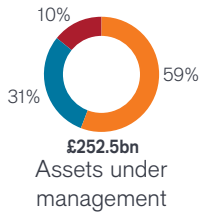


ANNUAL REPORT & ACCOUNTS

For the year ended 31 August 2023

Who are Janus Henderson Investors?

Global Strength



More than **2,000**
employees



24
Offices worldwide



4,000
company engagements
by our investment teams
in 2022

■ North America ■ EMEA & LatAm ■ Asia Pacific

* Numbers may not cast due to rounding.

Source: Janus Henderson Investors, Staff and assets under management (AUM) data as at 30 September 2023. AUM data excludes Exchange-Traded Note (ETN) assets.

Who we are

At Janus Henderson our mission is to help clients define and achieve superior financial outcomes through differentiated insights, disciplined investments, and world-class service. This means being ever mindful of the futures of the millions of lives that our thinking and our investments help shape. Our diverse client base and robust balance sheet allow us to offer financial strength and stability with which to help investors achieve their objectives.

The human connection matters in all that we do. Teams across Janus Henderson come together every day to deliver outcomes for our clients – and their clients – that make a difference. We are proud of this responsibility as we fulfil our purpose of 'Investing in a brighter future together'. The goals we set, the strategy we create, and the way that we work are all shaped with this ultimate objective in mind.

Why us

Choosing Janus Henderson means benefiting from:

Differentiated insights

- We are proud of our deep-rooted research culture, which has underpinned our 89-year track record of investing.
- Janus Henderson's investment teams meet thousands of companies each year. Insight from these meetings combined with proprietary analysis results in original views that shape our investment positioning.
- With 340 investment professionals around the world, we benefit from a range of perspectives that we test and share as we seek to differentiate between the winners and losers on behalf of our clients.

Disciplined investments

- Our investment teams set clearly defined objectives and processes to deliver long-term risk-adjusted returns. We value the trust clients place in us and are disciplined in staying true to our investment style through all market conditions.
- We apply robust controls to ensure that risk taken is in accordance with client expectations and investment manager expectations. We have more than 150 experts in our risk and compliance teams.

World class service

- We offer global reach with our broad network of investment and client service specialists. This is combined with the responsiveness, tailored solutions, and personal touch of a local partner.
- Understanding the challenges our clients – and their clients – face globally, and working in partnership, means we can provide support as we blend our best ideas and capabilities to define appropriate tailored outcomes.
- We seek to contribute to clients' understanding and decision-making – we share knowledge through published insights, at events, and by actively participating in debate on the future of investing.

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Authorised Corporate Director's (ACD) report for the year ended 31 August 2023

We are pleased to present the Annual Report & Accounts for Janus Henderson Investment Fund OEIC (the 'Company') for the year ended 31 August 2023.

Authorised status

The Company is an open-ended investment company (OEIC) with variable capital incorporated in England and Wales under registered number IC106 and authorised by the Financial Conduct Authority (FCA) with effect from 18 May 2001. It is a United Kingdom Undertakings for Collective Investment in Transferable Securities (UK UCITS) scheme structured as an umbrella company, comprising of three sub-funds ('funds'), complying with chapter 5 of the Collective Investment Schemes Sourcebook (COLL). The operation of the Company is governed by the OEIC Regulations, COLL, its Instrument of Incorporation and Prospectus.

The Company has an unlimited duration. Shareholders are not liable for the debts of the Company.

Segregation of assets

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

Value assessment

The board of Janus Henderson Fund Management UK Limited (JHFMUKL) present the value assessment report for the period to 31 December 2022, made available on our website www.janushenderson.com.

Access by this link (<https://www.janushenderson.com/en-gb/investor/notice/value-assessment-report>).

The FCA, the UK's financial services regulator, requires all fund management groups to perform a detailed assessment of whether funds are providing value to investors, and publish an annual statement summarising the outcome of this process, known as the value assessment. Our report is published by JHFMUKL, the Board of the ACD (the body responsible for an investment fund) and summarises the period to 31 December 2022.

The value assessment considers a minimum of seven criteria set by the FCA. While investment performance and quality of service are clearly important factors, costs and charges paid by investors are also key considerations. At Janus Henderson, ensuring value is delivered to investors has always been central to our process and therefore the value assessment is an extension to the existing ongoing monitoring processes that provide oversight of how the funds are managed.

The report contains an overview of the process that Janus Henderson undertook to perform this assessment along with the conclusions.

Macro risks

The Investment Manager continues to monitor closely macro risks, including geopolitical risks, such as the ongoing impact of the Russia/Ukraine conflict and the conflict in the Middle East, market risks, such as stresses in the banking sector and the higher inflationary and interest rate environment. We have established processes to be able to respond timely to changes. We have well-established and tested business continuity and crisis management processes in place, which cover a large number of disruptive scenarios, including cyber threats and market events. The Investment Manager also has embedded market risk monitoring processes, including modelling potential stressed market scenarios, to help inform our investment decisions.

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

Director's statement

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority. I hereby certify the investment reviews and financial statements on behalf of the Directors of Janus Henderson Fund Management UK Limited.



R Chaudhuri
(Director)

23 November 2023

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

Service providers

	Name	Address	Regulator
Authorised Corporate Director	Janus Henderson Fund Management UK Limited Member of the Investment Association The ultimate holding company is Janus Henderson Group plc	Registered Office: 201 Bishopsgate London EC2M 3AE Registered in England No 2678531 Enquiries – 0800 832 832	Authorised and regulated by the Financial Conduct Authority
Directors of the ACD	R Chaudhuri G Fogo S Hillenbrand (to 06.11.23) JR Lowry W Lucken P Shea* F Smith* R Weallans (from 30.09.22) *Independent		
Investment Manager	Janus Henderson Investors UK Limited The ultimate holding company is Janus Henderson Group plc	201 Bishopsgate London EC2M 3AE	Authorised and regulated by the Financial Conduct Authority
Shareholder Administrator	SS&C Financial Services International Limited and SS&C Financial Services Europe Limited	SS&C House St Nicholas Lane Basildon Essex SS15 5FS	Authorised and regulated by the Financial Conduct Authority
Fund Administrator	BNP Paribas	10 Harewood Avenue London NW1 6AA	Authorised and regulated by the Financial Conduct Authority
Depository	NatWest Trustee and Depository Services Limited The ultimate holding company is the Royal Bank of Scotland Group plc	250 Bishopsgate London EC2M 4AA	Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority
Independent Auditors	PricewaterhouseCoopers LLP	141 Bothwell Street Glasgow G2 7EQ	Institute of Chartered Accountants in England and Wales
Legal Adviser	Eversheds Sutherland (International) LLP	One Wood Street London EC2V 7WS	The Law Society

Global equities, as measured by the MSCI World Index, rose by 6.7% in sterling and 16.2% in US dollar terms during the reporting year, as inflation cooled, and investors grew increasingly hopeful that major central banks were close to the end of their interest rate hiking campaigns. Strong interest in artificial intelligence (AI) also boosted the technology sector – and broader markets – in 2023. However, bouts of uncertainty about the direction of monetary policy, coupled with anxiety about a global economic downturn, China's stuttering recovery from COVID-19 lockdowns, potential contagion from a US regional banking crisis and a possible US government debt default – which was ultimately averted – caused significant volatility.

In the UK, the FTSE All Share Index was up by 5.2% in sterling terms, as major central banks turned less hawkish, and the economic outlook brightened a little. Investor alarm about the plans of the Liz Truss government for unfunded tax cuts caused volatility in the autumn, while the market largely welcomed the appointment of her successor Rishi Sunak. The improved sentiment helped the FTSE 100 Index hit a record high in February, although persistent pricing pressures subsequently unsettled investors. Annual inflation peaked at a 41-year high of 11.1% in October 2022 but moderated thereafter, reaching 6.8% in July. The Bank of England (BoE) increased its benchmark interest rate from 1.75% to 5.25% during the year. In June, it announced a larger-than-expected 50 basis points (bps) hike as inflation remained higher than expected, although it reverted to a 25 bps increase in August and suggested interest rates could be close to their peak. GDP growth was relatively weak at just 0.2% over the second quarter of 2023 – which was better than expected – up from the first quarter's 0.1% gain. Sterling strengthened against the US dollar, having recovered from a record low in September 2022 amid the turmoil over the unfunded tax cuts.

In Europe, the FTSE World Europe ex UK Index increased by 15.8% in sterling and 17.8% in euro terms on economic optimism as inflation cooled, major central banks eased the pace of their rate hikes, and the region avoided a winter energy shortage. Fears about a crisis in the banking sector caused volatility in March and April. Eurozone annual inflation slowed, reaching 5.3% in July and August, down from October's record high of 10.6%. The European Central Bank (ECB) reduced the size of its rate hikes but repeatedly warned that pricing pressures remained too high. However, in July, after raising its deposit rate by 25 bps to 3.75%, it indicated that it might leave rates unchanged in September. The Eurozone economy expanded by just 0.1% in the second quarter, compared with the previous three months and the same level as the first quarter. The euro weakened slightly against sterling and gained against the US dollar during the year.

US equities, as measured by the S&P 500 Index, strengthened 6.5% in sterling and 15.9% in US dollar terms as a slowdown in both inflation and US Federal Reserve (Fed) rate hikes boosted sentiment. The positive mood, along with an AI-fuelled surge in technology stocks, helped the Nasdaq Composite Index achieve its best first-half performance in 40 years in 2023. The gains came despite volatility caused by the collapse of three US regional lenders and uncertainty about the US debt ceiling negotiations in 2023, which followed sharp declines in 2022 that were fuelled by anxiety about inflation and the economy. The annual inflation rate cooled steadily, from 8.2% in September 2022 to 3.2% in July 2023. The Fed raised interest rates from 2.5% to 5.5% following a series of aggressive increases in 2022, although it later moderated the size of its hikes. In June, it left rates unchanged, and followed this with a hike of 25 bps in July. The economy remained resilient as it expanded by an annualised 2.1% in the second quarter of 2023, up from 2.0% growth in the previous quarter. The Fed's rate hikes helped the US dollar hit a more than 20-year high in September 2022. However, it weakened against a basket of currencies overall as policy makers turned less hawkish.

In Japan, the TOPIX gained 6.7% in sterling and 22.0% in yen terms, buoyed by the improved global sentiment in 2023, the Bank of Japan's (BoJ) continued monetary policy support and strong interest from foreign investors. The benchmark Nikkei 225 Index reached a 33-year high in early July, having recovered from a sell-off in December, when the BoJ unexpectedly adjusted its yield curve control policy. The annual core inflation rate, which excludes fresh food prices, hit a more than 40-year high of 4.2% in January, although it cooled to 3.1% in July. The BoJ kept interest rates on hold and although it announced another minor policy change in July, equity investors ultimately shrugged off the move. Japan's economy grew by an annualised 6.0% in the second quarter, which was much stronger than forecast as the weak yen boosted exports and followed the first quarter's 3.7% expansion. The yen weakened against the US dollar – it slumped to a more than 30-year low in early October – given the divergence in monetary policy between the US and Japanese central banks.

In Asia, the MSCI AC Asia Pacific ex Japan Index decreased by 7.6% in sterling, although it gained 0.6% in US dollar terms given foreign exchange fluctuations. China's economic reopening initially lifted the mood across the region, although signs that the recovery was stalling unsettled investors. Chinese equities fell heavily as extended COVID-19 restrictions and worries about geopolitical tensions hit sentiment. The subsequent easing of lockdowns and government support for the debt-laden property market spurred a rebound, which ultimately reversed course as the recovery disappointed. South Korean shares made only a very small gain in sterling terms due to the pound's strength against the won, while the performance was stronger in US dollar terms as the South Korean currency gained against the greenback. In Taiwan and Australia, weakening local currencies held back performance – in both cases, returns were negative in sterling terms and positive in US dollar terms.

The MSCI Emerging Markets Index declined by 6.6% in sterling, but was up by 1.7% in US dollar terms, with China's stuttering recovery weighing on sentiment towards the end of the year. Indian shares fell in sterling terms and increased in US dollar terms. The benchmark S&P BSE Sensex Index hit record highs in July as inflation cooled and the economy grew. However, it emerged in August that inflation had surged in July. Brazilian equities were higher as concerns about the government's economic policies abated, while the economy continued to expand in 2023. South African stocks dropped in sterling and US dollar terms as economically damaging power cuts dragged down the rand, which hit a record low against the US currency in May. Turkey's market surged, buoyed by strong investment flows from domestic investors keen to protect their money from soaring inflation.

Market review (continued)

Within fixed income, the JPM Global Government Bond Index decreased by 9.6% in sterling and 1.6% in US dollar terms. Yields on core government bond markets – including the US, UK, Germany, and Japan – rose (prices fell, reflecting their inverse relationship) as most major central banks tightened monetary policy to bring inflation under control. Expectations that rates would stay higher for longer due to persistent pricing pressures underpinned further increases in bond yields towards the end of the year. The yield on US benchmark 10-year Treasuries – which hit a peak above 4.3% in August, the highest level since November 2007 – ended at about 4.1%, up from almost 3.2% at the start of September 2022. The 10-year Japanese government bond yield increased sharply – it hit a near 10-year high in August – as investors speculated that the BoJ would ultimately need to tighten policy. Corporate bonds sold off in 2022 as policy makers hiked rates, and while there was some improvement in 2023, the gains fell short of expectations. The European secured loans market delivered strong performance with returns coming predominantly from income (although price appreciation was also positive). Following a sharp sell-off in bonds, as investors reacted to interest rate hikes, the loan market recovered against the backdrop of an improved economic outlook. This proved particularly beneficial for secured loans as default rates stayed low while benchmark interest rates rose quicker than expected.

In commodity markets, oil prices weakened as worries about demand offset disruptions caused by the Ukraine conflict and supply cuts by major producers. US crude benchmark West Texas Intermediate ended the year down by about 7%. Spot gold prices rose – they neared a record high level in early May amid the banking turmoil – as major central banks slowed the pace of monetary tightening and the US dollar weakened. Copper prices were higher, having climbed in late 2022, although disappointment about China's relatively subdued economic growth dampened hopes that the country's economic reopening would drive a rebound in demand.

Statement of Authorised Corporate Director's (ACD) responsibilities

for the year ended 31 August 2023

The FCA's COLL requires the ACD to prepare financial statements for each annual accounting year which give a true and fair view, in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Management Association (IMA) in May 2014 and amended in June 2017, UK Generally Accepted Accounting Practice (UK GAAP) (UK Accounting Standards, comprising the Financial Reporting Standard 102 (FRS 102) applicable in the UK and Republic of Ireland), of the financial affairs of the Company and each of the sub-funds, and their revenue/expenditure for the year. In preparing the financial statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the requirements of the SORP for Authorised Funds issued by the IMA in May 2014 and amended in June 2017;
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the financial statements, as prepared by JHFMUKL, comply with the above requirements;
- make best judgements and estimates that are reasonable and;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

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

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

for the year ended 31 August 2023

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

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

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

The Depositary must ensure that:

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

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

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

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

NatWest Trustee and Depositary Services Limited
London
23 November 2023

Independent auditors' report to the Shareholders of Janus Henderson Investment Fund OEIC

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Janus Henderson Investment Fund OEIC (the "Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 31 August 2023 and of the net revenue and the net capital gains/losses on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Janus Henderson Investment Fund OEIC is an Open Ended Investment Company ('OEIC') with three sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report & Accounts (the "Annual Report"), which comprise: the Balance sheets as at 31 August 2023; the Statements of total return, and the Statements of change in net assets attributable to shareholders for the year then ended; the Distribution tables; the Accounting policies and the Notes to the financial statements.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's or any sub-funds' ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

Reporting on other information

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

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

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

Independent auditors' report to the Shareholders of Janus Henderson Investment Fund OEIC (continued)

Authorised Corporate Director's Report

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

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company or the sub-funds. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;
- Identifying and testing journal entries, specifically manual journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

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

Independent auditors' report to the Shareholders of Janus Henderson Investment Fund OEIC (continued)

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

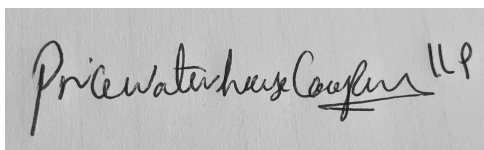
In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

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

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

We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink on a light grey background. The signature reads "PricewaterhouseCoopers LLP" in a cursive script. The "LLP" is written in a slightly larger, more upright font at the end of the signature.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
23 November 2023

1 Accounting policies

(a) Basis of preparation

The financial statements of Janus Henderson Investment Fund OEIC (the 'Company') comprise the financial statements of each of the funds. They have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the SORP for UK Authorised Funds issued by the IMA in May 2014 and amended in June 2017, FRS 102, the FCA's COLL, the Company's Instrument of Incorporation and Prospectus.

The financial statements for all funds have been prepared on a going concern basis.

(b) Basis of valuation of investments

The valuation of listed investments has been at fair value, which is generally deemed to be bid market price, excluding any accrued interest in the case of debt securities, at close of business on the last working day of the accounting year (31 August 2023) in accordance with the provisions of the scheme particulars.

The ACD reviews and approves fair value pricing decisions on a regular basis with the support of the Janus Henderson EMEA Pricing Committee (EPC). The Committee reports to the Board of Directors on suspended, defaulted, delisted, unquoted or manually priced securities, taking into consideration where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

The realised and unrealised gains and losses derived from investments in Non-derivative securities are included in Net capital gains/ (losses) in the Statement of total return.

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

(c) Revenue recognition

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

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

Bank interest is recognised on an accruals basis.

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

Stock lending revenue is accounted for on an accruals basis, net of bank charges, agent fees and any withholding tax deducted.

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

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

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

(d) Treatment of expenses (including ACD expenses)

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

Annual Management Charge

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

The investment objective of Janus Henderson Global Equity Income Fund concentrates on the generation of income as a higher priority than capital growth. The ACD and Depositary have agreed that 100% of the AMC for this fund is to be taken to capital for the purpose of calculating the distribution, as permitted by the OEIC regulations and in accordance with the Prospectus. The distribution currently payable reflects this treatment together with any associated tax effect.

Aggregated notes to the financial statements (continued)

1 Accounting policies (continued)

(d) Treatment of expenses (including ACD expenses) (continued)

General Administration Charge

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

Allocation of revenue and expenses to multiple share classes

With the exception of the AMC and the GAC, which are directly attributable to individual share classes, all revenue and expenses are allocated to share classes pro rata to the value of the net assets of the relevant share class on the day that the revenue or expense is incurred.

(e) Exchange rates

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

(f) Taxation

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

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

Deferred tax is provided on all timing differences that have originated but not reversed at the Balance sheet date other than those recorded as permanent differences. Deferred tax is provided at the standard rate of 20%. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

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

(g) Cash flow statement

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

(h) Treatment of derivatives

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

Forward foreign currency contracts

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

(i) Dilution adjustment

The funds are priced on a single swinging price basis. The ACD has the discretion to charge a dilution adjustment when there is a large volume of deals and, in accordance with the FCA regulations, to pay this amount into the fund by swinging the price of the shares purchased or sold. In particular the ACD reserves the right to make such an adjustment in the following circumstances:

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

2 Distribution policy

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

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

Marginal tax relief is not taken into account when determining the amount available for distribution on Janus Henderson Global Equity Income Fund, which charges AMC fees to capital.

