1,156
Non-derivative securities	(3,513)	(312)
Derivative securities	(1,336)	(158)
Other currency (losses)/gains	7	(50)
Transaction costs	(16)	(29)
Net capital (losses)/gains on investments	(3,438)	607

2. Revenue

	2015	2014
	£'000	£'000
Bank interest	5	-
Derivative revenue	(159)	-
Interest on debt securities	4,413	565
Total Revenue	4,259	565

	2015	2014
	£'000	£'000
Stock lending details		
Aggregate value of securities on loan at the year end	3,894	-

The aggregate value of securities at the year end and during the year subject to stock lending was fully secured by collateral of at least 105% of the value of stock on loan. At the year end collateral of £4,341,000 (2014 - nil) was held with the following counterparties:

	2015	2014
	£'000	£'000
Counterparty		
Citigroup	2,901	-
JP Morgan	1,440	-
	4,341	-

The collateralisation must be in the form of government bonds with a minimum issuer rating of AA (S&P rating) or Aa2 (Moody's rating). With respect to a government issuer that is rated by both Moody's and S&P, the lower of those two ratings shall apply.

The following countries may be accepted as collateral:

Aaa/AAA minimum rating:

Australia, Austria, Denmark, Finland, Luxembourg, Netherlands, Norway, Sweden, Switzerland

Aa1/AA+ minimum rating:

Belgium

Aa2/AA minimum rating

Canada, France, Germany, United Kingdom, United States

Only 35% of a borrower's collateral balance can be formed by government bonds from one particular country.

Cash may also be accepted as collateral in US dollars, Euro's or Sterling .

3. Expenses

	2015	2014
	£'000	£'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and Agents of either of them:</i>		
Authorised Corporate Director's periodic charge	38	89
Operating, administrative and servicing fees	83	-
Registration fees	48	12
	169	101
<i>Payable to the Depositary, associates of the Depositary and agents of either of them:</i>		
Depositary fee	5	2
Safe custody fees	7	2
	12	4
<i>Other expenses:</i>		
Audit fee	4	10
Legal and professional fees	-	2
Printing and postage fees	-	(2)
Expense cap refunded by Authorised Fund Manager	(22)	(37)
	(18)	(27)
Total expenses	163	78

Irrecoverable VAT is included in the above expenses where relevant.

4. Taxation

The Fund is subject to corporation tax at 20%, however the Fund is a bond fund making interest distributions and the interest distributions by the Fund are allowable in arriving at the amount of income liable to tax. As a result this has reduced the current tax liability of the Fund to nil. Tax is deducted at source from the interest distribution where applicable. This represents income tax withheld by the Depositary from the gross amount distributable and is accounted by the Depositary from the gross amount distributable and is accounted by the Depositary to HMRC on behalf of the shareholders. The tax charge comprises:

	2015	2014
	£'000	£'000
Current tax:		
Overseas withholding tax	1	-
Total taxation	1	-

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

Factors affecting tax charge for the year

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

Reconciliation of the tax charge for the year:

	2015	2014
	£'000	£'000
Net revenue before taxation	4,096	487
Corporation tax of 20%	819	97
Effects of:		
Irrecoverable overseas tax	1	-
Tax deductible interest distributions	(819)	(97)
Current tax charge	1	-

No provision for deferred tax has been made in the current or prior accounting year. There are no other factors that affect future tax charges.

5. Finance costs

Distributions and interest

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

	2015	2014
	£'000	£'000
Interim	2,987	249
Final	1,694	291
	4,681	540
Add: Revenue deducted on cancellation of shares	122	15
Deduct: Revenue received on issue of shares	(670)	(33)
Gross distribution for the year	4,133	522
Total finance costs	4,133	522

Details of the distribution per share are set out in the distribution table on page 576.

