

# M&G Strategic Corporate Bond Fund

**Interim report and unaudited financial statements  
for the six months ended 28 February 2025**



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# Authorised Corporate Director's Report

The Authorised Corporate Director (ACD) of M&G Strategic Corporate Bond Fund presents its interim report and unaudited financial statements for the six months ended 28 February 2025.

The unaudited financial statements of M&G Strategic Corporate Bond Fund, the Authorised Corporate Director's Reports including the portfolio statement, financial highlights and the unaudited financial statements and notes of the fund are presented in their individual sections of this report as set out in the contents page.

Please note that an explanation of key investment terminology is available on our website at [mandg.com/private-investor/glossary](http://mandg.com/private-investor/glossary). A printed copy of the glossary is available upon request by calling customer services and administration as shown within the 'Investor information' section of this report.

## Company information

This Open-Ended Investment Company (OEIC) is an Investment Company with Variable Capital (ICVC) incorporated under the Open-Ended Investment Companies Regulations 2001. It is authorised and regulated by the Financial Conduct Authority (FCA) under the Financial Services and Markets Act 2000. The Company is a UK UCITS (Undertakings for Collective Investment in Transferable Securities) scheme as defined in the Collective Investment Schemes sourcebook, as issued (and amended) by the FCA.

The Company was authorised on 12 June 2009 and the fund was launched on 1 September 2009.

The Company's principal activity is to carry out business as an OEIC.

A shareholder is not liable for the debts of the Company and will never be liable to make any further payment to the Company after paying the purchase price of the shares.

## Co-fund managers

Richard Woolnough and Ben Lord are employed by M&G FA Limited which is an associate of M&G Securities Limited.

## ACD

M&G Securities Limited  
10 Fenchurch Avenue, London EC3M 5AG, UK  
Telephone: 0800 390 390 (UK only)  
(Authorised and regulated by the Financial Conduct Authority. M&G Securities Limited is a member of the Investment Association and of The Investing and Saving Alliance)

## Directors of the ACD

M Arona\*, N J Brooks, C Dobson (non executive director), S C Ellis\*\* (non executive director), S A Fitzgerald\*\*\*, P R Jelfs, M McGrade (non executive director), L J Mumford

\* Appointed 13 January 2025.

\*\* Appointed 12 March 2025.

\*\*\* Resigned 13 January 2025.

## Investment manager

M&G Investment Management Limited  
10 Fenchurch Avenue, London EC3M 5AG, UK  
(Authorised and regulated by the Financial Conduct Authority)

## Registrar

SS&C Financial Services Europe Ltd  
SS&C House, St. Nicholas Lane, Basildon  
Essex SS15 5FS, UK  
(Authorised and regulated by the Financial Conduct Authority)

## Depositary

NatWest Trustee & Depositary Services Limited  
House A, Floor 0, Gogarburn, 175 Glasgow Road  
Edinburgh EH12 1HQ, UK  
(Authorised and regulated by the Financial Conduct Authority)

## Independent auditor

Ernst & Young LLP  
Atria One, 144 Morrison Street, Edinburgh EH3 8EX, UK

# Authorised Corporate Director's Report

## Annual value assessment

An annual assessment report is available which shows the value provided to investors in each of M&G's UK-based funds. The assessment report evaluates whether M&G's charges are justified in the context of the overall service delivered to its investors. The latest report to 31 March 2024 can be found on our website at [mandg.com/investments/valueassessment](https://mandg.com/investments/valueassessment)

## Climate-related Financial Disclosures (TCFD)

We have produced TCFD reports in compliance with the FCA's rules on climate-related financial disclosures. The TCFD fund reports are designed to help you understand the impact this fund has on the climate and equally how climate change could influence the performance of the fund. The reports will also give you the ability to compare a range of climate metrics with other funds. To understand the governance, strategy and risk management that M&G has in place to manage the risks and opportunities related to climate change, please refer to the M&G Investments Management TCFD report.

These reports are available via the Sustainability Disclosures page on our website at [mandg.com/footer/sustainability-disclosures](https://mandg.com/footer/sustainability-disclosures)

## Important information

The events in Ukraine continue to bring uncertainty. The ACD continues to monitor the associated risks that are posed to the Company.

On 24 September 2024 the Sterling Class 'M' Income share and the Sterling Class 'M' Accumulation share were launched.