Aggregated notes to the financial statements (continued)

2 Distribution policy (continued)

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

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

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

- Janus Henderson European Growth Fund
- Janus Henderson UK Alpha Fund

The following fund makes quarterly distributions (31 January, 30 April, 31 July, and 31 October) to shareholders:

- Janus Henderson Global Equity Income Fund

All distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall revert to the funds.

Equalisation

Income equalisation applies to Janus Henderson Global Equity Income Fund only.

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

3 Risk

In pursuing their investment objectives each fund holds a number of financial instruments. These financial instruments comprise securities and other investments, cash balances, debtors and creditors arising from the funds' operations. The funds may also enter into derivative transactions, stock lending and forward foreign exchange contracts for the purpose of efficient portfolio management only.

The risk management policy and process for the funds is designed to satisfy the regulatory requirements for a UK UCITS; associated regulatory technical standards and guidelines; and local regulations. The framework for risk controls and limits for the funds are documented within the ACD's Risk Management Policy and Process document, which outlines for each main risk category the controls and risk measures in place, including stress tests for assessing sensitivity to the most relevant risks. This risk framework includes setting of limits and monitoring against those limits.

In the normal course of business, the funds' activities expose them to various types of risk which are associated with the financial instruments and markets in which they invest. These financial risks: market risk (comprising currency risk, interest rate risk and other market price risk), credit and counterparty risk and liquidity risk and the approach to the management of these risks, are set out below and remain unchanged from the previous accounting year. For a detailed explanation of these and further risks involved in investing in the funds, reference should be made to the Prospectus; investors and prospective investors are recommended to discuss all potential risks with their own legal, tax and financial advisors.

The risk management systems to which the Janus Henderson Risk, Compliance and Operations teams have access for independent monitoring and risk measurement purposes include:

- Charles River system's Compliance module for investment restrictions monitoring;
- Nasdaq BWISE operational risk database;
- RiskMetrics, UBS Delta, Style Analytics and Barra for market risk measurement; and
- Bloomberg for market data and price checking.

These are supplemented by an in-house developed system, the Janus Henderson Derivatives Risk and Compliance database.

(a) Market risk

Market risk is the risk of loss resulting from fluctuations in the market value of positions in the funds attributable to changes in market variables such as interest rates, foreign exchange rates or an issuer's creditworthiness.

The investments of the funds are subject to normal market fluctuations and other risks inherent in investing in securities in pursuance of the investment objectives and policies.

Investments in emerging markets may be more volatile than investments in more developed markets. Some of these markets may have relatively unstable governments, economies based on only a few industries and securities markets that trade only a limited number of securities. Many emerging markets do not have well developed regulatory systems and disclosure standards may be less stringent than those of developed markets. Some of the more common risks associated with emerging markets investments include: fraudulent securities; lack of liquidity; currency fluctuations; settlement and custody risks; investment and remittance restrictions; and accounting requirements.

3 Risk (continued)

(a) Market risk (continued)

Investing in smaller companies means investing in transferable securities which may be less liquid than the securities of larger companies, as a result of inadequate trading volume or restrictions on trading. Securities in smaller companies may possess greater potential for capital appreciation, but also involve risks, such as limited product lines, markets and financial or managerial resources and trading in such securities may be subject to more abrupt price movements than trading in the securities of larger companies.

The funds may use derivative instruments solely for the purpose of efficient portfolio management, and they are not intended to increase the risk profile of a fund. While the prudent use of derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. The funds may engage various strategies in view of reducing risks and for attempting to enhance return. These strategies may include the use of derivative instruments such as options, futures, forward transactions and contracts for difference. Such strategies may be unsuccessful and incur losses for the funds, due to market conditions. The funds do not employ significant leverage.

Currency risk

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

A proportion of a fund's assets and income may be denominated in currencies other than sterling (the funds' functional currency and the one in which financial statements are reported). As a result, movements in exchange rates may affect the sterling value of those items so a fund's total return and Balance sheet can be significantly affected by currency fluctuations.

The Investment Manager may seek to manage exposure to currency movements by using hedging transactions in line with each fund's investment objective, powers and limits, though this will not eliminate the fund's currency risk.

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

Interest rate risk

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

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

Other market price risk

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

The funds' investment portfolios are exposed to market price fluctuations, which are monitored by the ACD in pursuance of the investment objectives and policies.

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

The Russia/Ukraine conflict and market risks, such as stresses in the banking sector are closely monitored and assessed by various business units which has not required activation of the business continuity plans or a change from regular business processes. The sub-funds did not have any direct exposure to Russia or Ukraine. The secondary market impact resulting in an increase in overall market volatility influences risk levels of the sub-funds. The sub-funds continue to be managed according to their investment objectives through this period of uncertainty with currently no areas of concern identified. Fund valuations are carried out without any necessary deviation from the valuation policy, the sub-funds' risk profiles remain within pre-defined ranges and redemptions and subscriptions continue to be met in the normal course of business.

(b) Credit and counterparty risk

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

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

The funds' assets that are held with banks could be exposed to credit and counterparty risk. The banks used by the funds and ACD are subject to regular reviews. Only counterparties that have been approved by Janus Henderson's Counterparty Risk Committee are used for derivative transactions. The continuing creditworthiness of counterparties is monitored on a daily basis.

Aggregated notes to the financial statements (continued)

3 Risk (continued)

(b) Credit and counterparty risk (continued)

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the FCA's COLL mitigates the risk of excessive exposure to any particular type of security or issuer.

Please refer to the individual funds' accounts for details of credit and counterparty risk exposure.

(c) Operational risk

Failure of Janus Henderson systems or those of other third party service providers could lead to an inability to provide accurate reporting and monitoring or a misappropriation of assets. Janus Henderson has a comprehensive business continuity plan which facilitates continued operation of the business in the event of a service disruption or major disaster.

(d) Liquidity risk

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

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

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

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

4 Cross holdings

As at 31 August 2023 there were no sub-fund cross holdings within Janus Henderson Investment Fund OEIC (2022: none).

Janus Henderson European Growth Fund

Authorised Corporate Director's report

Investment Fund Manager

Marc Scharz

Please note that as of 1 November 2022 Simon Rowe no longer manages this fund.

Investment objective and policy

The fund aims to provide capital growth over the long term.

Performance target: To outperform the FTSE World Europe ex UK Index, after the deduction of charges, over any 5 year period.

The fund invests at least 80% of its assets in shares (also known as equities) of companies, in any industry, in Europe (excluding UK). Companies will be incorporated, headquartered, listed on an exchange in, or deriving significant revenue from, this region. The fund will normally have a strong bias towards medium sized companies.

The fund may also invest in other assets including cash and money market instruments. The Investment Manager may use derivatives (complex financial instruments) to reduce risk or to manage the fund more efficiently.

The fund is actively managed with reference to the FTSE World Europe ex UK Index, which is broadly representative of the companies in which it may invest, as this forms the basis of the fund's performance target. The Investment Manager has discretion to choose investments for the fund with weightings different to the index or not in the index.

Strategy

The Investment Manager seeks to identify companies with hidden quality by focusing on company profitability and the efficiency with which capital is used. The fund will have a bias to medium sized companies as these often have attractive niches, potential to grow, or could be potential takeover targets in the future. The manager takes a long term view, looking beyond short term data, while the risk management process focuses on identifying risks specific to the companies and industries in which the fund may be exposed rather than in relation to the wider market.

Performance summary

Cumulative performance

	One year 31 Aug 22 - 31 Aug 23 %	Three years 31 Aug 20 - 31 Aug 23 %	Five years 31 Aug 18 - 31 Aug 23 %	Since inception 20 Jul 01 - 31 Aug 23 %
Class I accumulation (Net)	13.2	27.5	29.9	614.7
FTSE World Europe ex UK Index	15.8	30.6	37.8	353.6
IA Europe ex UK Sector	14.3	24.8	29.4	319.5

Discrete performance

	31 Aug 22 - 31 Aug 23 %	31 Aug 21 - 31 Aug 22 %	31 Aug 20 - 31 Aug 21 %	31 Aug 19 - 31 Aug 20 %	31 Aug 18 - 31 Aug 19 %
Class I accumulation (Net)	13.2	(8.8)	23.4	3.7	(1.7)
FTSE World Europe ex UK Index	15.8	(11.5)	27.4	0.7	4.8
IA Europe ex UK Sector	14.3	(14.1)	27.1	3.3	0.3

Please note that the performance target is to be achieved over a specific annualised time period. Refer to the the investment objective and policy above.

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Benchmark values are as at close of business.

Class I accumulation is disclosed as it is the representative share class.

Authorised Corporate Director's report (continued)

Performance summary (continued)

Benchmark usage:

Index: FTSE World Europe ex UK Index

Index usage: Target

Index description: The FTSE World Europe ex UK Index is a measure of the combined performance of large and medium sized companies from developed and advanced emerging European stock markets excluding the UK. It forms the basis of the fund's performance target.

Peer group: IA Europe ex UK Sector

Peer group usage: Comparator

Peer group description: The Investment Association (IA) groups funds with similar geographic and/or investment remit into sectors. The fund's ranking within the sector (as calculated by a number of data providers) can be a useful performance comparison against other funds with similar aims.

Past performance does not predict future returns. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Significant portfolio changes for the year ended 31 August 2023

Largest purchases	£000	Largest sales	£000
Infineon Technologies	28,771	ASM International	31,503
FinecoBank	20,710	MTU Aero Engines	24,333
Puma	20,668	Hugo Boss	20,181
Siemens	19,867	Rheinmetall	19,678
Safran	19,796	Sampo	19,414
Nordic Semiconductor	19,682	Infineon Technologies	18,617
UPM-Kymmene	19,634	Worldline	17,460
Merck	16,678	EDP - Energias de Portugal	16,194
ASM International	15,916	Mercedes-Benz	16,099
Givaudan	14,591	Daimler Truck	16,024
Total purchases	625,779	Total sales	686,704

Investment review

The fund returned 13.2% based on Class I accumulation (Net) over the year under review, compared with a return of 15.8% in the FTSE World Europe ex UK Index and a return of 14.3% in the IA Europe ex UK Sector peer group benchmark.

Equity markets were up 12% during the reporting year. Markets started the year on weak footing, with a pullback of more than 10% in September that was triggered by growing concerns about the economic outlook amid more restrictive monetary policy. The prospect of China's economic reopening, a more benign situation in European energy markets and the first signs of easing inflationary pressures have since led to a sustained rally in stock markets. The rally was only briefly interrupted in March as signs of stress in the global banking industry sent shockwaves through the investment community. Besides those broad macroeconomic themes, persistent destocking activity in several segments of the economy was another market narrative. Since summer 2022, this activity has hampered the near-term outlook for the affected companies and while the eventual conclusion of this reset has approached, the timing and magnitude have remained short-term factors of uncertainty and, hence, volatility. We firmly believe that material share price moves based on such transitory adjustments create great opportunities to invest in companies with otherwise fundamentally sound prospects, even if it means that one has to absorb short-term performance volatility. In terms of intra-market moves, the most noteworthy development related to the continued outperformance of large-cap stocks compared with mid-caps, with the former leading the latter by 10% during the year. The mid-cap underperformance represented the most important relative drawdown for a decade.

Given that a bias towards mid-caps is at the core of the fund's approach, the underperformance of the segment acted as a headwind during the year.

At a stock level, the main positive contributions came from ASM International, BE Semiconductor Industries (Besi), Compagnie de St Gobain and Hugo Boss. ASM and Besi are two leading semiconductor equipment providers that benefited from more positive market sentiment towards the industry (which had sold off heavily last year). This improved mood stemmed from a seemingly growing appreciation among investors about the key role played by the companies' technology in enabling next-generation semiconductor manufacturing (accentuated by heightened interest in generative AI). Compagnie de St Gobain has realised a remarkable turnaround in recent years, transforming itself from a sector laggard into a best-in-class operator and delivering robust results quarter after quarter. German fashion house Hugo Boss was another notable positive performer, as it continued its strong commercial momentum that confirmed its resurgence.

The main detractors were Ubisoft Entertainment, Salmar and Nordic Semiconductor. Ubisoft Entertainment issued a profit warning in January after disclosing that its Christmas sales fell short of expectations. Salmar has been hit by an unexpected resource tax in Norway that has undermined the underlying economics of its business. Nordic Semiconductor published disappointing results for a few quarters in a row. While 2022 was plagued by supply constraints, the problem then moved onto the demand side. The demand issues related foremost to excess inventory in the value chain as well as softening consumer demand. Nordic Semiconductor remained well positioned within the connectivity/Internet of Things (it is a leader in Bluetooth low energy technology) areas and we believed the issues appeared transitory in nature.

We added positions in companies whose prospects were temporarily clouded by destocking activity (Puma, Adidas, Givaudan, Nordic Semiconductor and Smurfit Kappa). We also initiated positions in FinecoBank (a leader among Italian financial companies), Faroese salmon farmer Bakkafrost (to gain an exposure to the positive dynamics of the salmon market without the challenges of the Norwegian resource tax), Reply (a best-in-class information technology services provider), Industrie De Nora (an exposure to the promising green hydrogen industry), Daetwyler and Zealand (two alternative ways to benefit from the hype around obesity drugs), Marel (a leading food processing machinery provider with a high proportional share of stable after-market revenues) and Munters (a Swedish engineering firm that provides climate control technologies to industrial set-ups, including high-growth areas such as battery plants and data centres). We also switched the fund's holding in aerospace engine manufacturer MTU Aero Engines for a position in peer Safran. We sold the holdings in Ubisoft Entertainment and Salmar, given the challenges that they faced. We locked in profits in CRH, Meyer Burger, Vestas Wind Systems, Sampo and Rheinmetall. We also sold GN Store Nord, Worldline and Kinopolis, as the theses for these investments had become more complex than initially envisaged. We exited Kone and KION, using material short-term share price rallies to redeploy the capital in the more compelling investments already mentioned.

During the next year, we foresee opportunities amid continued uncertainty, particularly due to the impact of ongoing monetary policy tightening. The economy has proved relatively resilient so far and the eventual end of the destocking trends could offer healthy support to overall economic activity (and especially those companies affected the most). The pronounced and occasionally indiscriminate underperformance of mid-caps has resulted in more challenging conditions for the fund's approach. However, we remain confident that the solid fundamentals of medium-sized companies in general, especially those in which we invest, will eventually shine through. Consistent with our core approach, the fund is set up in a balanced way in terms of factor/sector exposures, which makes relative performance independent of specific macroeconomic developments.

Comparative tables for the year ended 31 August 2023

	Class A accumulation		
	2023	2022	2021
	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share			
Opening net asset value per share	269.78	297.60	241.89
Return before operating charges*	37.08	(22.95)	60.34
Operating charges	(5.03)	(4.87)	(4.63)
Return after operating charges*	32.05	(27.82)	55.71
Distributions on accumulation shares	(2.25)	(3.52)	(1.13)
Retained distributions on accumulation shares	2.25	3.52	1.13
Closing net asset value per share	301.83	269.78	297.60
* after direct transaction costs of:	0.37	0.43	0.47
Performance			
Return after charges	11.88%	(9.35%)	23.03%
Other information			
Closing net asset value (£000s)	158,616	222,031	265,935
Closing number of shares	52,551,924	82,300,946	89,361,330
Operating charges	1.74%	1.74%	1.74%
Direct transaction costs	0.13%	0.15%	0.18%
Prices			
Highest share price (pence)	313.40	303.90	298.60
Lowest share price (pence)	250.70	244.10	228.10
	Class E accumulation		
	2023	2022	2021
	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share			
Opening net asset value per share	274.07	300.82	243.28
Return before operating charges*	37.75	(23.24)	60.88
Operating charges	(3.65)	(3.51)	(3.34)
Return after operating charges*	34.10	(26.75)	57.54
Distributions on accumulation shares	(4.15)	(5.05)	(2.54)
Retained distributions on accumulation shares	4.15	5.05	2.54
Closing net asset value per share	308.17	274.07	300.82
* after direct transaction costs of:	0.38	0.43	0.47
Performance			
Return after charges	12.44%	(8.89%)	23.65%
Other information			
Closing net asset value (£000s)	168,886	158,045	181,463
Closing number of shares	54,802,807	57,666,143	60,323,315
Operating charges	1.23%	1.24%	1.24%
Direct transaction costs	0.13%	0.15%	0.18%
Prices			
Highest share price (pence)	319.40	307.50	301.80
Lowest share price (pence)	254.80	247.40	229.60

Comparative tables (continued)

	Class I accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	630.70	689.63	555.63
Return before operating charges*	87.03	(53.29)	139.28
Operating charges	(5.84)	(5.64)	(5.28)
Return after operating charges*	81.19	(58.93)	134.00
Distributions on accumulation shares	(12.29)	(14.96)	(8.58)
Retained distributions on accumulation shares	12.29	14.96	8.58
Closing net asset value per share	711.89	630.70	689.63
* after direct transaction costs of:	0.89	1.00	1.08
Performance			
Return after charges	12.87%	(8.55%)	24.12%
Other information			
Closing net asset value (£000s)	411,821	332,221	436,550
Closing number of shares	57,849,142	52,674,916	63,301,860
Operating charges	0.85%	0.86%	0.86%
Direct transaction costs	0.13%	0.15%	0.18%
Prices			
Highest share price (pence)	736.80	705.40	691.90
Lowest share price (pence)	586.50	568.30	524.70
	Class S income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	341.79	382.86	312.28
Return before operating charges*	47.08	(29.60)	78.66
Operating charges	(0.26)	(0.29)	(0.28)
Return after operating charges*	46.82	(29.89)	78.38
Distributions on income shares	(10.16)	(11.18)	(7.80)
Closing net asset value per share	378.45	341.79	382.86
* after direct transaction costs of:	0.48	0.55	0.61
Performance			
Return after charges	13.70%	(7.81%)	25.10%
Other information			
Closing net asset value (£000s)	17,121	19,319	24,357
Closing number of shares	4,523,976	5,652,200	6,361,871
Operating charges	0.07%	0.08%	0.08%
Direct transaction costs	0.13%	0.15%	0.18%
Prices			
Highest share price (pence)	401.10	392.30	391.90
Lowest share price (pence)	317.90	316.80	295.30

Comparative tables (continued)

	Class Z accumulation		
	2023	2022	2021
	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share			
Opening net asset value per share	317.68	344.64	275.55
Return before operating charges*	43.94	(26.69)	69.33
Operating charges	(0.23)	(0.27)	(0.24)
Return after operating charges*	43.71	(26.96)	69.09
Distributions on accumulation shares	(10.33)	(12.24)	(7.30)
Retained distributions on accumulation shares	10.33	12.24	7.30
Closing net asset value per share	361.39	317.68	344.64
* after direct transaction costs of:	0.43	0.51	0.53
Performance			
Return after charges	13.76%	(7.82%)	25.07%
Other information			
Closing net asset value (£000s)	16	87	250
Closing number of shares	4,468	27,398	72,629
Operating charges	0.07%	0.08%	0.08%
Direct transaction costs	0.13%	0.15%	0.18%
Prices			
Highest share price (pence)	373.00	353.00	345.80
Lowest share price (pence)	295.60	285.10	260.60

Comparative tables (continued)

	Class I Euro accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	104.13	113.82	91.72
Return before operating charges*	32.72	(8.76)	22.97
Operating charges	(0.65)	(0.93)	(0.87)
Return after operating charges*	32.07	(9.69)	22.10
Distributions on accumulation shares	-	(2.21)	(1.47)
Retained distributions on accumulation shares	-	2.21	1.47
Final cancellation	(136.20) ¹	-	-
Closing net asset value per share	-	104.13	113.82
* after direct transaction costs of:	0.14	0.16	0.18
Performance			
Return after charges	30.80% ²	(8.51%)	24.10%
Other information			
Closing net asset value (£000s)	-	1	1
Closing number of shares	-	412	376
Operating charges	0.81%	0.86%	0.86%
Direct transaction costs	0.13%	0.15%	0.18%
Prices			
Highest share price (Euro cents)	137.50 ³	136.80	133.10
Lowest share price (Euro cents)	110.60 ³	113.70	95.80

¹ Class I Euro accumulation closed on 18 May 2023.