Movement between net revenue and distribution

	2015	2014
	£'000	£'000
Net revenue after taxation	4,095	487
Add:		
Undistributed revenue brought forward	-	1
Movement between share classes due to conversions	-	(55)
Authorised Corporate Director's periodic charge paid from capital	38	89
Finance cost: distributions	4,133	522

6. Debtors

	2015	2014
	£'000	£'000
Amounts receivable for issue of shares	7	1,065
Accrued revenue	1,402	205
Currency transactions awaiting settlement	121	-
Accrued expense cap [^]	-	12
Other debtors	42	-
Total debtors	1,572	1,282

[^] Net of accrued expenses

7. Cash and bank balances

	2015	2014
	£'000	£'000
Amounts held at futures clearing houses and brokers	499	112
Cash and bank balances	4,554	7
Total cash and bank balances	5,053	119

8. Creditors

	2015	2014
	£'000	£'000
Accrued expenses	22	-
Amounts payable for cancellation of shares	16	2
Currency transactions awaiting settlement	121	-
Income tax payable	423	54
Other creditors	-	1
Purchases awaiting settlement	870	1,343
Total creditors	1,452	1,400

NOTES TO THE AGGREGATED FINANCIAL STATEMENTS CONTINUED

9. Financial instruments

For a more detailed explanation of the risks arising from the financial instruments held by the Fund please refer to note 2 of the aggregated financial statements on page 7. See below for additional quantitative disclosures specific to the Fund.

The interest rate risk profile of the Fund's financial assets and liabilities at the year end is set out in the following table:

This is consistent with the exposure during both the current year and prior year.

	Floating Rate financial assets £'000	Fixed Rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2015				
Australian Dollar	-	3,615	-	3,615
Canadian Dollar	-	1,666	-	1,666
Euro	4,542	26,908	23	31,473
Swiss Franc	-	1,085	-	1,085
UK Sterling	5,214	9,743	509	15,466
US Dollar	5,137	66,450	101	71,688
2014				
Australian Dollar	97	388	-	485
Canadian Dollar	-	195	-	195
Euro	2,569	4,228	3	6,800
Swiss Franc	-	106	-	106
UK Sterling	654	1,332	61	2,047
US Dollar	1,079	8,177	39	9,295

	Floating Rate financial liabilities £'000	Fixed Rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
2015				
Australian Dollar	-	-	-	-
Euro	-	-	(138)	(138)
UK Sterling	-	-	(7)	(7)
US Dollar	-	-	(16)	(16)
2014				
Australian Dollar	-	-	(3)	(3)
UK Sterling	-	(9)	(113)	(122)

Fixed rate financial assets

Currency	Weighted average interest rate (%) 2015	Weighted average period for which rate is fixed (years) 2015	Weighted average interest rate (%) 2014	Weighted average period for which rate is fixed (years) 2014
Australian Dollar	4.45	4.31	4.97	4.28
Canadian Dollar	4.56	15.09	2.26	3.14
Euro	3.24	17.90	4.05	12.24
Swiss Franc	5.62	5.77	6.50	5.88
UK Sterling	5.06	18.30	5.59	13.09
US Dollar	4.23	14.40	-	-

The 'weighted average interest rate' is based on the redemption yield of each asset, weighted by their market value.

The floating rate financial assets and liabilities comprises sterling denominated bank balances and overdrafts that bear interest at rates based on the six month LIBOR.

Derivative Exposure

The Fund has open future contracts with total commitments of £3,342,693, (2014 - (£3,563,296)).

As at 31 July 15 the impact of the use of derivatives upon the Fund is considered insignificant.

Value at risk (VaR)

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

Model assumptions:

System:	Advanced Portfolio Technologies (APT)
VaR methodology:	Parametric
Confidence level:	99%
Holding period:	1 week (5 days)
Decay factor for exponential smoothing of the historical market data:	nil
Historical observation period:	180 weeks

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

VaR table

	FX risk	Interest rate risk	Inflation risk	Contribution from credit risk	Overall VaR
31-Jul-15	0.00%	1.30%	-	0.41%	1.72%
31-Jul-14	0.00%	0.34%	-	1.20%	1.53%
31-Jul-13	0.00%	0.97%	-	0.70%	1.66%

Objectives and limitations of the VaR Methodology

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

This method accurately prices all types of complex non-linear positions as well as simple linear instruments. It also provides a full distribution of potential portfolio gains and losses, which need not be symmetrical. If the underlying risk factors exhibit non-normal behaviour such as fat-tails or mean-reversion, then the resulting VaR will include these effects. However, tail risk can only be examined if the historical data set includes tail events. The distribution is calculated by using daily historical time-series data with implementation of an exponential adjustment.