² Return after charges relates to the period 1 September 2022 to the closure of the share class on 18 May 2023. This performance will differ from the other share classes as it does not include returns generated over the same period.

³ to 18 May 2023.

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

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

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

Share class launches and closures

There were no share classes launched during the year.

The following share class closed during the year:

Share class	Closure date
Class I Euro accumulation	18 May 2023

Ongoing charge figure

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

	2023	2022
	%	%
Class A accumulation	1.74	1.74
Class E accumulation	1.23	1.24
Class I accumulation	0.85	0.86
Class S income	0.07	0.08
Class Z accumulation	0.07	0.08
Class I Euro accumulation¹	n/a	0.86

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

¹ Class I Euro accumulation closed on 18 May 2023.

Risk and reward profile

The fund currently has 5 types of share class in issue: A accumulation, E accumulation, I accumulation, S income and Z accumulation.

Each share class has the same risk and reward profile which is as follows:



The share classes appear at 6 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in Net Asset Value in the past five years than those in lower categories. The lowest category does not mean risk free.

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

The value of an investment and any income from it can go up or down. When you sell your shares, they may be worth less than you paid for them.

The rating above is based on the historic volatility of the share classes. Historic data may not be a reliable indication of the future risk profile of the fund. The rating is not guaranteed and may change over time.

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

There has been no change to the risk rating during the year.

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

* Class E accumulation launched on 8 July 2019 and as it does not have a five year history, a synthetic history has been created using the A accumulation share class.

Portfolio statement as at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 97.18% (2022: 98.06%)		
	Belgium 3.00% (2022: 3.41%)		
	Basic Materials 1.30% (2022: 1.47%)		
107,476	Solvay	9,841	1.30
	Consumer Discretionary 0.00% (2022: 0.57%)		
	Industrials 1.70% (2022: 1.37%)		
737,906	Azelis	12,881	1.70
	Denmark 8.77% (2022: 7.99%)		
	Consumer Staples 1.51% (2022: 2.27%)		
98,629	Carlsberg	11,391	1.51
	Energy 0.00% (2022: 0.94%)		
	Financials 1.92% (2022: 1.03%)		
4,894,285	Alm Brand	6,390	0.85
456,104	Danske Bank	8,122	1.07
		14,512	1.92
	Health Care 5.34% (2022: 3.75%)		
230,384	Novo Nordisk 'B'	33,916	4.48
219,639	Zealand	6,457	0.86
		40,373	5.34
	Finland 5.64% (2022: 9.76%)		
	Basic Materials 2.54% (2022: 1.80%)		
705,501	UPM-Kymmene	19,204	2.54
	Financials 1.28% (2022: 5.19%)		
1,112,904	Nordea Bank	9,650	1.28
	Industrials 1.82% (2022: 2.77%)		
1,508,244	Metso Outotec	13,732	1.82
	France 24.55% (2022: 22.78%)		
	Consumer Discretionary 3.12% (2022: 3.38%)		
35,216	LVMH Moet Hennessy Louis Vuitton	23,594	3.12
	Consumer Staples 1.64% (2022: 1.14%)		
269,735	Danone	12,437	1.64
	Energy 3.44% (2022: 4.24%)		
523,176	TotalEnergies	26,022	3.44
	Financials 2.50% (2022: 1.42%)		
369,781	BNP Paribas	18,912	2.50

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Health Care 3.96% (2022: 4.56%)		
84,663	EssilorLuxottica	12,609	1.67
205,397	Sanofi	17,354	2.29
		<u>29,963</u>	<u>3.96</u>
	Industrials 9.89% (2022: 8.04%)		
380,626	Compagnie de St Gobain	19,607	2.59
189,287	Edenred	9,536	1.26
160,288	Safran	20,360	2.69
1,068,905	SPIE	25,324	3.35
		<u>74,827</u>	<u>9.89</u>
	Germany 15.41% (2022: 16.09%)		
	Consumer Discretionary 6.41% (2022: 4.64%)		
48,377	Adidas	7,664	1.02
219,183	Hugo Boss	13,063	1.73
219,792	Mercedes-Benz	12,732	1.68
281,192	Puma	14,990	1.98
		<u>48,449</u>	<u>6.41</u>
	Health Care 5.07% (2022: 5.57%)		
145,601	Bayer	6,311	0.83
156,749	Merck	22,294	2.95
246,702	Siemens Healthineers	9,771	1.29
		<u>38,376</u>	<u>5.07</u>
	Industrials 2.67% (2022: 5.88%)		
232,976	Daimler Truck	6,470	0.85
115,401	Siemens	13,763	1.82
		<u>20,233</u>	<u>2.67</u>
	Technology 1.26% (2022: 0.00%)		
336,587	Infineon Technologies	9,544	1.26
	Iceland 0.75% (2022: 0.00%)		
	Industrials 0.75% (2022: 0.00%)		
2,006,976	Marel HF	5,656	0.75
	Ireland 1.84% (2022: 1.91%)		
	Financials 0.84% (2022: 0.68%)		
1,761,609	AIB	6,340	0.84
	Industrials 1.00% (2022: 1.23%)		
228,279	Smurfit Kappa	7,581	1.00
	Italy 3.90% (2022: 0.00%)		
	Financials 1.97% (2022: 0.00%)		
1,373,807	FinecoBank	14,891	1.97
	Industrials 0.85% (2022: 0.00%)		
427,649	Industrie De Nora	6,447	0.85

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Technology 1.08% (2022: 0.00%)		
101,736	Reply	8,148	1.08
	Netherlands 15.96% (2022: 17.67%)		
	Basic Materials 1.66% (2022: 0.88%)		
195,877	Akzo Nobel	12,590	1.66
	Consumer Discretionary 3.08% (2022: 3.51%)		
619,718	Universal Music	12,145	1.61
117,147	Wolters Kluwer	11,158	1.47
		<u>23,303</u>	<u>3.08</u>
	Consumer Staples 2.61% (2022: 3.59%)		
125,708	DSM-Firmenich	9,155	1.21
408,841	Koninklijke Ahold Delhaize	10,567	1.40
		<u>19,722</u>	<u>2.61</u>
	Financials 4.38% (2022: 4.67%)		
762,693	ASR Nederland	26,360	3.49
118,492	Euronext	6,759	0.89
		<u>33,119</u>	<u>4.38</u>
	Technology 4.23% (2022: 5.02%)		
30,869	ASM International	11,766	1.55
28,621	ASML	14,903	1.97
58,955	BE Semiconductor Industries	5,355	0.71
		<u>32,024</u>	<u>4.23</u>
	Norway 2.28% (2022: 1.11%)		
	Consumer Staples 1.27% (2022: 1.11%)		
240,391	Bakkafrost	9,577	1.27
	Technology 1.01% (2022: 0.00%)		
793,603	Nordic Semiconductor	7,654	1.01
	Portugal 1.25% (2022: 2.68%)		
	Utilities 1.25% (2022: 2.68%)		
2,619,987	EDP - Energias de Portugal	9,436	1.25
	Spain 0.46% (2022: 0.98%)		
	Health Care 0.46% (2022: 0.98%)		
322,523	Grifols	3,492	0.46
	Sweden 1.27% (2022: 0.00%)		
	Industrials 1.27% (2022: 0.00%)		
988,946	Munters	9,636	1.27
	Switzerland 9.49% (2022: 9.15%)		
	Basic Materials 1.01% (2022: 0.00%)		
2,901	Givaudan	7,639	1.01

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Consumer Staples 2.15% (2022: 2.95%)		
171,137	Nestlé	16,270	2.15
	Health Care 4.36% (2022: 4.63%)		
311,009	Alcon	20,536	2.71
53,572	Roche Non-Voting Shares	12,457	1.65
		32,993	4.36
	Industrials 1.97% (2022: 1.57%)		
20,818	Burckhardt Compression	9,672	1.28
31,865	Daetwyler	5,239	0.69
		14,911	1.97
	United Kingdom 2.61% (2022: 4.53%)		
	Basic Materials 0.00% (2022: 1.22%)		
	Consumer Discretionary 2.61% (2022: 2.87%)		
766,706	RELX	19,740	2.61
	Industrials 0.00% (2022: 0.44%)		
	Derivatives 0.00% (2022: 0.00%)		
	Forward Foreign Exchange Contracts 0.00% (2022: 0.00%)¹		
	Buy GBP 112,287 : Sell EUR 130,718 September 2023 ²	-	-
	Buy GBP 140,426 : Sell EUR 163,839 September 2023 ²	-	-
	Buy GBP 153,873 : Sell EUR 179,260 September 2023	1	-
		1	-
	Investment assets	735,111	97.18
	Other net assets	21,349	2.82
	Total net assets	756,460	100.00

¹ Not listed on an official stock exchange

² Due to rounding to nearest £1,000

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Prior year comparative percentages have changed for some sectors due to reclassification within these sectors.

Statement of total return for the year ended 31 August 2023

	Note	2023		2022	
		£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		78,466		(90,970)
Revenue	3	21,401		24,100	
Expenses	4	(8,635)		(9,543)	
Interest payable and similar charges	5	(13)		(56)	
Net revenue before taxation		12,753		14,501	
Taxation	6	(1,728)		(171)	
Net revenue after taxation			11,025		14,330
Total return before distributions			89,491		(76,640)
Distributions	7		(11,025)		(14,330)
Change in net assets attributable to shareholders from investment activities			78,466		(90,970)

Statement of change in net assets attributable to shareholders for the year ended 31 August 2023

	2023		2022	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		731,704		908,556
Amounts receivable on issue of shares	4,651		8,283	
Amounts payable on cancellation of shares	(68,927)		(107,863)	
		(64,276)		(99,580)
Change in net assets attributable to shareholders from investment activities		78,466		(90,970)
Retained distributions on accumulation shares		10,566		13,698
Closing net assets attributable to shareholders		756,460		731,704

Balance sheet as at 31 August 2023

	Note	2023 £000	2022 £000
Assets:			
Investments		735,111	717,491
Current assets:			
Debtors	8	10,656	12,748
Cash and bank balances	9	14,567	5,880
Total assets		760,334	736,119
Liabilities:			
Investment liabilities		-	8
Creditors:			
Distributions payable		459	632
Other creditors	10	3,415	3,775
Total liabilities		3,874	4,415
Net assets attributable to shareholders		756,460	731,704

Notes to the financial statements for the year ended 31 August 2023

1 Accounting policies

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

2 Net capital gains/(losses)

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

	2023	2022
	£000	£000
Forward currency contracts	16	(72)
Non-derivative securities	78,535	(90,928)
Other currency (losses)/gains	(72)	46
Transaction costs	(13)	(16)
Net capital gains/(losses)	78,466	(90,970)

3 Revenue

	2023	2022
	£000	£000
Bank interest*	410	33
Overseas dividends	20,455	23,350
UK dividends	536	717
Total revenue	21,401	24,100

* Includes FII GLO interest receipt of £86,599 (2022: nil) in respect to the 2006-2009 accounting years.

4 Expenses

	2023	2022
	£000	£000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	7,401	8,138
GAC*	1,142	1,254
	<u>8,543</u>	<u>9,392</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	34	46
Safe custody fees	40	44
	<u>74</u>	<u>90</u>
Other expenses:		
Professional fees**	18	61
	<u>18</u>	<u>61</u>
Total expenses	8,635	9,543

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £11,051 (2022: £9,956).

** Included with professional fees are fees paid to the auditors of £4,471 in relation to non-audit services provided for withholding tax reclaims (2022: £17,451).

Notes to the financial statements (continued)

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2023 £000	2022 £000
Interest payable	13	56
Total interest payable and similar charges	13	56

6 Taxation

a) Analysis of charge in the year

The tax charge comprises:

	2023 £000	2022 £000
Current tax		
Corporation tax	(28)	(1,254)
Overseas withholding tax	1,756	1,425
Total tax (note 6b)	1,728	171

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2022: 20%). The differences are explained below:

	2023 £000	2022 £000
Net revenue before taxation	12,753	14,501
Corporation tax at 20% (2022: 20%)	2,551	2,900
Effects of:		
Adjustment in respect of corporation tax*	(28)	(1,254)
Double tax relief	(19)	-
Overseas dividends	(3,963)	(4,670)
Overseas withholding tax	1,756	1,425
UK dividends**	(107)	(142)
Unused management expenses	1,538	1,912
Tax charge for the year (note 6a)	1,728	171

* The Adjustment in respect of corporation tax in the prior year relates to successful FII GLO reclaims for the 2006-2009 accounting years (2021: nil).

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

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

c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2022: nil).

d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £32,364,840 (2022: £30,827,103) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

Notes to the financial statements (continued)

7 Distributions

	2023	2022
	£000	£000
Final income	459	632
Final accumulation	10,566	13,698
Total distributions	11,025	14,330

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

8 Debtors

	2023	2022
	£000	£000
Accrued revenue	191	898
Amounts receivable for issue of shares	26	-
Corporation tax recoverable	-	1,260
Overseas withholding tax reclaimable	8,338	8,015
Other assets – Fortis settlement	-	97
Sales awaiting settlement	2,101	2,478
Total debtors	10,656	12,748

9 Cash and bank balances

	2023	2022
	£000	£000
Cash and bank balances	14,567	5,880
Total cash and bank balances	14,567	5,880

10 Other creditors

	2023	2022
	£000	£000
Accrued annual management charge	619	656
Accrued Depositary's fee	5	4
Accrued other expenses	98	135
Amounts payable for cancellation of shares	798	981
Corporation tax payable	475	463
Currency transactions awaiting settlement	-	6
Purchases awaiting settlement	1,420	1,530
Total other creditors	3,415	3,775

11 Contingent liabilities and commitments

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

Notes to the financial statements (continued)

12 Related party transactions

JHFMUKL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 29 and 30 and notes 4, 7, 8 and 11 on pages 31 to 33 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC

There were no material shareholders at the year end (2022: nil).

13 Shareholders' funds

The fund currently has 5 share classes available: Class A (Retail), Class E (Retail), Class I (Institutional), Class S (Institutional) and Class Z (Institutional). The annual management charge on each share class is as follows:

	2023	2022
	%	%
Class A	1.50	1.50
Class E	1.00	1.00
Class I	0.75	0.75
Class S ¹	0.00	0.00
Class Z ¹	0.00	0.00
Class I Euro ²	n/a	0.75

¹ Charges for managing S and Z class shares are levied outside the fund and are agreed between the ACD and investors.

² Class I Euro accumulation closed on 18 May 2023.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 19 to 22. The distribution per share class is given in the Distribution table on page 39. All share classes have the same rights on winding up.

Shares reconciliation as at 31 August 2023

	Class A accumulation	Class E accumulation	Class I accumulation
Opening number of shares	82,300,946	57,666,143	52,674,916
Issues during the year	583,566	108,244	282,752
Cancellations during the year	(5,392,301)	(4,106,355)	(5,243,618)
Shares converted during the year	(24,940,287)	1,134,775	10,135,092
Closing shares in issue	52,551,924	54,802,807	57,849,142
	Class S income	Class Z accumulation	Class I Euro accumulation
Opening number of shares	5,652,200	27,398	412
Issues during the year	191,277	-	130
Cancellations during the year	(1,319,501)	(22,930)	(542)
Shares converted during the year	-	-	-
Closing shares in issue	4,523,976	4,468	-

Notes to the financial statements (continued)

14 Financial derivatives

The fund may use financial derivatives to reduce risk or to manage the fund more efficiently.

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

There was no collateral pledged or collateral held in respect of forward foreign exchange contracts as at 31 August 2023 (2022: nil). The fund had cash assets of nil (2022: nil) and cash liabilities of nil (2022: nil) held in margin accounts at derivative clearing houses and brokers as at 31 August 2023.

2023

As at 31 August 2023 the counterparty exposure calculated using the positive marked-to-market value for the category of derivatives held, which is considered to be at risk of repayment to the fund by the counterparty, was as follows:

Counterparty	Forward foreign exchange contracts £000
BNP Paribas	1
	<hr/>
	1

2022

The fund had no exposure to derivatives as at 31 August 2022 with a positive market value.

15 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with JPMorgan Chase Bank, National Association (London branch) acting as the stock lending agent in order to generate additional revenue.

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

Eligible collateral types for stock lending and borrowing transactions are approved by the Investment Manager and may consist of (i) cash, (ii) securities issued or guaranteed by an EU Member State, a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope or by Hong Kong or Singapore, generally subject to a minimum long term credit rating of at least A- by one or more major rating agency or (iii) equities. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102% to 110% of the value of the stock on loan.

2023

The fund had no stock on loan or stock lending revenue as at 31 August 2023.

2022

The fund had no stock on loan or stock lending revenue as at 31 August 2022.

Notes to the financial statements (continued)

16 Risk

Currency risk

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

	Investment assets £000	Other net assets/ (liabilities) £000	Total net assets/ (liabilities) £000
2023			
Currency			
Danish krone	66,276	1,202	67,478
Euro	569,749	22,507	592,256
Norwegian krone	17,231	68	17,299
Swedish krona	9,636	-	9,636
Swiss franc	71,812	-	71,812
UK sterling	407	(2,428)	(2,021)
Total	735,111	21,349	756,460

	Investment assets (including investment liabilities) £000	Other net assets/ (liabilities) £000	Total net assets £000
2022			
Currency			
Danish krone	58,495	1,452	59,947
Euro	580,056	14,155	594,211
Norwegian krone	8,122	79	8,201
Swiss franc	66,950	-	66,950
UK sterling	3,860	(1,515)	2,345
US dollar	-	50	50
Total	717,483	14,221	731,704

Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £758,482,089 (2022: £729,359,010). A 10% increase/(decrease) in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing/(decreasing) the return for the accounting year and the year end net assets by £75,848,209 (2022: £72,935,901).

Interest rate risk

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

Other market price risk

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

Leverage

The fund has not employed significant leverage in the current or prior year.

Notes to the financial statements (continued)

16 Risk (continued)

Liquidity risk

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

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2023				
Distribution payable	-	459	-	-
Other creditors	-	3,415	-	-
Total	-	3,874	-	-
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2022				
Derivative financial liabilities	-	8	-	-
Distribution payable	-	632	-	-
Other creditors	-	3,775	-	-
Total	-	4,415	-	-

17 Fair value disclosure

Fair value measurement

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

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

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

Level 1

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

Level 2

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

Level 3

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

Fair value hierarchy

	2023		2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	735,110	-	717,491	-
Level 2	1	-	-	8
Level 3	-	-	-	-
	735,111	-	717,491	8

Notes to the financial statements (continued)

18 Direct transaction costs

	Purchases		Sales	
	2023 £000	2022 £000	2023 £000	2022 £000
Trades in the year				
Equities	625,040	700,675	686,945	792,269
Trades in the year before transaction costs	625,040	700,675	686,945	792,269
Transaction costs				
Commissions				
Equities	193	205	241	277
Total commissions	193	205	241	277
Taxes				
Equities	216	308	-	-
Total taxes	216	308	-	-
Other expenses				
Equities	330	441	-	-
Total other expenses	330	441	-	-
Total transaction costs	739	954	241	277
Total net trades in the year after transaction costs	625,779	701,629	686,704	791,992

	Purchases		Sales	
	2023 %	2022 %	2023 %	2022 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.03	0.03	0.04	0.04
Taxes				
Equities	0.03	0.04	-	-
Other expenses				
Equities	0.05	0.06	-	-
	2023 %	2022 %		

Total transaction costs expressed as a percentage of net asset value

Commissions	0.06	0.06
Taxes	0.03	0.04
Other expenses	0.04	0.05
Total costs	0.13	0.15

There were no in specie transfers during the year (2022: nil). There were no corporate actions during the year (2022: nil).

There were no direct transaction costs associated with derivatives in the year (2022: nil).

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

The portfolio dealing spread as at 31 August 2023 was 0.07% (2022: 0.07%). The portfolio dealing spread is calculated at a 12 noon valuation point.

19 Events after the Balance sheet date

On 10 November 2023, the name of the fund will change from Janus Henderson European Growth Fund to Janus Henderson European Mid and Large Cap Fund.

Distribution table for the year ended 31 August 2023 (in pence per share)

Final dividend distribution (accounting date 31 August 2023, paid on 31 October 2023)

Group 1: shares purchased prior to 1 September 2022

Group 2: shares purchased on or after 1 September 2022

	Distribution per share	Total distribution per share 31/10/23	Total distribution per share 31/10/22
Class A accumulation			
Group 1	2.2530	2.2530	3.5234
Group 2	2.2530	2.2530	3.5234
Class E accumulation			
Group 1	4.1504	4.1504	5.0530
Group 2	4.1504	4.1504	5.0530
Class I accumulation			
Group 1	12.2853	12.2853	14.9619
Group 2	12.2853	12.2853	14.9619
Class S income			
Group 1	10.1560	10.1560	11.1800
Group 2	10.1560	10.1560	11.1800
Class Z accumulation			
Group 1	10.3330	10.3330	12.2385
Group 2	10.3330	10.3330	12.2385
Class I Euro accumulation^{1,2}			
Group 1	n/a	n/a	2.5545
Group 2	n/a	n/a	2.5545

¹ in Euro cents per share

² Class I Euro accumulation closed on 18 May 2023

Janus Henderson Global Equity Income Fund

Authorised Corporate Director's report

Investment Fund Managers

Andrew Jones and Ben Lofthouse

Investment objective and policy

The fund aims to provide an income in excess of 80% of the income generated by the MSCI ACWI High Dividend Yield Index over any 3 year period with the potential for capital growth over the long term (5 years or more).

Performance target: To outperform 80% of the MSCI ACWI High Dividend Yield Index, after the deduction of charges, over any 3 year period.

The fund invests at least 80% of its assets in shares (also known as equities) of companies, of any size, in any industry, in any country.

The fund may also invest in other assets including cash and money market instruments. The Investment Manager may use derivatives (complex financial instruments) to reduce risk, to manage the fund more efficiently, or to generate additional income for the fund.

The fund is actively managed with reference to the MSCI ACWI High Dividend Yield Index, which is broadly representative of the companies in which it may invest, as this forms the basis of the fund's income target. The Investment Manager has discretion to choose investments for the fund with weightings different to the index or not in the index.

Strategy

The Investment Manager follows a dividend-seeking, valuation-driven strategy that focuses on companies with good and growing cash flow. The investment process seeks to identify companies from around the world with income growth prospects (typically with defensible competitive positions, affordable investment requirements, aligned management behaviour and sustainable returns) and companies with capital growth prospects (typically unloved, with under-appreciated earnings and undervalued shares). The process results in a portfolio well diversified by sector and geography.

Performance summary

Cumulative performance

	One year 31 Aug 22 - 31 Aug 23 %	Three years 31 Aug 20 - 31 Aug 23 %	Five years 31 Aug 18 - 31 Aug 23 %	Since inception 18 Jan 14* - 31 Aug 23 %
Class I accumulation (Net)	4.6	28.8	27.1	103.4
MSCI ACWI High Dividend Yield Index**	2.1	34.5***	54.5***	188.6***
IA Global Equity Income Sector	4.8	33.2	37.2	110.8

Discrete performance

	31 Aug 22 - 31 Aug 23 %	31 Aug 21 - 31 Aug 22 %	31 Aug 20 - 31 Aug 21 %	31 Aug 19 - 31 Aug 20 %	31 Aug 18 - 31 Aug 19 %
Class I accumulation (Net)	4.6	3.5	19.0	(4.0)	2.8
MSCI ACWI High Dividend Yield Index**	2.1	3.9***	26.8**	6.8**	7.6**
IA Global Equity Income Sector	4.8	2.8	23.7	(2.6)	5.7

Please note that the performance target is to be achieved over a specific annualised time period. Refer to the the investment objective and policy above.

* The fund launched on 22 February 2002, however inception date refers to the date that performance data was available from.

** From 31 March 2022, the fund benchmark changed from MSCI World Index to MSCI ACWI High Dividend Yield Index. Past performance before 31 March 2022 is shown for the previous fund benchmark.

*** Performance is a blend of the old and new benchmark.

Authorised Corporate Director's report (continued)

Performance summary (continued)

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Benchmark values are as at close of business.

Class I accumulation is disclosed as it is the representative share class.

Benchmark usage:

Index: MSCI ACWI High Dividend Yield Index

Index usage: Target - 80% of the MSCI ACWI High Dividend Yield Index

Index description: The MSCI ACWI High Dividend Yield Index is a measure of the combined performance of large and medium sized companies that pay above average dividends across developed and Emerging Market stock markets around the world. It is the basis for the fund's income target.

Peer group: IA Global Equity Income Sector

Peer group usage: Comparator

Peer group description: The Investment Association (IA) groups funds with similar geographic and/or investment remit into sectors. The fund's ranking within the sector (as calculated by a number of data providers) can be a useful performance comparison against other funds with similar aims.

Past performance does not predict future returns. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Significant portfolio changes for the year ended 31 August 2023

Largest purchases	£000	Largest sales	£000
Pernod Ricard	14,477	Broadcom	10,894
Novartis	12,268	Bristol-Myers Squibb	10,682
Ambev ADR	12,200	Microsoft	10,080
Sony	11,459	Stellantis	9,930
BMW	9,994	Corning	9,801
Daimler Truck	9,385	BMW	9,753
ASR Nederland	7,237	Novartis	9,663
CME 'A'	7,099	Volvo 'B'	8,696
Rio Tinto	6,725	BAWAG	8,561
Roche Non-Voting Shares	4,320	Carlsberg	8,323
Total purchases	118,428	Total sales	162,347

Investment review

The fund returned 4.6% based on Class I accumulation (Net) over the year under review, compared with a return of 2.1% in the MSCI ACWI High Dividend Yield Index and a return of 4.8% in the IA Global Equity Income Sector peer group benchmark.

Global equity markets ended the reporting year in positive territory, despite tightening monetary policy as central banks around the world increased interest rates to combat persistently high inflation. The Fed raised rates seven times during the year, from 2.5% to 5.5%, with both the ECB and BoE also increasing rates multiple times. Market conditions were volatile, with investors having to deal with issues such as China's stuttering recovery from COVID-19 lockdowns and potential contagion from a US regional banking crisis. In addition, investors worried about the pace and longevity of monetary policy tightening and its impact on global economic growth. Growth stocks outperformed value stocks, powered by the strong performance of US equities and, in particular, the technology sector. US mega-cap growth stocks led the way, helped by optimism about AI and strong earnings from companies such as Microsoft and semiconductor company Nvidia, which were seen as key AI beneficiaries. At a sector level, communication services, industrials and technology outperformed while real estate, utilities and consumer staples underperformed.

In terms of the fund's performance, the holding in pharmaceutical company Novo Nordisk was positive for returns. Novo Nordisk benefited from strong sales of its obesity drug Wegovy, which was proved to reduce cardiovascular illness in patients by 20%, and its diabetes drug Ozempic. This led the company to raise its full-year earnings guidance. Dutch bank ING performed strongly as its earnings benefited from the higher interest rate environment, while its share buyback programme was also supportive. The position in Microsoft contributed to returns, with investors hopeful that AI would drive market share gains in its search business and enhance the value of its other products. The holding in electronic equipment manufacturer nVent Electric also performed well, as the company continued to release strong results, while it was well placed to benefit from the ongoing electrification and automation of various industries.

Conversely, the fund's holdings in Crown Castle International REIT, Fidelity National Information Services (FIS) and telecommunication company Tele2 performed weakly. Crown Castle International REIT announced disappointing results, which impacted the stock despite management reiterating earnings guidance. There were also concerns about the company's leverage in a rising interest rate environment. FIS announced lower-than-expected results and downgraded its earnings expectations. However, the company announced in July the sale of its 55% stake in merchant payment business Worldpay for US\$12bn in cash, which provided some respite. Tele2 detracted from returns as higher-than-expected capital expenditure and lacklustre revenue impacted cash-flow generation.

In terms of activity, we sold the fund's holding in Carlsberg and used the proceeds to initiate a position in Pernod Ricard. Pernod Ricard was trading at a similar valuation to Carlsberg, although we preferred its exposure to the spirits markets in India and China compared with Carlsberg's dependence on the historically lower growth area of European beer. We also sold Nintendo, where the outlook had deteriorated, and VF, where the dividend had been cut and the outlook for its Vans brand remained challenging. We exited the position in US hardware company Corning as we were worried about its high consumer exposure and capital-intensive business model in the current economic environment.

We initiated a position in Dutch insurer ASR Nederland as we liked its strong market position in a consolidating industry, while the valuation looked attractive to us at the time of purchase. In the automotive sector, we sold the holdings in Stellantis and Volvo and opened positions in both BMW and Daimler Truck. BMW was yielding more than 8% at the time of purchase and looked well placed compared with its peers. We subsequently sold the stock after a period of strong performance. Meanwhile, Daimler Truck was trading at a lower relative valuation than its competitors and we liked management's focus on improving margins. We also established a position in mining company Rio Tinto. The company has seen an improvement in its operational performance and the shares were attractively valued at the time of purchase, with a price/earnings ratio of nine times and a forecast dividend yield of more than 6%.

In terms of our outlook, inflation appears to be close to a peak in several countries. Thus, we think there is likely to be scope for less restrictive monetary policy at some point over the next year. While corporate revenues and earnings are likely to remain under pressure as global growth slows in response to tighter monetary conditions, we believe that opportunities remain to invest in well-managed, resilient businesses at attractive valuation levels. We continue to focus on identifying companies with robust free-cash-flow characteristics and strong balance sheets that we believe are well positioned to navigate the challenging global economic environment.

Comparative tables for the year ended 31 August 2023

	Class A accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	433.48	423.16	355.22
Return before operating charges*	22.63	17.88	74.89
Operating charges	(7.93)	(7.56)	(6.95)
Return after operating charges*	14.70	10.32	67.94
Distributions on accumulation shares	(15.17)	(14.55)	(12.53)
Retained distributions on accumulation shares	15.17	14.55	12.53
Closing net asset value per share	448.18	433.48	423.16
* after direct transaction costs of:	0.14	0.15	0.25
Performance			
Return after charges	3.39%	2.44%	19.13%
Other information			
Closing net asset value (£000s)	41,484	50,512	55,354
Closing number of shares	9,256,061	11,652,865	13,081,320
Operating charges	1.77%	1.78%	1.77%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (pence)	467.60	448.60	424.80
Lowest share price (pence)	412.60	400.90	340.00
	Class A income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	63.90	64.52	55.88
Return before operating charges*	3.33	2.71	11.67
Operating charges	(1.16)	(1.14)	(1.08)
Return after operating charges*	2.17	1.57	10.59
Distributions on income shares	(2.21)	(2.19)	(1.95)
Closing net asset value per share	63.86	63.90	64.52
* after direct transaction costs of:	0.02	0.02	0.04
Performance			
Return after charges	3.40%	2.43%	18.95%
Other information			
Closing net asset value (£000s)	51,972	80,222	87,488
Closing number of shares	81,378,960	125,548,910	135,600,323
Operating charges	1.77%	1.78%	1.77%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (pence)	68.25	66.83	65.22
Lowest share price (pence)	60.82	60.53	53.49

Comparative tables (continued)

	Class E accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	440.48	427.84	357.36
Return before operating charges*	23.02	18.14	75.52
Operating charges	(5.80)	(5.50)	(5.04)
Return after operating charges*	17.22	12.64	70.48
Distributions on accumulation shares	(15.46)	(14.75)	(12.64)
Retained distributions on accumulation shares	15.46	14.75	12.64
Closing net asset value per share	457.70	440.48	427.84
* after direct transaction costs of:	0.14	0.15	0.25
Performance			
Return after charges	3.91%	2.95%	19.72%
Other information			
Closing net asset value (£000s)	89,084	91,310	92,725
Closing number of shares	19,463,262	20,729,638	21,672,627
Operating charges	1.27%	1.28%	1.27%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (pence)	476.70	455.80	429.40
Lowest share price (pence)	419.40	406.40	342.40
	Class E income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	64.93	65.23	56.21
Return before operating charges*	3.39	2.75	11.77
Operating charges	(0.85)	(0.83)	(0.78)
Return after operating charges*	2.54	1.92	10.99
Distributions on income shares	(2.25)	(2.22)	(1.97)
Closing net asset value per share	65.22	64.93	65.23
* after direct transaction costs of:	0.02	0.02	0.04
Performance			
Return after charges	3.91%	2.94%	19.55%
Other information			
Closing net asset value (£000s)	307,770	312,550	318,493
Closing number of shares	471,884,969	481,374,691	488,246,657
Operating charges	1.27%	1.28%	1.27%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (pence)	69.57	67.68	65.93
Lowest share price (pence)	61.83	61.35	53.85

Comparative tables (continued)

	Class G accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	179.27	173.22	143.93
Return before operating charges*	9.38	7.37	30.49
Operating charges	(1.40)	(1.32)	(1.20)
Return after operating charges*	7.98	6.05	29.29
Distributions on accumulation shares	(6.68)	(6.34)	(5.43)
Retained distributions on accumulation shares	6.68	6.34	5.43
Closing net asset value per share	187.25	179.27	173.22
* after direct transaction costs of:	0.06	0.06	0.10
Performance			
Return after charges	4.45%	3.49%	20.35%
Other information			
Closing net asset value (£000s)	4,126	4,467	4,042
Closing number of shares	2,203,467	2,491,809	2,333,433
Operating charges	0.75%	0.75%	0.75%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (pence)	194.70	185.50	173.80
Lowest share price (pence)	170.80	165.00	138.00
	Class G income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	141.07	141.27	121.33
Return before operating charges*	7.39	5.97	25.47
Operating charges	(1.09)	(1.06)	(1.01)
Return after operating charges*	6.30	4.91	24.46
Distributions on income shares	(5.20)	(5.11)	(4.52)
Closing net asset value per share	142.17	141.07	141.27
* after direct transaction costs of:	0.05	0.05	0.08
Performance			
Return after charges	4.47%	3.48%	20.16%
Other information			
Closing net asset value (£000s)	17,900	26,514	29,115
Closing number of shares	12,590,409	18,794,462	20,609,012
Operating charges	0.75%	0.75%	0.75%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (pence)	151.50	147.00	142.80
Lowest share price (pence)	134.40	133.10	116.30

Comparative tables (continued)

	Class I accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	193.94	187.59	156.03
Return before operating charges*	10.16	7.99	33.03
Operating charges	(1.72)	(1.64)	(1.47)
Return after operating charges*	8.44	6.35	31.56
Distributions on accumulation shares	(7.17)	(6.81)	(5.83)
Retained distributions on accumulation shares	7.17	6.81	5.83
Closing net asset value per share	202.38	193.94	187.59
* after direct transaction costs of:	0.06	0.07	0.11
Performance			
Return after charges	4.35%	3.39%	20.23%
Other information			
Closing net asset value (£000s)	45,723	35,864	38,635
Closing number of shares	22,592,918	18,491,801	20,595,230
Operating charges	0.85%	0.86%	0.85%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (pence)	210.40	200.60	188.20
Lowest share price (pence)	184.80	178.60	149.60
	Class I income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	140.72	141.03	121.22
Return before operating charges*	7.36	5.97	25.41
Operating charges	(1.23)	(1.22)	(1.13)
Return after operating charges*	6.13	4.75	24.28
Distributions on income shares	(5.14)	(5.06)	(4.47)
Closing net asset value per share	141.71	140.72	141.03
* after direct transaction costs of:	0.05	0.05	0.08
Performance			
Return after charges	4.36%	3.37%	20.03%
Other information			
Closing net asset value (£000s)	99,288	99,237	111,837
Closing number of shares	70,062,121	70,520,976	79,302,820
Operating charges	0.85%	0.86%	0.85%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (pence)	151.10	146.70	142.60
Lowest share price (pence)	134.00	132.80	116.20

Comparative tables (continued)

	Class S income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	148.94	148.14	126.38
Return before operating charges*	7.80	6.30	26.59
Operating charges	(0.11)	(0.12)	(0.10)
Return after operating charges*	7.69	6.18	26.49
Distributions on income shares	(5.51)	(5.38)	(4.73)
Closing net asset value per share	151.12	148.94	148.14
* after direct transaction costs of:	0.05	0.05	0.09
Performance			
Return after charges	5.16%	4.17%	20.96%
Other information			
Closing net asset value (£000s)	1,103	1,124	1,303
Closing number of shares	729,752	754,946	879,814
Operating charges	0.07%	0.08%	0.07%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (pence)	160.70	155.20	149.70
Lowest share price (pence)	142.00	140.10	121.30
	Class A Euro accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	80.97	79.01	66.29
Return before operating charges*	4.22	3.34	14.01
Operating charges	(1.45)	(1.38)	(1.29)
Return after operating charges*	2.77	1.96	12.72
Distributions on accumulation shares	(2.86)	(2.75)	(2.37)
Retained distributions on accumulation shares	2.86	2.75	2.37
Closing net asset value per share	83.74	80.97	79.01
* after direct transaction costs of:	0.03	0.03	0.05
Performance			
Return after charges	3.42%	2.48%	19.19%
Other information			
Closing net asset value (£000s)	13	98	95
Closing number of shares	15,380	120,813	120,813
Operating charges	1.73%	1.74%	1.73%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (Euro cents)	100.21	98.65	93.30
Lowest share price (Euro cents)	88.26	89.16	70.17

Comparative tables (continued)