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

Even though positions may change throughout the day, the VaR only represents the risk of the portfolios at the close of each business day, and it does not account for any losses that may occur beyond the 99% confidence level. In practice, the actual trading results will differ from the VaR calculation and, in particular, the calculation does not provide a meaningful indication of profits and losses in stressed market conditions. To determine the reliability of the VaR models, actual outcomes are monitored regularly to test the validity of the assumptions and the parameters used in the VaR calculation. Market risk positions are also subject to regular stress tests to ensure that the fund would withstand an extreme market event.

10. Related parties

The following are considered to be related parties:

The ACD

The fees received by the ACD are set out in note 3. The Investment Adviser may be paid up to 3% of the ACD's preliminary charge of 4.25% on the sale of shares. The ACD is involved in all transactions in shares of the Fund, the aggregate values of which are set out in the Statement of change in net assets attributable to shareholders on page 566. During the year the ACD held shares in the Fund and had a holding of 1,032 income 'A' shares (2014 - 1,931), 981 accumulation 'A' shares (2014 - 1,886), 1,034 income 'I' shares (2014 - 1,869), 942 accumulation 'I' shares (2014 - 1,873) and 976 accumulation 'Z' shares (2014 - 1,981) as at 31 July 2015. £13,742 was due to the ACD (2014 - £1,054,000 was due from) at the year end.

The Depositary

The fees received by the Trustee are set out in note 3. All cash balances are held with the Trustee and all bank interest earned was for such deposits.

Material shareholders

Nortrust Nominees Limited held a material unitholding in the Fund during the year to 31 July 2015, and at the year-end held 82% of the Fund's units in issue. During the year, Nortrust Nominees Limited made total purchases of £101,993,582 in the Fund.

11. Shareholder funds

The Fund currently has 3 share classes; Class 'A' (Retail), Class 'I' (Institutional) and Class 'Z' (Institutional)

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

Class 'A': 1.00%

Class 'I': 0.50%

Class 'Z': 0.00%

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the comparative table on page 564. The distribution per share class is given in the distribution table on page 576. All share classes have the same rights on winding up.

12. Portfolio transaction costs

	2015	2014
	£'000	£'000
Analysis of total purchase costs		
Purchases in year before transaction costs	262,467	46,276
Gross purchases total	262,467	46,276
Analysis of total sale costs		
Gross sales in year before transaction costs	158,114	37,100
Total sales net of transaction costs	158,114	37,100

Distribution table

For the year ended 31 July 2015 (in pence per share)

Interim interest distribution

Group 1 : Shares purchased prior to 1 August 2014

Group 2 : Shares purchased 1 August 2014 to 31 January 2014

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 30/04/15	Distribution paid 30/04/14
Share class A Accumulation						
Group 1	2.47636	0.49527	1.98109	-	1.98109	1.80296
Group 2	1.58963	0.31792	1.27171	0.70938	1.98109	1.80296
Share class A Income						
Group 1	2.36250	0.47250	1.89000	-	1.89000	1.78000
Group 2	0.78152	0.15630	0.62522	1.26478	1.89000	1.78000
Share class I Accumulation						
Group 1	2.31936	0.46387	1.85549	-	1.85549	1.81309
Group 2	1.46582	0.29316	1.17266	0.68283	1.85549	1.81309
Share class I Income						
Group 1	2.21250	0.44250	1.77000	-	1.77000	1.79000
Group 2	1.51197	0.30239	1.20958	0.56042	1.77000	1.79000
Share class Z Accumulation						
Group 1	2.16635	0.43327	1.73308	-	1.73308	0.00000
Group 2	1.46585	0.29317	1.17268	0.56040	1.73308	0.00000