	Class A Euro income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	59.16	59.74	51.74
Return before operating charges*	3.08	2.51	10.81
Operating charges	(1.04)	(1.03)	(0.98)
Return after operating charges*	2.04	1.48	9.83
Distributions on income shares	(2.07)	(2.06)	(1.83)
Closing net asset value per share	59.13	59.16	59.74
* after direct transaction costs of:	0.02	0.02	0.04
Performance			
Return after charges	3.45%	2.48%	18.99%
Other information			
Closing net asset value (£000s)	346	1,414	1,450
Closing number of shares	585,187	2,389,984	2,427,608
Operating charges	1.72%	1.74%	1.73%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (Euro cents)	72.22	74.02	71.05
Lowest share price (Euro cents)	64.49	65.89	54.76
	Class A US Dollar accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	561.52	547.90	459.78
Return before operating charges*	29.46	23.20	96.49
Operating charges	(10.05)	(9.58)	(8.37)
Return after operating charges*	19.41	13.62	88.12
Distributions on accumulation shares	(20.05)	(19.13)	(16.44)
Retained distributions on accumulation shares	20.05	19.13	16.44
Closing net asset value per share	580.93	561.52	547.90
* after direct transaction costs of:	0.18	0.19	0.30
Performance			
Return after charges	3.46%	2.49%	19.17%
Other information			
Closing net asset value (£000s)	3	4	3
Closing number of shares	600	600	600
Operating charges	1.73%	1.74%	1.73%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (USD cents)	768.24	778.27	760.56
Lowest share price (USD cents)	594.40	639.68	569.65

Comparative tables (continued)

	Class A US Dollar income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	44.98	45.41	39.33
Return before operating charges*	2.35	1.93	8.19
Operating charges	(0.80)	(0.79)	(0.72)
Return after operating charges*	1.55	1.14	7.47
Distributions on income shares	(1.58)	(1.57)	(1.39)
Closing net asset value per share	44.95	44.98	45.41
* after direct transaction costs of:	0.01	0.02	0.03
Performance			
Return after charges	3.45%	2.51%	19.00%
Other information			
Closing net asset value (£000s)	9	24	24
Closing number of shares	20,720	53,189	53,189
Operating charges	1.73%	1.74%	1.73%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (USD cents)	59.91	64.11	63.77
Lowest share price (USD cents)	47.61	51.60	48.73
	Class I Euro accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	113.02	109.11	90.63
Return before operating charges*	27.22	4.86	19.34
Operating charges	(0.54)	(0.95)	(0.86)
Return after operating charges*	26.68	3.91	18.48
Distributions on accumulation shares	(1.34)	(4.09)	(3.49)
Retained distributions on accumulation shares	1.34	4.09	3.49
Final cancellation	(139.70) ¹	-	-
Closing net asset value per share	-	113.02	109.11
* after direct transaction costs of:	0.04	0.04	0.06
Performance			
Return after charges	23.61% ²	3.58%	20.39%
Other information			
Closing net asset value (£000s)	-	1	1
Closing number of shares	-	1,000	1,000
Operating charges	0.65%	0.86%	0.85%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (Euro cents)	139.70 ³	137.70	128.80
Lowest share price (Euro cents)	123.30 ³	123.20	96.08

¹ Class I Euro accumulation closed on 18 May 2023.

² Return after charges relates to the period 1 September 2022 to the closure of the share class on 18 May 2023. This performance will differ from the other share classes as it does not include returns generated over the same period.

³ to 18 May 2023.

Comparative tables (continued)

	Class I US Dollar income		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	96.61	96.81	83.23
Return before operating charges*	5.05	4.11	17.43
Operating charges	(0.84)	(0.84)	(0.78)
Return after operating charges*	4.21	3.27	16.65
Distributions on income shares	(3.53)	(3.47)	(3.07)
Closing net asset value per share	97.29	96.61	96.81
* after direct transaction costs of:	0.03	0.03	0.06
Performance			
Return after charges	4.36%	3.38%	20.01%
Other information			
Closing net asset value (£000s)	72	70	127
Closing number of shares	74,446	72,774	130,746
Operating charges	0.85%	0.86%	0.85%
Direct transaction costs	0.03%	0.03%	0.06%
Prices			
Highest share price (USD cents)	129.60	137.10	135.70
Lowest share price (USD cents)	102.30	110.70	103.30

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

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

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

Share class launches and closures

There were no share classes launched during the year.

The following share class closed during the year:

Share class	Closure date
Class I Euro accumulation	18 May 2023

Ongoing charge figure

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

	2023	2022
	%	%
Class A accumulation	1.77	1.78
Class A income	1.77	1.78
Class E accumulation	1.27	1.28
Class E income	1.27	1.28
Class G accumulation	0.75	0.75
Class G income	0.75	0.75
Class I accumulation	0.85	0.86
Class I income	0.85	0.86
Class S income	0.07	0.08
Class A Euro accumulation	1.73	1.74
Class A Euro income	1.72	1.74
Class A US Dollar accumulation	1.73	1.74
Class A US Dollar income	1.73	1.74
Class I Euro accumulation¹	n/a	0.86
Class I US Dollar income	0.85	0.86

The OCF is calculated in accordance with guidelines issued by ESMA.

¹ Class I Euro accumulation closed on 18 May 2023.

Risk and reward profile

The fund currently has 14 types of share class in issue: A accumulation, A income, E accumulation, E income, G accumulation, G income, I accumulation, I income, S income, A Euro accumulation, A Euro income, A US Dollar accumulation, A US Dollar income and I US Dollar income.

The risk and reward profile for A accumulation, A income, E accumulation, E income, G accumulation, G income, I accumulation, I income, S income, A Euro accumulation and A Euro income is as follows:



The risk and reward profile for A US Dollar accumulation, A US Dollar income and I US Dollar income is as follows:



The share classes appear at 5 out of 7, with the exception of Class A US Dollar accumulation, Class A US Dollar income and Class I US Dollar income which appear at 6 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in Net Asset Value in the past five years than those in lower categories. The lowest category does not mean risk free.

The SRRRI is calculated based on historical volatility over a rolling five* year period; it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRRI level. The SRRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares, they may be worth less than you paid for them.

The ratings above are based on the historic volatility of the share classes. Historic data may not be a reliable indication of the future risk profile of the fund. The ratings are not guaranteed and may change over time.

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

There have been no changes to the risk ratings during the year.

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

* Class E accumulation and Class E income launched on 24 June 2019. As these share classes do not have a five year history, a synthetic history has been created using the A accumulation and A income share classes, respectively.

Portfolio statement as at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 99.59% (2022: 98.00%)		
	Australia 1.13% (2022: 1.13%)		
	Energy 1.13% (2022: 1.13%)		
392,866	Woodside Energy	7,419	1.13
	Austria 0.00% (2022: 1.33%)		
	Financials 0.00% (2022: 1.33%)		
	Brazil 1.74% (2022: 0.00%)		
	Consumer Staples 1.74% (2022: 0.00%)		
5,256,364	Ambev ADR	11,449	1.74
	Canada 1.38% (2022: 2.78%)		
	Communication Services 1.38% (2022: 1.82%)		
658,842	TELUS	9,104	1.38
	Financials 0.00% (2022: 0.96%)		
	China 1.77% (2022: 1.59%)		
	Communication Services 0.94% (2022: 0.97%)		
190,200	Tencent	6,217	0.94
	Consumer Discretionary 0.83% (2022: 0.62%)		
19,020	Meituan 'B'	246	0.04
8,071,000	Topsports International	5,182	0.79
		5,428	0.83
	Denmark 2.35% (2022: 2.65%)		
	Consumer Staples 0.00% (2022: 1.28%)		
	Health Care 2.35% (2022: 1.37%)		
104,972	Novo Nordisk 'B'	15,454	2.35
	Finland 0.98% (2022: 1.77%)		
	Materials 0.98% (2022: 1.77%)		
236,572	UPM-Kymmene	6,440	0.98
	France 12.64% (2022: 8.41%)		
	Consumer Staples 2.08% (2022: 0.00%)		
88,204	Pernod Ricard	13,686	2.08
	Energy 2.37% (2022: 1.95%)		
313,908	TotalEnergies	15,613	2.37
	Financials 2.83% (2022: 2.26%)		
782,944	AXA	18,626	2.83
	Health Care 3.53% (2022: 2.91%)		
275,070	Sanofi	23,240	3.53

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Industrials 1.83% (2022: 1.29%)		
88,544	Schneider Electric	12,025	1.83
	Germany 3.68% (2022: 2.47%)		
	Communication Services 1.65% (2022: 1.50%)		
643,059	Deutsche Telekom	10,873	1.65
	Consumer Discretionary 1.03% (2022: 0.97%)		
116,794	Mercedes-Benz	6,766	1.03
	Industrials 1.00% (2022: 0.00%)		
236,641	Daimler Truck	6,571	1.00
	Hong Kong 1.06% (2022: 1.15%)		
	Financials 1.06% (2022: 1.15%)		
977,400	AIA	6,999	1.06
	Italy 1.21% (2022: 2.10%)		
	Consumer Discretionary 0.00% (2022: 1.24)		
	Utilities 1.21% (2022: 0.86%)		
1,495,672	Enel	7,940	1.21
	Japan 1.55% (2022: 1.17%)		
	Communication Services 0.00% (2022: 1.17%)		
	Consumer Discretionary 1.55% (2022: 0.00%)		
155,400	Sony	10,227	1.55
	Netherlands 3.35% (2022: 1.43%)		
	Financials 3.35% (2022: 1.43%)		
207,989	ASR Nederland	7,188	1.09
1,324,031	ING	14,857	2.26
		22,045	3.35
	South Korea 1.95% (2022: 1.99%)		
	Information Technology 1.95% (2022: 1.99%)		
399,435	Samsung Electronics Preference Shares	12,878	1.95
	Spain 1.88% (2022: 1.69%)		
	Utilities 1.88% (2022: 1.69%)		
1,322,591	Iberdrola	12,410	1.88
	Sweden 2.25% (2022: 3.10%)		
	Communication Services 1.01% (2022: 1.20%)		
1,200,447	Tele2 'B'	6,677	1.01
	Industrials 1.24% (2022: 1.86%)		
547,407	Sandvik	8,175	1.24

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Information Technology 0.00% (2022: 0.04%)			
Switzerland 10.71% (2022: 9.70%)			
Consumer Discretionary 1.99% (2022: 1.40%)			
116,620	CIE Financiere Richemont 'A'	13,082	1.99
Consumer Staples 2.97% (2022: 2.95%)			
205,891	Nestlé	19,574	2.97
Financials 1.27% (2022: 1.06%)			
22,585	Zurich Insurance	8,373	1.27
Health Care 4.48% (2022: 4.29%)			
245,659	Novartis	19,601	2.97
42,869	Roche Non-Voting Shares	9,968	1.51
		29,569	4.48
Taiwan 3.21% (2022: 2.59%)			
Information Technology 3.21% (2022: 2.59%)			
380,000	MediaTek	6,639	1.01
196,332	Taiwan Semiconductor Manufacturing ADS	14,491	2.20
		21,130	3.21
United Kingdom 16.68% (2022: 16.76%)			
Consumer Discretionary 0.00% (2022: 0.95%)			
Consumer Staples 4.49% (2022: 4.42%)			
579,944	Imperial Brands	10,378	1.58
474,452	Unilever	19,191	2.91
		29,569	4.49
Energy 2.80% (2022: 3.17%)			
755,023	Shell	18,467	2.80
Financials 0.50% (2022: 0.60%)			
2,052,514	Direct Line Insurance	3,326	0.50
Health Care 2.55% (2022: 2.39%)			
157,643	AstraZeneca	16,805	2.55
Industrials 2.58% (2022: 2.15%)			
660,199	RELX	16,998	2.58
Information Technology 0.47% (2022: 0.41%)			
2,166,622	Alphawave IP	3,111	0.47
Materials 2.24% (2022: 1.60%)			
405,715	Anglo American	8,520	1.29
128,765	Rio Tinto	6,274	0.95
		14,794	2.24

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Utilities 1.05% (2022: 1.07%)		
699,952	National Grid	6,931	1.05
	United States 30.07% (2022: 34.19%)		
	Consumer Discretionary 1.05% (2022: 2.19%)		
31,182	McDonald's	6,917	1.05
	Consumer Staples 5.68% (2022: 5.64%)		
359,751	Coca-Cola	16,983	2.57
166,143	Mondelez International	9,343	1.42
79,182	PepsiCo	11,118	1.69
		<u>37,444</u>	<u>5.68</u>
	Financials 3.25% (2022: 1.05%)		
46,698	CME 'A'	7,466	1.13
168,171	Fidelity National Information Services	7,412	1.13
51,438	The Travelers Companies	6,545	0.99
		<u>21,423</u>	<u>3.25</u>
	Health Care 6.56% (2022: 7.33%)		
135,723	Bristol-Myers Squibb	6,603	1.00
48,139	Johnson & Johnson	6,143	0.93
152,889	Medtronic	9,834	1.49
240,261	Merck	20,665	3.14
		<u>43,245</u>	<u>6.56</u>
	Industrials 3.08% (2022: 3.19%)		
44,362	Honeywell International	6,579	1.00
307,201	nVent Electric	13,707	2.08
		<u>20,286</u>	<u>3.08</u>
	Information Technology 6.86% (2022: 11.48%)		
413,164	Cisco Systems	18,699	2.84
102,368	Microsoft	26,477	4.02
		<u>45,176</u>	<u>6.86</u>
	Materials 2.47% (2022: 2.13%)		
69,832	Air Products and Chemicals	16,284	2.47
	Real Estate 1.12% (2022: 1.18%)		
93,390	Crown Castle International REIT	7,403	1.12
	Investment assets	656,169	99.59
	Other net assets	2,724	0.41
	Total net assets	<u>658,893</u>	<u>100.00</u>

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Prior year comparative percentages have changed for some sectors due to reclassification within these sectors.

Statement of total return for the year ended 31 August 2023

		2023		2022	
	Note	£000	£000	£000	£000
Income					
Net capital gains	2		10,709		3,484
Revenue	3	28,175		28,680	
Expenses	4	(8,734)		(9,151)	
Interest payable and similar charges	5	(1)		(2)	
Net revenue before taxation		19,440		19,527	
Taxation	6	(2,775)		(2,133)	
Net revenue after taxation			16,665		17,394
Total return before distributions			27,374		20,878
Distributions	7		(23,798)		(24,857)
Change in net assets attributable to shareholders from investment activities			3,576		(3,979)

Statement of change in net assets attributable to shareholders for the year ended 31 August 2023

		2023		2022	
		£000	£000	£000	£000
Opening net assets attributable to shareholders			703,411		740,692
Amounts receivable on issue of shares		27,495		31,254	
Amounts payable on cancellation of shares		(82,112)		(71,063)	
			(54,617)		(39,809)
Change in net assets attributable to shareholders from investment activities			3,576		(3,979)
Retained distributions on accumulation shares			6,378		6,364
Unclaimed distributions			145		143
Closing net assets attributable to shareholders			658,893		703,411

Balance sheet as at 31 August 2023

	Note	2023 £000	2022 £000
Assets:			
Investments		656,169	689,371
Current assets:			
Debtors	8	13,235	3,784
Cash and bank balances	9	2,968	15,879
Total assets		672,372	709,034
Liabilities:			
Creditors:			
Bank overdrafts		4,911	-
Distributions payable		3,745	3,664
Other creditors	10	4,823	1,959
Total liabilities		13,479	5,623
Net assets attributable to shareholders		658,893	703,411

Notes to the financial statements for the year ended 31 August 2023

1 Accounting policies

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

2 Net capital gains

Net capital gains on investments during the year comprise:

	2023	2022
	£000	£000
Forward currency contracts	2	-
Non-derivative securities	10,846	3,437
Other currency (losses)/gains	(138)	48
Transaction costs	(1)	(1)
Net capital gains	10,709	3,484

3 Revenue

	2023	2022
	£000	£000
Bank interest*	366	52
Overseas dividends	23,649	23,218
Overseas REIT revenue	272	146
Stock dividends	210	-
Stock lending revenue	183	129
UK dividends	3,495	5,135
Total revenue	28,175	28,680

* Includes Fokus interest receipt of £2,310 (2022: nil).

4 Expenses

	2023	2022
	£000	£000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	7,127	7,463
GAC*	1,516	1,571
	<u>8,643</u>	<u>9,034</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	48	52
Safe custody fees	43	48
	<u>91</u>	<u>100</u>
Other expenses:		
Professional fees**	-	17
	<u>-</u>	<u>17</u>
Total expenses	8,734	9,151

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £14,412 (2022: £12,984).

** Included in professional fees are fees paid to the auditors of nil in relation to non-audit services provided for withholding tax reclaims (2022: £17,451).

Notes to the financial statements (continued)

5 Interest payable and similar charges

The interest payable and similar charges comprise:

	2023 £000	2022 £000
Interest payable	1	2
Total interest payable and similar charges	1	2

6 Taxation

a) Analysis of charge in the year

The tax charge comprises:

	2023 £000	2022 £000
Current tax		
Overseas withholding tax	2,775	2,133
Total tax (note 6b)	2,775	2,133

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2022: 20%). The differences are explained below:

	2023 £000	2022 £000
Net revenue before taxation	19,440	19,527
Corporation tax at 20% (2022: 20%)	3,888	3,905
Effects of:		
Double tax relief	(6)	(3)
Overseas dividends	(4,730)	(4,644)
Overseas withholding tax	2,775	2,133
Stock dividends	(42)	-
UK dividends*	(699)	(1,026)
Unused management expenses	1,589	1,768
Tax charge for the year (note 6a)	2,775	2,133

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

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

c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2022: nil).

d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £34,990,295 (2022: £33,373,967) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

The movement in the potential tax asset identified in note (d) may not match the movement shown in 'Unused management expenses' in note (b) due to filing adjustments.

Notes to the financial statements (continued)

7 Distributions

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

	2023	2022
	£000	£000
Interim income	13,470	14,677
Interim accumulation	4,975	5,094
Final income	3,745	3,664
Final accumulation	1,403	1,270
	<u>23,593</u>	<u>24,705</u>
Amounts deducted on cancellation of shares	350	310
Amounts received on issue of shares	(145)	(158)
Total distributions	<u>23,798</u>	<u>24,857</u>
Net revenue after taxation	16,665	17,394
Annual management charge borne by the capital account	7,127	7,463
Equalisation on conversions	6	-
Total distributions	<u>23,798</u>	<u>24,857</u>

Details of the distribution per share are set out in the Distribution tables on pages 69 to 76.

8 Debtors

	2023	2022
	£000	£000
Accrued revenue	1,339	1,827
Amounts receivable for issue of shares	15	89
Currency transactions awaiting settlement	25	-
Overseas withholding tax reclaimable	1,903	1,868
Sales awaiting settlement	9,953	-
Total debtors	<u>13,235</u>	<u>3,784</u>

9 Cash and bank balances

	2023	2022
	£000	£000
Cash and bank balances	2,968	15,879
Total cash and bank balances	<u>2,968</u>	<u>15,879</u>

Notes to the financial statements (continued)

10 Other creditors

	2023	2022
	£000	£000
Accrued annual management charge	577	637
Accrued Depositary's fee	5	4
Accrued other expenses	126	137
Amounts payable for cancellation of shares	1,321	1,181
Purchases awaiting settlement	2,794	-
Total other creditors	4,823	1,959

11 Contingent liabilities and commitments

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

12 Related party transactions

JHFMUKL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 57 and 58 and notes 4, 7, 8 and 10 on pages 59 to 62 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC

There were no material shareholders at the year end (2022: nil).

13 Shareholders' funds

The fund currently has 8 share classes available: Class A (Retail), Class E (Retail), Class G (Institutional), Class I (Institutional), Class S (Institutional), Class A Euro (Retail), Class A US Dollar (Retail) and Class I US Dollar (Institutional). The annual management charge on each share class is as follows:

	2023	2022
	%	%
Class A	1.50	1.50
Class E	1.00	1.00
Class G	0.675	0.675
Class I	0.75	0.75
Class S ¹	0.00	0.00
Class A Euro	1.50	1.50
Class A US Dollar	1.50	1.50
Class I Euro ²	n/a	0.75
Class I US Dollar	0.75	0.75

¹ Charges for managing S class shares are levied outside the fund and are agreed between the ACD and investors.

² Class I Euro accumulation closed on 18 May 2023.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 43 to 50. The distribution per share class is given in the Distribution tables on pages 69 to 76. All share classes have the same rights on winding up.

Notes to the financial statements (continued)

13 Shareholders' funds (continued)

Shares reconciliation as at 31 August 2023

	Class A accumulation	Class A income	Class E accumulation	Class E income
Opening number of shares	11,652,865	125,548,910	20,729,638	481,374,691
Issues during the year	441,110	2,306,285	79,708	15,087,065
Cancellations during the year	(1,004,790)	(23,701,764)	(1,684,371)	(27,381,197)
Shares converted during the year	(1,833,124)	(22,774,471)	338,287	2,804,410
Closing shares in issue	9,256,061	81,378,960	19,463,262	471,884,969
	Class G accumulation	Class G income	Class I accumulation	Class I income
Opening number of shares	2,491,809	18,794,462	18,491,801	70,520,976
Issues during the year	117,532	586,572	4,900,105	1,716,231
Cancellations during the year	(405,874)	(6,776,198)	(4,110,769)	(11,178,576)
Shares converted during the year	-	(14,427)	3,311,781	9,003,490
Closing shares in issue	2,203,467	12,590,409	22,592,918	70,062,121
	Class S income	Class A Euro accumulation	Class A Euro income	Class A US Dollar accumulation
Opening number of shares	754,946	120,813	2,389,984	600
Issues during the year	74,272	-	-	-
Cancellations during the year	(99,466)	(105,433)	(1,804,797)	-
Shares converted during the year	-	-	-	-
Closing shares in issue	729,752	15,380	585,187	600
	Class A US Dollar income	Class I Euro accumulation	Class I US Dollar income	
Opening number of shares	53,189	1,000	72,774	
Issues during the year	-	-	1,672	
Cancellations during the year	(32,469)	(1,000)	-	
Shares converted during the year	-	-	-	
Closing shares in issue	20,720	-	74,446	

14 Financial derivatives

The fund may use derivatives to reduce risk, to manage the fund more efficiently, or to generate additional income for the fund.

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

There was no collateral pledged or collateral held in respect of derivatives as at 31 August 2023.

2023

The fund had no exposure to derivatives as at 31 August 2023.

2022

The fund had no exposure to derivatives as at 31 August 2022.

Notes to the financial statements (continued)

15 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with JPMorgan Chase Bank, National Association (London branch) acting as the stock lending agent in order to generate additional revenue.

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

Eligible collateral types for stock lending and borrowing transactions are approved by the Investment Manager and may consist of (i) cash, (ii) securities issued or guaranteed by an EU Member State, a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope or by Hong Kong or Singapore, generally subject to a minimum long term credit rating of at least A- by one or more major rating agency or (iii) equities. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102% to 110% of the value of the stock on loan.

2023 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of America	4,630	4,966	Government Bond
HSBC	17,235	18,153	Equity / Government Bond
Morgan Stanley	-	1,217	Government Bond
UBS	3,999	4,372	Government Bond
	25,864	28,708	

Recipient	Relationship	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000
JPMorgan Chase	Stock lending agent	199	16	183

2022 Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of America	12,454	13,595	Government Bond
Citigroup	2,011	2,185	Equity / Government Bond
Credit Suisse	86	99	Equity / Government Bond
Morgan Stanley	9,461	10,147	Government Bond
UBS	5,926	6,688	Equity / Government Bond
	29,938	32,714	

Notes to the financial statements (continued)

15 Stock lending (continued)

2022 (continued)

Recipient	Relationship	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000
JPMorgan Chase	Stock lending agent	140	11	129

16 Risk

Currency risk

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

	Investment assets £000	Other net assets/ (liabilities) £000	Total net assets £000
2023			
Currency			
Australian dollar	7,419	-	7,419
Canadian dollar	9,104	-	9,104
Danish krone	15,454	212	15,666
Euro	210,892	1,725	212,617
Hong Kong dollar	18,644	-	18,644
Japanese yen	10,226	-	10,226
Korean won	12,878	-	12,878
Swedish krona	14,852	-	14,852
Swiss franc	70,598	-	70,598
Taiwan dollar	6,639	-	6,639
UK sterling	55,345	(169)	55,176
US dollar	224,118	956	225,074
Total	656,169	2,724	658,893
2022			
Currency			
Australian dollar	7,925	-	7,925
Canadian dollar	19,530	83	19,613
Danish krone	18,608	194	18,802
Euro	192,677	1,671	194,348
Hong Kong dollar	19,289	-	19,289
Israeli shekel	-	212	212
Japanese yen	8,195	-	8,195
Korean won	13,987	-	13,987
Swedish krona	21,774	30	21,804
Swiss franc	68,281	-	68,281
Taiwan dollar	4,162	-	4,162
UK sterling	60,400	10,750	71,150
US dollar	254,543	1,100	255,643
Total	689,371	14,040	703,411

Sensitivity analysis

The net foreign currency assets held by the fund at the year end were £603,713,844 (2022: £632,261,302). A 10% increase/(decrease) in the foreign exchange rates applied to the fund's net foreign currency assets would have the effect of increasing/(decreasing) the return for the accounting year and the year end net assets by £60,371,384 (2022: £63,226,130).

Notes to the financial statements (continued)

16 Risk (continued)

Interest rate risk

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

Other market price risk

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

Leverage

The fund has not employed significant leverage in the current or prior year.

Liquidity risk

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

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2023				
Bank overdrafts	4,911	-	-	-
Distribution payable	-	3,745	-	-
Other creditors	-	4,823	-	-
Total	4,911	8,568	-	-
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2022				
Distribution payable	-	3,664	-	-
Other creditors	-	1,959	-	-
Total	-	5,623	-	-

17 Fair value disclosure

Fair value measurement

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

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

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

Level 1

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

Level 2

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

Level 3

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

Notes to the financial statements (continued)

17 Fair value disclosure (continued)

Fair value hierarchy

	2023		2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	656,169	-	689,371	-
Level 2	-	-	-	-
Level 3	-	-	-	-
	<u>656,169</u>	<u>-</u>	<u>689,371</u>	<u>-</u>

18 Direct transaction costs

	Purchases		Sales	
	2023 £000	2022 £000	2023 £000	2022 £000
Trades in the year				
Equities	118,261	142,604	162,399	163,709
Trades in the year before transaction costs	<u>118,261</u>	<u>142,604</u>	<u>162,399</u>	<u>163,709</u>
Transaction costs				
Commissions				
Equities	88	44	51	49
Total commissions	<u>88</u>	<u>44</u>	<u>51</u>	<u>49</u>
Taxes				
Equities	48	97	-	23
Total taxes	<u>48</u>	<u>97</u>	<u>-</u>	<u>23</u>
Other expenses				
Equities	31	35	1	1
Total other expenses	<u>31</u>	<u>35</u>	<u>1</u>	<u>1</u>
Total transaction costs	<u>167</u>	<u>176</u>	<u>52</u>	<u>73</u>
Total net trades in the year after transaction costs	<u>118,428</u>	<u>142,780</u>	<u>162,347</u>	<u>163,636</u>

	Purchases		Sales	
	2023 %	2022 %	2023 %	2022 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.07	0.03	0.03	0.03
Taxes				
Equities	0.04	0.07	-	0.01
Other expenses				
Equities	0.03	0.02	-	-
	<u>2023 %</u>	<u>2022 %</u>		
Total transaction costs expressed as a percentage of net asset value				
Commissions	0.02	0.01		
Taxes	0.01	0.02		
Other expenses	-	-		
Total costs	<u>0.03</u>	<u>0.03</u>		

Notes to the financial statements (continued)

18 Direct transaction costs (continued)

There were no in specie transfers during the year (2022: nil). There were corporate actions during the year of £78,580 (2022: £123,342).

There were no direct transaction costs associated with derivatives in the year (2022: nil).

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

The portfolio dealing spread as at 31 August 2023 was 0.05% (2022: 0.06%). The portfolio dealing spread is calculated at a 12 noon valuation point.

19 Events after the Balance sheet date

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

Distribution tables for the year ended 31 August 2023 (in pence per share)

Interim dividend distribution (accounting date 30 November 2022, paid on 31 January 2023)

Group 1: shares purchased prior to 1 September 2022

Group 2: shares purchased on or after 1 September 2022

	Distribution per share	Equalisation	Total distribution per share 31/01/23	Total distribution per share 31/01/22
Class A accumulation				
Group 1	2.2424	-	2.2424	2.5828
Group 2	1.1651	1.0773	2.2424	2.5828
Class A income				
Group 1	0.3305	-	0.3305	0.3937
Group 2	0.1656	0.1649	0.3305	0.3937
Class E accumulation				
Group 1	2.2800	-	2.2800	2.6126
Group 2	1.2935	0.9865	2.2800	2.6126
Class E income				
Group 1	0.3361	-	0.3361	0.3983
Group 2	0.1416	0.1945	0.3361	0.3983
Class G accumulation				
Group 1	1.0178	-	1.0178	1.1445
Group 2	1.0178	-	1.0178	1.1445
Class G income				
Group 1	0.8009	-	0.8009	0.9335
Group 2	0.3737	0.4272	0.8009	0.9335
Class I accumulation				
Group 1	1.0865	-	1.0865	1.2254
Group 2	0.4445	0.6420	1.0865	1.2254
Class I income				
Group 1	0.7883	-	0.7883	0.9212
Group 2	0.3273	0.4610	0.7883	0.9212
Class S income				
Group 1	0.8463	-	0.8463	0.9795
Group 2	0.8463	-	0.8463	0.9795
Class A Euro accumulation¹				
Group 1	0.4934	-	0.4934	0.5761
Group 2	0.4934	-	0.4934	0.5761
Class A Euro income¹				
Group 1	0.3608	-	0.3608	0.4355
Group 2	0.3608	-	0.3608	0.4355
Class A US Dollar accumulation²				
Group 1	3.5567	-	3.5567	4.5179
Group 2	3.5567	-	3.5567	4.5179
Class A US Dollar income²				
Group 1	0.2842	-	0.2842	0.3744
Group 2	0.2842	-	0.2842	0.3744

Distribution tables (continued)

Interim dividend distribution (accounting date 30 November 2022, paid on 31 January 2023) (continued)

Group 1: shares purchased prior to 1 September 2022

Group 2: shares purchased on or after 1 September 2022

	Distribution per share	Equalisation	Total distribution per share 31/01/23	Total distribution per share 31/01/22
Class I Euro accumulation¹				
Group 1	0.7610	-	0.7610	0.8733
Group 2	0.7610	-	0.7610	0.8733
Class I US Dollar income²				
Group 1	0.6452	-	0.6452	0.8364
Group 2	0.2658	0.3794	0.6452	0.8364

¹ in Euro cents per share

² in USD cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 28 February 2023, paid on 28 April 2023)

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

	Distribution per share	Equalisation	Total distribution per share 28/04/23	Total distribution per share 29/04/22
Class A accumulation				
Group 1	2.2693	-	2.2693	1.6062
Group 2	0.7336	1.5357	2.2693	1.6062
Class A income				
Group 1	0.3329	-	0.3329	0.2435
Group 2	0.1184	0.2145	0.3329	0.2435
Class E accumulation				
Group 1	2.3112	-	2.3112	1.6276
Group 2	0.8794	1.4318	2.3112	1.6276
Class E income				
Group 1	0.3389	-	0.3389	0.2467
Group 2	0.1350	0.2039	0.3389	0.2467
Class G accumulation				
Group 1	1.0350	-	1.0350	0.7480
Group 2	1.0103	0.0247	1.0350	0.7480
Class G income				
Group 1	0.8101	-	0.8101	0.6061
Group 2	0.3912	0.4189	0.8101	0.6061
Class I accumulation				
Group 1	1.1046	-	1.1046	0.7954
Group 2	0.3954	0.7092	1.1046	0.7954
Class I income				
Group 1	0.7969	-	0.7969	0.5941
Group 2	0.3128	0.4841	0.7969	0.5941
Class S income				
Group 1	0.8574	-	0.8574	0.6372
Group 2	0.2917	0.5657	0.8574	0.6372
Class A Euro accumulation¹				
Group 1	0.4932	-	0.4932	0.3681
Group 2	0.4932	-	0.4932	0.3681
Class A Euro income¹				
Group 1	0.3589	-	0.3589	0.2765
Group 2	0.3589	-	0.3589	0.2765
Class A US Dollar accumulation²				
Group 1	3.6803	-	3.6803	2.8891
Group 2	3.6803	-	3.6803	2.8891
Class A US Dollar income²				
Group 1	0.2909	-	0.2909	0.2377
Group 2	0.1149	0.1760	0.2909	0.2377

Distribution tables (continued)

Interim dividend distribution (accounting date 28 February 2023, paid on 28 April 2023) (continued)

Group 1: shares purchased prior to 1 December 2022

Group 2: shares purchased on or after 1 December 2022

	Distribution per share	Equalisation	Total distribution per share 28/04/23	Total distribution per share 29/04/22
Class I Euro accumulation¹				
Group 1	0.7728	-	0.7728	0.5889
Group 2	0.7728	-	0.7728	0.5889
Class I US Dollar income²				
Group 1	0.6631	-	0.6631	0.5469
Group 2	0.2634	0.3997	0.6631	0.5469

¹ in Euro cents per share

² in USD cents per share

Distribution tables (continued)

Interim dividend distribution (accounting date 31 May 2023, paid on 31 July 2023)

Group 1: shares purchased prior to 1 March 2023

Group 2: shares purchased on or after 1 March 2023

	Distribution per share	Equalisation	Total distribution per share 31/07/23	Total distribution per share 29/07/22
Class A accumulation				
Group 1	7.2279	-	7.2279	7.3784
Group 2	4.4041	2.8238	7.2279	7.3784
Class A income				
Group 1	1.0548	-	1.0548	1.1139
Group 2	0.5635	0.4913	1.0548	1.1139
Class E accumulation				
Group 1	7.3680	-	7.3680	7.4831
Group 2	4.6527	2.7153	7.3680	7.4831
Class E income				
Group 1	1.0753	-	1.0753	1.1296
Group 2	0.5189	0.5564	1.0753	1.1296
Class G accumulation				
Group 1	3.1045	-	3.1045	3.1281
Group 2	1.1337	1.9708	3.1045	3.1281
Class G income				
Group 1	2.4164	-	2.4164	2.5234
Group 2	1.6103	0.8061	2.4164	2.5234
Class I accumulation				
Group 1	3.3409	-	3.3409	3.3711
Group 2	1.2499	2.0910	3.3409	3.3711
Class I income				
Group 1	2.3981	-	2.3981	2.5071
Group 2	1.2048	1.1933	2.3981	2.5071
Class S income				
Group 1	2.5621	-	2.5621	2.6573
Group 2	0.3731	2.1890	2.5621	2.6573
Class A Euro accumulation¹				
Group 1	1.5794	-	1.5794	1.6308
Group 2	1.5794	-	1.5794	1.6308
Class A Euro income¹				
Group 1	1.1426	-	1.1426	1.2204
Group 2	1.1426	-	1.1426	1.2204
Class A US Dollar accumulation²				
Group 1	11.7472	-	11.7472	12.1259
Group 2	11.7472	-	11.7472	12.1259
Class A US Dollar income²				
Group 1	0.9269	-	0.9269	0.9952
Group 2	0.9269	-	0.9269	0.9952

Distribution tables (continued)

Interim dividend distribution (accounting date 31 May 2023, paid on 31 July 2023) (continued)

Group 1: shares purchased prior to 1 March 2023

Group 2: shares purchased on or after 1 March 2023

	Distribution per share	Equalisation	Total distribution per share 31/07/23	Total distribution per share 29/07/22
Class I Euro accumulation^{1,3}				
Group 1	n/a	n/a	n/a	2.3458
Group 2	n/a	n/a	n/a	2.3458
Class I US Dollar income²				
Group 1	2.0412	-	2.0412	2.1699
Group 2	1.1482	0.8930	2.0412	2.1699

¹ in Euro cents per share

² in USD cents per share

³ Class I Euro accumulation closed on 18 May 2023.

Distribution tables (continued)

Final dividend distribution (accounting date 31 August 2023, paid on 31 October 2023)

Group 1: shares purchased prior to 1 June 2023

Group 2: shares purchased on or after 1 June 2023

	Distribution per share	Equalisation	Total distribution per share 31/10/23	Total distribution per share 31/10/22
Class A accumulation				
Group 1	3.4317	-	3.4317	2.9795
Group 2	1.5190	1.9127	3.4317	2.9795
Class A income				
Group 1	0.4932	-	0.4932	0.4426
Group 2	0.1939	0.2993	0.4932	0.4426
Class E accumulation				
Group 1	3.5025	-	3.5025	3.0259
Group 2	1.9920	1.5105	3.5025	3.0259
Class E income				
Group 1	0.5034	-	0.5034	0.4495
Group 2	0.2094	0.2940	0.5034	0.4495
Class G accumulation				
Group 1	1.5269	-	1.5269	1.3201
Group 2	1.0483	0.4786	1.5269	1.3201
Class G income				
Group 1	1.1697	-	1.1697	1.0474
Group 2	0.7777	0.3920	1.1697	1.0474
Class I accumulation				
Group 1	1.6351	-	1.6351	1.4139
Group 2	1.0751	0.5600	1.6351	1.4139
Class I income				
Group 1	1.1552	-	1.1552	1.0342
Group 2	0.4861	0.6691	1.1552	1.0342
Class S income				
Group 1	1.2423	-	1.2423	1.1049
Group 2	0.0797	1.1626	1.2423	1.1049
Class A Euro accumulation¹				
Group 1	0.7557	-	0.7557	0.6533
Group 2	0.7557	-	0.7557	0.6533
Class A Euro income¹				
Group 1	0.5402	-	0.5402	0.4811
Group 2	0.5402	-	0.5402	0.4811
Class A US Dollar accumulation²				
Group 1	5.7611	-	5.7611	4.5883
Group 2	5.7611	-	5.7611	4.5883
Class A US Dollar income²				
Group 1	0.4477	-	0.4477	0.3693
Group 2	0.4477	-	0.4477	0.3693

Distribution tables (continued)

Final dividend distribution (accounting date 31 August 2023, paid on 31 October 2023) (continued)

Group 1: shares purchased prior to 1 June 2023

Group 2: shares purchased on or after 1 June 2023

	Distribution per share	Equalisation	Total distribution per share 31/10/23	Total distribution per share 31/10/22
Class I Euro accumulation^{1,3}				
Group 1	n/a	n/a	n/a	0.9905
Group 2	n/a	n/a	n/a	0.9905
Class I US Dollar income²				
Group 1	1.0057	-	1.0057	0.8266
Group 2	0.4903	0.5154	1.0057	0.8266

¹ in Euro cents per share

² in USD cents per share

³ Class I Euro accumulation closed on 18 May 2023.