Final interest distribution

Group 1 : Shares purchased prior to 1 February 2015

Group 2 : Shares purchased 1 February 2015 to 31 July 2015

	Gross revenue	Income tax (20%)	Net revenue	Equalisation	Distribution paid 31/10/15	Distribution paid 31/10/14
Share class A Accumulation						
Group 1	1.85565	0.37113	1.48452	-	1.48452	1.73224
Group 2	1.12750	0.22550	0.90200	0.58252	1.48452	1.73224
Share class A Income						
Group 1	1.73750	0.34750	1.39000	-	1.39000	1.68000
Group 2	0.92588	0.18518	0.74070	0.64930	1.39000	1.68000
Share class I Accumulation						
Group 1	1.82671	0.36534	1.46137	-	1.46137	1.75304
Group 2	1.21214	0.24243	0.96971	0.49166	1.46137	1.75304
Share class I Income						
Group 1	1.71250	0.34250	1.37000	-	1.37000	1.70000
Group 2	0.82210	0.16442	0.65768	0.71232	1.37000	1.70000
Share class Z Accumulation						
Group 1	1.70748	0.34150	1.36598	-	1.36598	0.57176
Group 2	1.25120	0.25024	1.00096	0.36502	1.36598	0.57176

Equalisation

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

Statement of Authorised Corporate Director's Responsibilities

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the requirements of the Statement of Recommended Practice relating to the Financial Statements of Authorised Funds;
- follow applicable UK Accounting Standards (UK Generally Accepted Accounting Practice)
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is responsible for keeping proper accounting records and for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules. The ACD has general responsibility for taking such steps as are reasonably open to it to prevent and detect fraud and other irregularities.

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

The depositary is responsible for the safekeeping of all of the property of the Company (other than tangible moveable property) which is entrusted to it and for the collection of income that arises from that property. It is the duty of the depositary to take reasonable care to ensure that the Company is managed in accordance with the Financial Conduct Authority's New Collective Investment Schemes Sourcebook, as amended ('the Sourcebook'), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended ('the OEIC Regulations'), the Company's instrument of incorporation and prospectus, in relation to the pricing of, and dealings in, shares in the Company; the application of income of the Company; and the investment and borrowing powers applicable to the Company.

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

- 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 Sourcebook and, where applicable, the OEIC Regulations, the instrument of incorporation and prospectus of the Company, and has observed the investment and borrowing powers and restrictions applicable to the Company.



National Westminster Bank Plc

26 November 2015

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

We have audited the financial statements of the Company for the year ended 31 July 2015, which comprise the Statements of Total Return, the Statements of Changes in Shareholders' Net Assets, the Balance Sheets together with related notes and the Distribution Tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of the Authorised Corporate Director ('the ACD') Aberdeen Fund Managers Limited and auditor

As explained more fully in the Statement of ACD's Responsibilities set out on page 577 the ACD is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the financial position of the Company as at 31 July 2015 and of the net revenue and the net capital losses on the property of the Company for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to Authorised Funds and the COLL Rules.

Opinion on other matters prescribed by the COLL Rules

In our opinion the information given in the Authorised Corporate Director's Report is consistent with the financial statements.

We have received all the information and explanations which we consider necessary for the purposes of our audit.

Matters on which we are required to report by exception

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

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



Jatin Patel

for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL

26 November 2015

Further information

Constitution

The Aberdeen Investment Funds ICVC (formerly the Murray Open-Ended Investment Company) was incorporated on 15 January 1998, incorporated under the ECA Regulations. The Company is an open-ended investment company (OEIC) with variable capital under regulation 14 (authorisation) of the OEIC Regulations. The Aberdeen Investment Funds ICVC Prospectus and Key Investor Information Document, which contain full details for investors, are available for inspection at the offices of the Depositary and the ACD and available to order or download at aberdeen-asset.co.uk.

Documentation

Copies of the current Prospectus and Key Investor Information Document for the Aberdeen OEIC funds, together with the latest Annual (and if issued later the interim) Report and Accounts for any fund, are available on request from Aberdeen Fund Managers Limited, 10 Queen's Terrace, Aberdeen AB10 1YG and at aberdeen-asset.co.uk.

The Annual Report of the Company will be published on or before 30 November and the half-yearly report on or before 31 March in each year. Copies of the Short Reports are sent to shareholders, or the first named in the case of joint shareholders.

Shareholders will also receive a half-yearly statement prepared as at 5 April and 5 October each year, and issued within twenty five business days of these dates. The statement will show details of all transactions effected during the previous six months, and include a valuation of the Account based on the redemption prices as at 5 April and 5 October as applicable.