Janus Henderson UK Alpha Fund

Authorised Corporate Director's report

Investment Fund Managers

Neil Hermon and Indriatti van Hien

Investment objective and policy

The fund aims to provide capital growth over the long term (5 years or more).

The fund invests at least 80% of its assets in a concentrated portfolio of shares (also known as equities) of companies, of any size, in any industry, in the UK. Companies will be incorporated, headquartered, or deriving significant revenue from, the UK.

The portfolio may be concentrated in terms of its number of holdings and/or the size of its largest holdings.

The fund may also invest in other assets including other shares, bonds (including convertible bonds), preference shares, cash and money market instruments. The Investment Manager may use derivatives (complex financial instruments) to reduce risk or to manage the fund more efficiently.

The fund is actively managed with reference to the FTSE All Share Index, which is broadly representative of the companies in which it may invest, as this can provide a useful comparator for assessing the fund's performance. The Investment Manager has discretion to choose investments for the fund with weightings different to the index or not in the index.

Strategy

The Investment Manager seeks to identify high quality, cash generative growth companies that may be mispriced by the market. The fund focuses on companies that have attractive market positions, healthy balance sheets, and demonstrate robust and growing levels of cash flow. Close attention is also paid to management's ability and willingness to invest capital in a sensible and consistent manner. The fund invests in small, medium and large companies with the flexibility to have a significant bias towards medium or smaller-sized companies.

Performance summary

Cumulative performance

	One year 31 Aug 22 - 31 Aug 23	Three years 31 Aug 20 - 31 Aug 23	Five years 31 Aug 18 - 31 Aug 23	Since inception 9 Nov 01 - 31 Aug 23
	%	%	%	%
Class I accumulation (Net)	(2.4)	7.1	(11.6)	212.2
FTSE All Share Index	5.2	34.9	18.4	247.8
IA UK All Companies Sector	3.9	22.9	8.5	222.7

Discrete performance

	31 Aug 22 - 31 Aug 23	31 Aug 21 - 31 Aug 22	31 Aug 20 - 31 Aug 21	31 Aug 19 - 31 Aug 20	31 Aug 18 - 31 Aug 19
	%	%	%	%	%
Class I accumulation (Net)	(2.4)	(25.0)	46.3	(8.6)	(9.6)
FTSE All Share Index	5.2	1.0	26.9	(12.6)	0.4
IA UK All Companies Sector	3.9	(10.5)	32.1	(8.8)	(3.1)

Source: Morningstar

Class I accumulation (Net), NAV to NAV, net of fees and net income reinvested as at 12 noon valuation point.

Benchmark values are as at close of business.

Class I accumulation is disclosed as it is the representative share class.

Authorised Corporate Director's report (continued)

Performance summary (continued)

Benchmark usage:

Index: FTSE All Share Index

Index usage: Comparator

Index description: The FTSE All Share Index is a measure of the combined performance of a large number of the companies listed on the London Stock Exchange and includes large, medium and smaller companies. It provides a useful comparison against which the fund's performance can be assessed over time.

Peer group: IA UK All Companies Sector

Peer group usage: Comparator

Peer group description: The Investment Association (IA) groups funds with similar geographic and/or investment remit into sectors. The fund's ranking within the sector (as calculated by a number of data providers) can be a useful performance comparison against other funds with similar aims.

Past performance does not predict future returns. The value of an investment and the revenue from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Significant portfolio changes for the year ended 31 August 2023

Largest purchases	£000	Largest sales	£000
HSBC	6,738	Euromoney Institutional Investor	7,687
Spirent Communications	3,248	TI Fluid Systems	3,220
Hays	2,512	Oxford Instruments	3,153
Clarkson	1,517	Melrose Industries	2,671
JTC	1,376	Savills	2,582
RS	1,152	IntegraFin	2,107
Future	1,101	Dechra Pharmaceuticals	2,106
Serco	1,028	Rentokil Initial	1,667
RELX	978	Bytes Technology	1,175
Ergomed	834	Paragon Banking	1,160
Total purchases	27,844	Total sales	42,774

Investment review

The fund fell 2.4% based on Class I accumulation (Net) over the year under review, compared with a return of 5.2% in the FTSE All Share Index and a return of 3.9% in the IA UK All Companies Sector peer group benchmark.

UK equity markets posted positive returns during the reporting year. In the UK, the short-lived government of Liz Truss caused turmoil in the UK bond market and was soon replaced by the government of Rishi Sunak. Even though core inflation rates have fallen and tackling inflation has been a key policy priority for the government, UK inflation has remained stubbornly high versus expectations. Consequently, the BoE increased base rates to 5.25% during the year. In the US, the collapse of Silicon Valley Bank and various other regional banks was successfully contained by the Fed. Technology stocks led the rally in US equities, where excitement about developments in AI caused share prices to surge. Elsewhere, China reopened its economy from COVID-19 lockdowns, although its recovery has underwhelmed, spurring the government to introduce stimulus packages. Bond yields rose, while oil and commodity prices fell, which reflected the weaker global economic outlook. Sterling appreciated against the US dollar. Large-cap stocks materially outperformed mid-cap shares.

The biggest contributors to the fund's performance included Vesuvius, Mitchells & Butlers and Oxford Instruments. Shares in Vesuvius, a specialist molten metal engineer and supplier of parts to the steel industry, rallied following a series of earnings upgrades that were driven by both improving end markets off a low base and cost cutting. Shares in Mitchells & Butlers, a UK pub and restaurant operator, increased as a result of robust top-line demand and falling energy costs. Shares in Oxford Instruments, an advanced instrumentation manufacturer, rose strongly following a series of profit upgrades and consistently strong order book growth that was driven by robust end market demand across compound semiconductors, life sciences and quantum technologies.

The biggest detractors included OSB, Restore and Watches of Switzerland. Shares in OSB, a UK challenger bank, suffered following behavioural changes in customer groups. This led to a reduction in product life, write-downs to net asset value, a hit to common equity tier 1 capital (a metric for assessing a bank's solvency and evaluating the robustness of its capital position) that has dampened the outlook for capital returns to investors. Shares in Restore, a records management and business services provider, fell after a series of downgrades related to slower information technology recycling activity and falling paper prices, which resulted in the departure of its CEO. We took the view that the business had a strong, cash generative core in its records management business and supported the management changes. Despite profits that were in line with expectations throughout the year, shares in Watches of Switzerland, a retailer of luxury watches and jewellery, suffered after its largest supplier, Rolex, agreed to purchase its main competitor, Bucherer. The move could be seen as a watershed moment in the industry, as it marked Rolex's entry into direct distribution. However, Rolex has insisted that the deal was not a strategic move into retail. There have been no changes to Watches of Switzerland's earnings forecasts, although investors remained understandably nervous about the implications. In a show of confidence, there have been material share purchases by the chief financial officer and other board members.

During the year, we initiated positions in Ergomed and Hays and sold the holding in TI Fluid Systems. Ergomed provides specialised services to the pharmaceuticals industry as both a clinical research outsourcer and provider of pharmacovigilance services. We appreciated its exposure to growth in research and development spending for oncology and rare diseases as well as increased regulation of the pharmaceuticals industry. The company has a solid history of both organic and inorganic growth, has generated strong returns and has a net cash balance sheet. Concerns about slowing industry research and development spending weighed on the share price and we used the pullback to open the position. Hays, a global recruitment specialist, has a dominant market position in its key UK, Australian and German markets, and has a strong net cash balance sheet. We liked its prudently set forecasts, while we believed the shares were trading at an opportunistically low valuation for this point in the cycle. We disposed of the position in TI Fluid Systems on concerns about global light vehicle production volumes in China and further cost headwinds.

Businesses, consumers, governments and investors are entering a period of adjustment following a year of an unprecedented pace of monetary tightening. While core inflation has peaked globally, we expect central bankers to remain hawkish, primarily because they have to be right up until the moment they do not. Tighter financial conditions in conjunction with dampened 'animal spirits' have led to continued downgrades in global growth forecasts. The view that the UK and Europe are entering an economic recession is now consensual.

While we expect macroeconomic news to remain gloomy, from a micro perspective, both corporates and consumers should be better able to weather the storm as they enter this downturn with much healthier balance sheet positions than they did last time. Finally, with equity market valuations sitting at the lower end of their historical ranges, we continue to see good long-term opportunities in the UK equity market.

Comparative tables for the year ended 31 August 2023

	Class A accumulation		
	2023	2022	2021
	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share			
Opening net asset value per share	136.12	183.14	126.71
Return before operating charges*	(2.52)	(44.29)	59.08
Operating charges	(2.34)	(2.73)	(2.65)
Return after operating charges*	(4.86)	(47.02)	56.43
Distributions on accumulation shares	(2.24)	(1.57)	(0.47)
Retained distributions on accumulation shares	2.24	1.57	0.47
Closing net asset value per share	131.26	136.12	183.14
* after direct transaction costs of:	0.07	0.10	0.06
Performance			
Return after charges	(3.57%)	(25.67%)	44.53%
Other information			
Closing net asset value (£000s)	78,949	116,038	168,849
Closing number of shares	60,145,722	85,244,799	92,196,064
Operating charges	1.73%	1.73%	1.73%
Direct transaction costs	0.05%	0.06%	0.04%
Prices			
Highest share price (pence)	148.20	185.00	183.30
Lowest share price (pence)	119.50	131.50	118.60
	Class C accumulation		
	2023	2022	2021
	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share			
Opening net asset value per share	823.60	1,095.28	749.08
Return before operating charges*	(15.47)	(266.25)	351.33
Operating charges	(4.70)	(5.43)	(5.13)
Return after operating charges*	(20.17)	(271.68)	346.20
Distributions on accumulation shares	(24.62)	(20.85)	(13.74)
Retained distributions on accumulation shares	24.62	20.85	13.74
Closing net asset value per share	803.43	823.60	1,095.28
* after direct transaction costs of:	0.42	0.62	0.34
Performance			
Return after charges	(2.45%)	(24.80%)	46.22%
Other information			
Closing net asset value (£000s)	212	295	424
Closing number of shares	26,355	35,899	38,687
Operating charges	0.57%	0.57%	0.57%
Direct transaction costs	0.05%	0.06%	0.04%
Prices			
Highest share price (pence)	901.40	1,106.00	1,096.00
Lowest share price (pence)	723.80	794.00	701.80

Comparative tables (continued)

	Class E accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	138.29	185.13	127.45
Return before operating charges*	(2.57)	(44.88)	59.58
Operating charges	(1.70)	(1.96)	(1.90)
Return after operating charges*	(4.27)	(46.84)	57.68
Distributions on accumulation shares	(2.91)	(2.41)	(1.27)
Retained distributions on accumulation shares	2.91	2.41	1.27
Closing net asset value per share	134.02	138.29	185.13
* after direct transaction costs of:	0.07	0.10	0.06
Performance			
Return after charges	(3.09%)	(25.30%)	45.26%
Other information			
Closing net asset value (£000s)	103,235	112,490	158,612
Closing number of shares	77,030,601	81,342,178	85,676,314
Operating charges	1.23%	1.23%	1.23%
Direct transaction costs	0.05%	0.06%	0.04%
Prices			
Highest share price (pence)	150.90	187.00	185.30
Lowest share price (pence)	121.40	133.50	119.30
	Class I accumulation		
	2023 (pence per share)	2022 (pence per share)	2021 (pence per share)
Change in net assets per share			
Opening net asset value per share	319.56	426.17	292.28
Return before operating charges*	(5.97)	(103.46)	136.91
Operating charges	(2.73)	(3.15)	(3.02)
Return after operating charges*	(8.70)	(106.61)	133.89
Distributions on accumulation shares	(7.72)	(7.08)	(4.28)
Retained distributions on accumulation shares	7.72	7.08	4.28
Closing net asset value per share	310.86	319.56	426.17
* after direct transaction costs of:	0.16	0.24	0.13
Performance			
Return after charges	(2.72%)	(25.02%)	45.81%
Other information			
Closing net asset value (£000s)	80,213	66,558	95,483
Closing number of shares	25,803,263	20,827,947	22,405,166
Operating charges	0.85%	0.85%	0.85%
Direct transaction costs	0.05%	0.06%	0.04%
Prices			
Highest share price (pence)	349.30	430.50	426.50
Lowest share price (pence)	280.70	308.20	273.80

Comparative tables (continued)

	Class Z accumulation		
	2023	2022	2021
	(pence per share)	(pence per share)	(pence per share)
Change in net assets per share			
Opening net asset value per share	194.35	257.15	174.99
Return before operating charges*	(3.68)	(62.64)	82.31
Operating charges	(0.14)	(0.16)	(0.15)
Return after operating charges*	(3.82)	(62.80)	82.16
Distributions on accumulation shares	(6.33)	(6.35)	(4.49)
Retained distributions on accumulation shares	6.33	6.35	4.49
Closing net asset value per share	190.53	194.35	257.15
* after direct transaction costs of:	0.10	0.15	0.08
Performance			
Return after charges	(1.97%)	(24.42%)	46.95%
Other information			
Closing net asset value (£000s)	83	95	159
Closing number of shares	43,421	48,841	61,819
Operating charges	0.07%	0.07%	0.07%
Direct transaction costs	0.05%	0.06%	0.04%
Prices			
Highest share price (pence)	213.10	259.80	257.40
Lowest share price (pence)	170.90	187.20	164.00

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

Performance values are at close of business on a bid basis, which will differ from those in the Performance summary.

Operating charges

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

Share class launches and closures

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

Ongoing charge figure

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

	2023	2022
	%	%
Class A accumulation	1.73	1.73
Class C accumulation	0.57	0.57
Class E accumulation	1.23	1.23
Class I accumulation	0.85	0.85
Class Z accumulation	0.07	0.07

The OCF is calculated in accordance with guidelines issued by ESMA.

Risk and reward profile

The fund currently has 5 types of share class in issue: A accumulation, C accumulation, E accumulation, I accumulation and Z accumulation.

Each share class has the same risk and reward profile which is as follows:



The share classes appear at 6 out of 7. Share classes in higher categories have shown greater and/or more frequent variations in Net Asset Value in the past five years than those in lower categories. The lowest category does not mean risk free.

The SRRRI is calculated based on historical volatility over a rolling five* year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRRI level. The SRRRI is an indicator and may not accurately reflect future volatility and market conditions.

The value of an investment and any income from it can go up or down. When you sell your shares, they may be worth less than you paid for them.

The rating above is based on the historic volatility of the share classes. Historic data may not be a reliable indication of the future risk profile of the fund. The rating is not guaranteed and may change over time.

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

There has been no change to the risk rating during the year.

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

* Class E accumulation launched on 8 July 2019 and as it does not have a five year history, a synthetic history has been created using the A accumulation share class.

Portfolio statement as at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Equities 98.54% (2022: 97.42%)		
	Australia 0.00% (2022: 0.00%)		
	Energy 0.00% (2022: 0.00%)		
28,370,334	International Petroleum ¹	-	-
	China 0.00% (2022: 1.33%)		
	Consumer Discretionary 0.00% (2022: 1.33%)		
	Ireland 2.65% (2022: 1.71%)		
	Industrials 2.65% (2022: 1.71%)		
153,221	CRH	6,959	2.65
	United Kingdom 95.89% (2022: 93.76%)		
	Basic Materials 5.15% (2022: 5.48%)		
9,421	Hill & Smith	169	0.07
197,811	Rio Tinto	9,638	3.67
1,521,250	Synthomer	974	0.37
182,352	Victrax	2,737	1.04
		13,518	5.15
	Consumer Discretionary 17.35% (2022: 16.55%)		
355,391	Bellway	7,591	2.89
1,476,823	DFS Furniture	1,624	0.62
355,617	Future	2,760	1.05
1,324,886	Mitchells & Butlers	2,923	1.11
1,056,565	Moonpig	1,781	0.68
576,332	RELX	14,852	5.65
761,922	Team17	2,530	0.96
957,896	Trainline	2,226	0.85
1,151,231	Watches of Switzerland	6,700	2.55
1,844,596	Wickes	2,588	0.99
		45,575	17.35
	Consumer Staples 2.63% (2022: 2.18%)		
303,231	Coca-Cola HBC	6,908	2.63
	Energy 9.03% (2022: 8.61%)		
967,141	Harbour Energy	2,418	0.92
883,515	Shell	21,306	8.11
		23,724	9.03
	Financials 23.91% (2022: 20.39%)		
3,060,063	Barclays	4,509	1.72
490,665	Bridgepoint	857	0.32
259,943	Burford Capital	2,828	1.08
1,046,350	Foresight	4,866	1.85
1,110,324	HSBC	6,474	2.46
618,309	Impax Asset Management	3,302	1.26
1,044,881	IntegraFin	2,508	0.95
712,484	Intermediate Capital	9,636	3.67
202,434	JTC	1,410	0.54

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Financials (continued)			
5,227,483	Just	3,936	1.50
1,791,191	OSB	6,112	2.33
1,751,692	Paragon Banking	9,223	3.51
739,107	Prudential	7,141	2.72
3,758	Thomas Murray Network Management ¹	-	-
		<u>62,802</u>	<u>23.91</u>
Health Care 0.47% (2022: 0.86%)			
9,775	Dechra Pharmaceuticals	372	0.14
83,794	Ergomed	875	0.33
		<u>1,247</u>	<u>0.47</u>
Industrials 23.97% (2022: 25.63%)			
2,590,473	Balfour Beatty	8,476	3.23
1,219,628	Chemring	3,525	1.34
51,297	Clarkson	1,387	0.53
633,790	Grafton	5,466	2.08
2,025,144	Hays	2,167	0.82
348,811	Oxford Instruments	7,709	2.93
117,693	Renishaw	4,279	1.63
820,493	Rentokil Initial	4,928	1.88
1,054,678	Restore	1,888	0.72
458,113	RS	3,481	1.32
1,057,841	RWS	2,549	0.97
2,589,211	Serco	3,956	1.51
4,212,226	SigmaRoc	2,308	0.88
422,859	Smart Metering Systems	2,897	1.10
109,978	Spectris	3,657	1.39
974,510	Vesuvius	4,296	1.64
		<u>62,969</u>	<u>23.97</u>
Real Estate 2.47% (2022: 3.33%)			
141,706	Savills	1,290	0.49
282,369	Segro	2,082	0.80
618,600	Workspace REIT	3,106	1.18
		<u>6,478</u>	<u>2.47</u>
Technology 8.97% (2022: 9.60%)			
2,780,000	Ascential	5,577	2.12
274,860	Auction Technology	1,946	0.74
744,813	Bytes Technology	3,612	1.36
1,176,318	GBG	2,673	1.02
4,077,777	Learning Technologies	3,123	1.19
1,061,075	Moneysupermarket.com	2,636	1.01
266,658	Softcat	4,010	1.53
		<u>23,577</u>	<u>8.97</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Telecommunications 1.94% (2022: 1.13%)		
352,862	Gamma Communications	3,783	1.44
834,281	Spirent Communications	1,308	0.50
		<u>5,091</u>	<u>1.94</u>
	United States 0.00% (2022: 0.62%)		
	Financials 0.00% (2022: 0.62%)		
1,116,667	Xshares Income Preference 'A' Shares ¹	-	-
	Industrials 0.00% (2022: 0.00%)		
358	Texfi Industries ¹	-	-
	Investment assets	258,848	98.54
	Other net assets	3,844	1.46
	Total net assets	262,692	100.00

¹ Suspended or delisted securities

All investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

Prior year comparative percentages have changed for some sectors due to reclassification within these sectors.