Notices/Correspondence

Please send any notices to Aberdeen Fund Managers Limited, PO Box 9029, Chelmsford CM99 2WJ. Any notice to the ACD will only be effective when actually received by the ACD. All notices will be sent to the investor at the address set out in the Application form or the latest address which the investor has notified to the ACD, and will be deemed to have been received three days after posting. Events detailed in these terms and conditions will be carried out on the dates specified, unless the dates are a non-business day, when they will be carried out on the next business day.

Complaints and Compensation

Complaints about the operation of the Company and the Funds may be made by the investor by writing to the ACD or the Depositary. Any complaint will be investigated and the outcome will be notified to the investor, within eight weeks. If the investor is not satisfied with the outcome, he may also write directly to the Financial Ombudsman Service at Exchange Tower, Harbour Exchange Square, London, E14 9GE. If the ACD cannot meet its financial obligations to the investor, the investor may be entitled to compensation under the Investor's Compensation Scheme, under the Financial Services Markets Act 2000. Details of the investor's rights to compensation can be obtained from the ACD on request.

Management information

The Investment Advisers and Sub-Advisers

The ACD employs the following companies as investment advisers in relation to the Company:

Aberdeen Asset Managers Limited is a company limited by shares and incorporated in Scotland with its Registered Office and principal place of business at 10 Queens Terrace, Aberdeen AB10 1YG. It is authorised and regulated by the Financial Conduct Authority.

Aberdeen Asset Management Asia Limited is a company limited by shares incorporated in Singapore with its registered office and principal place of business at 21 Church Street, #01-01 Capital Square Two, Singapore, 049480. It is registered as an investment adviser with the Monetary Authority of Singapore ("MAS") of 10 Shenton Way, MAS Building, Singapore 079117. The company is authorised and regulated by MAS and as such may act as an investment adviser.

Aberdeen Fund Management Limited is a company limited by shares incorporated in England and Wales with its registered and principal place of business at Bow Bells House, 1 Bread Street, London EC4M 9HH. It is authorised and regulated by the Financial Conduct Authority.

Aberdeen Asset Management Inc is a Delaware corporation with its principal place of business at 1735 Market Street, 37th Floor, Philadelphia, PA 19103. It is registered as an investment adviser with the United States Securities and Exchange Commission.

Note:

The ACD, Aberdeen Asset Managers Limited, Aberdeen Asset Management Asia Limited, Aberdeen Fund Management Limited and Aberdeen Asset Management Inc are wholly owned subsidiaries of Aberdeen Asset Management PLC, and are accordingly associates.

The Investment Advisers have the authority of the ACD to make decisions on its behalf in all aspects of the investment management of the investments and other property of the Company. The main terms of the agreement with each investment adviser are that it should have the authority of the ACD to make decisions on its behalf in all aspects of the investment management of the investments and other property of the Company, including the Company's powers to enter into hedging transactions relating to efficient portfolio management. The adviser's powers extend to all of the property of the Company except any part which the ACD excludes from the adviser's powers. The adviser is to report details of each transaction to the ACD and to confer with the ACD when required by it. The ACD will notify the adviser of additional cash available for the investment.

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

Appointments

Authorised Corporate Director
Aberdeen Fund Managers Limited

Head Office
10 Queens Terrace
Aberdeen
AB10 1YG

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

Depository
National Westminster Bank Plc
Trustee & Depository Services
Younger Building
3 Redheughs Avenue
Edinburgh
EH12 9RH

Legal Advisers
Eversheds LLP
One Wood Street
London
EC2V 7WS

Auditors
KPMG Audit PLC
15 Canada Square
Canary Wharf
London
E14 5GL

Registrar
International Financial Data Services (UK) Limited
IFDS House
St. Nicholas Lane
Basildon
Essex
SS16 5FS
(the register of shareholders can be inspected at this address)

Aberdeen Fund Managers Limited
PO Box 9029 Chelmsford, Essex CM99 2WJ
Telephone: 0845 300 2890 Dealing Freephone: 0800 833580
aberdeen-asset.co.uk

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