Statement of total return for the year ended 31 August 2023

	Note	2023		2022	
		£000	£000	£000	£000
Income					
Net capital losses	2		(14,066)		(109,004)
Revenue	3	9,271		9,562	
Expenses	4	<u>(3,684)</u>		<u>(4,778)</u>	
Net revenue before taxation		5,587		4,784	
Taxation	5	<u>-</u>		<u>-</u>	
Net revenue after taxation			5,587		4,784
Total return before distributions			(8,479)		(104,220)
Distributions	6		(5,587)		(4,784)
Change in net assets attributable to shareholders from investment activities			<u>(14,066)</u>		<u>(109,004)</u>

Statement of change in net assets attributable to shareholders for the year ended 31 August 2023

	2023		2022	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		295,476		423,527
Amounts receivable on issue of shares	292		1,065	
Amounts payable on cancellation of shares	<u>(24,597)</u>		<u>(24,896)</u>	
		(24,305)		(23,831)
Change in net assets attributable to shareholders from investment activities		(14,066)		(109,004)
Retained distributions on accumulation shares		5,587		4,784
Closing net assets attributable to shareholders		<u>262,692</u>		<u>295,476</u>

Balance sheet as at 31 August 2023

	Note	2023 £000	2022 £000
Assets:			
Investments		258,848	287,851
Current assets:			
Debtors	7	1,387	3,398
Cash and bank balances	8	3,249	4,913
Total assets		263,484	296,162
Liabilities:			
Creditors:			
Other creditors	9	792	686
Total liabilities		792	686
Net assets attributable to shareholders		262,692	295,476

1 Accounting policies

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

2 Net capital losses

Net capital losses on investments during the year comprise:

	2023	2022
	£000	£000
Non-derivative securities	(14,064)	(109,005)
Other currency gains	1	2
Transaction costs	(3)	(1)
Net capital losses	(14,066)	(109,004)

3 Revenue

	2023	2022
	£000	£000
Bank interest	156	10
Overseas dividends	627	565
UK dividends	6,997	8,786
UK REIT revenue - PID	185	177
UK REIT revenue - non PID	1,306	24
Total revenue	9,271	9,562

4 Expenses

	2023	2022
	£000	£000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual management charge	3,128	4,059
GAC*	524	678
	<u>3,652</u>	<u>4,737</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	23	30
Safe custody fees	9	11
	<u>32</u>	<u>41</u>
Total expenses	3,684	4,778

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £11,051 (2022: £9,956).

Notes to the financial statements (continued)

5 Taxation

a) Analysis of charge in the year

There is no tax charge for the current year (2022: nil).

b) Factors affecting tax charge for year

The tax assessed for each year is different to the standard rate of corporation tax in the UK for funds of authorised OEICs of 20% (2022: 20%). The differences are explained below:

	2023	2022
	£000	£000
Net revenue before taxation	5,587	4,784
Corporation tax at 20% (2022: 20%)	1,117	957
Effects of:		
Overseas dividends	(125)	(113)
UK dividends*	(1,661)	(1,762)
Unused management expenses	669	918
Tax charge for the year (note 5a)	-	-

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

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

c) Deferred tax

There is no provision required for deferred taxation at the Balance sheet date (2022: nil).

d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £20,151,795 (2022: £19,483,233) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

6 Distributions

	2023	2022
	£000	£000
Final accumulation	5,587	4,784
Total distributions	5,587	4,784

Details of the distribution per share are set out in the Distribution table on page 96.

7 Debtors

	2023	2022
	£000	£000
Accrued revenue	1,277	1,370
Amounts receivable for issue of shares	-	2
Sales awaiting settlement	110	2,026
Total debtors	1,387	3,398

8 Cash and bank balances

	2023	2022
	£000	£000
Cash and bank balances	3,249	4,913
Total cash and bank balances	3,249	4,913

Notes to the financial statements (continued)

9 Other creditors

	2023	2022
	£000	£000
Accrued annual management charge	248	305
Accrued Depository's fee	2	2
Accrued other expenses	42	51
Amounts payable for cancellation of shares	500	328
Total other creditors	792	686

10 Contingent liabilities and commitments

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

11 Related party transactions

JHFMUKL as ACD to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the ACD are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to shareholders' and the 'Balance sheet' on pages 88 and 89 and notes 4, 7 and 9 on pages 90 to 92 including all issues and cancellations where the ACD acted as principal.

Transactions with the ACD are as follows:

- All issues and cancellations
- Annual management charge
- GAC

There were no material shareholders at the year end (2022: nil).

12 Shareholders' funds

The fund currently has 5 share classes available: Class A (Retail), Class C (Institutional), Class E (Retail), Class I (Institutional) and Class Z (Institutional). The annual management charge on each share class is as follows:

	2023	2022
	%	%
Class A	1.50	1.50
Class C	0.50	0.50
Class E	1.00	1.00
Class I	0.75	0.75
Class Z ¹	0.00	0.00

¹ Charges for managing Z class shares are levied outside the fund and are agreed between the ACD and investors.

The net asset value of each share class, the net asset value per share and the number of shares in each share class are given in the Comparative tables on pages 80 to 82. The distribution per share class is given in the Distribution table on page 96. All share classes have the same rights on winding up.

Shares reconciliation as at 31 August 2023

	Class A	Class C	Class E
	accumulation	accumulation	accumulation
Opening number of shares	85,244,799	35,899	81,342,178
Issues during the year	99,827	-	103,663
Cancellations during the year	(4,614,868)	(14,156)	(6,150,273)
Shares converted during the year	(20,584,036)	4,612	1,735,033
Closing shares in issue	60,145,722	26,355	77,030,601

Notes to the financial statements (continued)

12 Shareholders' funds (continued)

Shares reconciliation as at 31 August 2023 (continued)

	Class I accumulation	Class Z accumulation
Opening number of shares	20,827,947	48,841
Issues during the year	5,034	-
Cancellations during the year	(3,002,223)	(5,420)
Shares converted during the year	7,972,505	-
Closing shares in issue	25,803,263	43,421

13 Financial derivatives

The fund may use financial derivatives to reduce risk or to manage the fund more efficiently.

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

There was no collateral pledged or collateral held in respect of derivatives as at 31 August 2023 (2022: nil).

2023

The fund had no exposure to derivatives as at 31 August 2023.

2022

The fund had no exposure to derivatives as at 31 August 2022.

14 Stock lending

The fund and the Investment Manager have entered into a stock lending programme with JPMorgan Chase Bank, National Association (London branch) acting as the stock lending agent in order to generate additional revenue.

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

Eligible collateral types for stock lending and borrowing transactions are approved by the Investment Manager and may consist of (i) cash, (ii) securities issued or guaranteed by an EU Member State, a Member State of the OECD or by their local authorities or supranational institutions and organisations with regional, EU and world-wide scope or by Hong Kong or Singapore, generally subject to a minimum long term credit rating of at least A- by one or more major rating agency or (iii) equities. Collateral should be highly liquid and traded on a regulated market. Collateral is subject to a haircut on a sliding scale based on the combination of the underlying instrument being lent versus the asset being received as collateral. The value of collateral required will range from 102% to 110% of the value of the stock on loan.

2023

The fund had no stock on loan as at 31 August 2023 and no stock lending revenue received in the year to 31 August 2023.

2022

The fund had no stock on loan as at 31 August 2022 and no stock lending revenue received in the year to 31 August 2022.

15 Risk

Currency risk

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

Interest rate risk

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

Leverage

The fund has not employed significant leverage in the current or prior year.

Notes to the financial statements (continued)

15 Risk (continued)

Liquidity risk

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

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2023				
Other creditors	-	792	-	-
Total	-	792	-	-
	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2022				
Other creditors	-	686	-	-
Total	-	686	-	-

16 Fair value disclosure

Fair value measurement

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

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

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

Level 1

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

Level 2

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

Level 3

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

Fair value hierarchy

	2023		2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	258,848	-	287,851	-
Level 2	-	-	-	-
Level 3	-	-	-	-
	258,848	-	287,851	-

Notes to the financial statements (continued)

17 Direct transaction costs

	Purchases		Sales	
	2023	2022	2023	2022
	£000	£000	£000	£000
Trades in the year				
Equities	27,718	43,684	42,791	66,480
Trades in the year before transaction costs	27,718	43,684	42,791	66,480
Transaction costs				
Commissions				
Equities	12	18	17	31
Total commissions	12	18	17	31
Taxes				
Equities	114	181	-	-
Total taxes	114	181	-	-
Other expenses				
Equities	-	-	-	-
Total other expenses	-	-	-	-
Total transaction costs	126	199	17	31
Total net trades in the year after transaction costs	27,844	43,883	42,774	66,449

	Purchases		Sales	
	2023	2022	2023	2022
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.04	0.04	0.04	0.05
Taxes				
Equities	0.41	0.41	-	-
Other expenses				
Equities	-	-	-	-
	2023	2022		
	%	%		

Total transaction costs expressed as a percentage of net asset value

Commissions	0.01	0.01
Taxes	0.04	0.05
Other expenses	-	-
Total costs	0.05	0.06

There were no in specie transfers during the year (2022: nil). There were corporate actions during the year of £4,433 (2022: £3,532,310).

There were no direct transaction costs associated with derivatives in the year (2022: nil).

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

The portfolio dealing spread as at 31 August 2023 was 0.30% (2022: 0.34%). The portfolio dealing spread is calculated at a 12 noon valuation point.

18 Events after the Balance sheet date

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

Distribution table for the year ended 31 August 2023 (in pence per share)

Final dividend distribution (accounting date 31 August 2023, paid on 31 October 2023)

Group 1: shares purchased prior to 1 September 2022

Group 2: shares purchased on or after 1 September 2022

	Distribution per share	Total distribution per share 31/10/23	Total distribution per share 31/10/22
Class A accumulation			
Group 1	2.2363	2.2363	1.5740
Group 2	2.2363	2.2363	1.5740
Class C accumulation			
Group 1	24.6213	24.6213	20.8548
Group 2	24.6213	24.6213	20.8548
Class E accumulation			
Group 1	2.9077	2.9077	2.4053
Group 2	2.9077	2.9077	2.4053
Class I accumulation			
Group 1	7.7214	7.7214	7.0813
Group 2	7.7214	7.7214	7.0813
Class Z accumulation			
Group 1	6.3319	6.3319	6.3476
Group 2	6.3319	6.3319	6.3476

Appendix - additional information (unaudited)

Securities financing transactions

The funds engage in securities financing transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, as amended by the Transparency of Securities Financing Transactions and Reuse (Amendment) (EUR Exit) Regulations 2019, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation (EU) 2015/2365, as amended by the Transparency of Securities Financing Transactions and Reuse (Amendment) (EU Exit) Regulations 2019, the funds' involvement in and exposures related to securities lending for the year ended 31 August 2023 are detailed below.

Global data

The table lists the amount of securities on loan as a proportion of total lendable assets and the fund's AUM as at 31 August 2023:

Fund	Market value of securities on loan £000	% of lendable assets	% of AUM
Janus Henderson Global Equity Income Fund	25,864	3.94	3.93

Concentration data

The following table lists the ten largest collateral issuers by value of collateral received (across all SFTs) for the funds as at 31 August 2023:

Issuer	Market value of collateral received £000
UK Treasury	16,190
US Treasury	5,876
Government of Japan	5,392
Government of Belgium	614
Government of Germany	332
Republic of Finland	136
Kingdom of Netherlands	106
Government of Austria	55
Government of France	3
Unibail-Rodamco-Westfield	1

The following table details the top ten counterparties of each type of SFTs (based on gross volume of outstanding transactions), for the funds as at 31 August 2023:

Counterparty	Market value of securities on loan £000	Settlement basis
HSBC	17,235	Triparty
Bank of America	4,630	Triparty
UBS	3,999	Triparty
	25,864	

All counterparties have been included.

Appendix - additional information (unaudited) (continued)

Securities financing transactions (continued)

Aggregate transaction data

The following table provides an analysis of the collateral received by the funds in respect of each type of SFTs as at 31 August 2023:

Counterparty	Counterparty country of origin	Type	Quality	Collateral currency	Settlement basis	Custodian	Market value of collateral received £000
Bank of America	United States	Government Bond	Investment grade	JPY	Triparty	JPMorgan Chase	4,966
HSBC	United Kingdom	Equity	Main market listing	EUR	Triparty	JPMorgan Chase	2
HSBC	United Kingdom	Equity	Main market listing	GBP	Triparty	JPMorgan Chase	1
HSBC	United Kingdom	Equity	Main market listing	USD	Triparty	JPMorgan Chase	1
HSBC	United Kingdom	Government Bond	Investment grade	GBP	Triparty	JPMorgan Chase	15,210
HSBC	United Kingdom	Government Bond	Investment grade	USD	Triparty	JPMorgan Chase	2,939
Morgan Stanley	United States	Government Bond	Investment grade	JPY	Triparty	JPMorgan Chase	426
Morgan Stanley	United States	Government Bond	Investment grade	USD	Triparty	JPMorgan Chase	791
UBS	Switzerland	Government Bond	Investment grade	EUR	Triparty	JPMorgan Chase	1,246
UBS	Switzerland	Government Bond	Investment grade	GBP	Triparty	JPMorgan Chase	980
UBS	Switzerland	Government Bond	Investment grade	USD	Triparty	JPMorgan Chase	2,146
							28,708

All collateral is held in segregated accounts.

The lending and collateral transactions are on an open basis and can be recalled on demand.

Re-use of collateral

Cash collateral may be reinvested during the loan transaction to generate additional returns for the benefit of the funds, however there was no collateral reinvested during the year.

Return and cost on securities lending activities

The following table details the funds' return and costs for each type of SFTs for the year ended 31 August 2023:

Fund	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000	% return retained by the securities lending agent	% return retained by the fund
Janus Henderson European Growth Fund*	-	-	-	8	92
Janus Henderson Global Equity Income Fund	199	16	183	8	92

* Due to rounding to the nearest thousand, stock lending commission is below the minimum reporting threshold.

Appendix - additional information (unaudited) (continued)

Remuneration policy

Following the implementation of the UK UCITS V in the UK from 18 March 2016, all authorised UK UCITS Management Companies are required to comply with the UK UCITS Remuneration Code (SYC 19E). Under the Code, the Compensation Committee of Janus Henderson Group plc in its oversight of JHFMUKL must make relevant remuneration disclosures.

The disclosures must split remuneration between fixed and variable remuneration and must break down remuneration for categories of UK UCITS Code Staff (defined as all staff whose professional activities have a material impact on the risk profiles of the fund it manages). The Janus Henderson Group plc Compensation Committee approves the list of UK UCITS Code Staff annually. In addition, identified UK UCITS Code Staff are notified of their status and the associated implications annually.

Janus Henderson Investment Fund OEIC is managed by JHFMUKL which is a subsidiary of Janus Henderson Group plc.

The Compensation Committee of Janus Henderson Group plc has established a Remuneration policy, one of the guiding principles of which is to ensure that the remuneration of its employees is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is consistent with risk profiles, rules or instruments of incorporation of each ACD and the funds they manage. This policy applies to JHFMUKL and Janus Henderson Investment Fund OEIC.

Further information on the Janus Henderson Group plc's Remuneration policy is available in the annual report as at 31 December 2022.

	Headcount (1)	Total Remuneration (£000s) (2,3)
Janus Henderson European Growth Fund	2,131	1,326
of which		
Fixed Remuneration	2,131	686
Variable Remuneration	2,118	640
Janus Henderson European Growth Fund Remuneration Code Staff	44	163
of which		
Senior Management (4)	25	88
Other Code Staff (5)	19	75
Janus Henderson Global Equity Income Fund	2,131	1,230
of which		
Fixed Remuneration	2,131	636
Variable Remuneration	2,118	594
Janus Henderson Global Equity Income Fund Remuneration Code Staff	44	151
of which		
Senior Management (4)	25	82
Other Code Staff (5)	19	69
Janus Henderson UK Alpha Fund	2,131	491
of which		
Fixed Remuneration	2,131	254
Variable Remuneration	2,118	237
Janus Henderson UK Alpha Fund Remuneration Code Staff	44	61
of which		
Senior Management (4)	25	33
Other Code Staff (5)	19	28

1. This is the actual number of employees who are fully or partly involved in the activities of Janus Henderson Investment Fund OEIC - no attempt has been made to apportion the time spent specifically in support of Janus Henderson Investment Fund OEIC, as this data is not captured as part of the Company's normal processes.
2. Please note that due to the employment structure and resourcing of the Janus Henderson Group plc, the staff indicated in this table may provide services to other companies in the Janus Henderson Group plc.

Appendix - additional information (unaudited) (continued)

Remuneration policy (continued)

3. The remuneration disclosed is only in respect of the provision of services to Janus Henderson Investment Fund OEIC for the year, rather than the total remuneration for the year – for this purpose, remuneration has been apportioned between the provision of services to Janus Henderson Investment Fund OEIC and to other entities in the Janus Henderson Group plc, in respect of fixed pay and annual/long term incentive bonuses, as follows:
 - where fixed pay is directly attributable to Janus Henderson Investment Fund OEIC (for example, fees for JHFMUKL Board members), 100% of those fees;
 - pro-rated using the average AUM of Janus Henderson Investment Fund OEIC (as a proportion of the aggregate average AUM of Janus Henderson Group plc) as a proxy.
4. Senior Management includes the Janus Henderson Executive Committee and other Group Board members and the Board of JHFMUKL.
5. Other Code Staff includes all JHFMUKL Code Staff.
6. Please note that rounding off of values could lead to a mismatch of individual numbers and their sum.

Further information

Shareholder enquiries

If you have any queries about your fund holding, either contact your professional adviser or telephone us on the number below:

For all enquiries please telephone at local rate: **0800 832 832**

or you can contact us via e-mail at **support@janushenderson.com**

We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.

Important Information

Janus Henderson Investors is the name under which investment products and services are provided by Janus Henderson Investors International Limited (reg. no. 3594615), Janus Henderson Investors UK Limited (reg. no. 906355), Janus Henderson Fund Management UK Limited (reg. no. 2678531), (each registered in England and Wales at 201 Bishopsgate, London EC2M 3AE and regulated by the Financial Conduct Authority) and Janus Henderson Investors Europe S.A. (reg. no. B22848 at 2 Rue de Bitbourg, L-1273, Luxembourg and regulated by the Commission de Surveillance du Secteur Financier).

We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.

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