From January 2025 the operating charge figure will not include the underlying charges for closed-ended-funds, such as investment trusts and real estate investment trusts. There is no change to what you are currently being charged, this is a presentational change to align with the latest industry guidance issued by the Investment Association.

Please refer to the 'Investment review' section for further details on significant events during the period. Investment reviews may become quickly outdated in relation to ongoing economic and geopolitical events.

## Investor information

The Prospectus, Instrument of Incorporation, Key Investor Information Documents, costs and charges illustration, the latest annual or interim investment report and financial statements as well as a list of purchases and sales are available free of charge on request from the following address. The Instrument of Incorporation can also be inspected at our offices or at the office of the Depositary.

## Customer services and administration for UK clients:

M&G Securities Limited  
PO Box 9039, Chelmsford CM99 2XG, UK

Please remember to quote your name and M&G client reference and sign any written communication to M&G. Failure to provide this will affect your ability to transact with us.

Telephone: 0800 390 390 (UK only)

For security purposes and to improve the quality of our service, we may record and monitor telephone calls. You will require your M&G client reference. Failure to provide this will affect your ability to transact with us.

# Authorised Corporate Director's Report

## Authorised Corporate Director's Responsibilities

The Authorised Corporate Director (ACD) is required to prepare annual and interim reports for the Company. The ACD must ensure that the financial statements contained in this report for the fund, are prepared in accordance with the Investment Association Statement of Recommended Practice for Financial Statements of UK Authorised Funds (SORP) and UK Financial Reporting Standards, and give a true and fair view of the net revenue or expenses and net capital gains or losses for the accounting period, and the financial position at the end of that period.

The ACD is required to keep proper accounting records, and to manage the Company in accordance with the Collective Investment Schemes sourcebook, as issued (and amended) by the FCA, the Instrument of Incorporation and the Prospectus, and to take reasonable steps for the prevention and detection of fraud or other irregularities. Additionally, the ACD is responsible for preparing the financial statements on a going concern basis unless it is appropriate to presume that the Company will not continue in operation.

## Directors' statement

This report has been prepared in accordance with the requirements of the Collective Investment Schemes sourcebook, as issued and amended by the FCA.

M&G Securities Limited  
28 April 2025

# Financial statements and notes

The financial statements for M&G Strategic Corporate Bond Fund comprise the financial statements for the fund and the notes below.

## Notes to the financial statements

### Accounting policies

There are no material events that have been identified that may cast significant doubt on the Company's ability to continue as a going concern for a period of twelve months from the date these financial statements are authorised for issue. The ACD believes that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements. The ACD has made an assessment of the fund's ability to continue as a going concern which is made as at the date of issue of these financial statements and considers liquidity, declines in global capital markets, investor intention, known redemption levels, expense projections and key service provider's operational resilience.

The interim financial statements have been prepared on the same basis as the audited financial statements for the year ended 31 August 2024. They are prepared under the historical cost convention as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017.

# Authorised Corporate Director's Report

For the purposes of these financial statements, the Prospectus dated 14 June 2024 has been used.

## Investment objective

The fund aims to provide a higher total return (the combination of capital growth and income), net of the ongoing charge figure, than the average return of the iBoxx Sterling Corporates GBP Index, over any five-year period.

## Investment policy

At least 70% of the fund is invested, directly or indirectly through derivatives, in investment grade corporate debt securities including investment grade asset-backed securities. These securities can be issued by companies from anywhere in the world, including emerging markets. These securities can be denominated in any currency.

Other investments may include:

- below investment grade and unrated corporate debt securities;
- debt securities issued or guaranteed by governments and their agencies, public authorities, quasi-sovereigns and supranational bodies;
- below investment grade and unrated ABS; and
- other transferable securities, cash, and near cash, directly or via collective investment schemes (including funds managed by M&G).

Investments in asset-backed securities are limited to 20% of the fund.

The fund aims to hedge any non-sterling assets to sterling.

Derivatives may be used for investment purposes, efficient portfolio management and hedging.

## Investment approach

The fund is diversified across a range of investment grade debt securities from a variety of sectors and geographies. The fund's investment approach is based on the principle that returns from corporate bond markets are driven by a combination of macroeconomic, asset class, sector, geographic and stock-level factors. As different factors dominate returns at different stages of the economic cycle, the manager applies a flexible investment approach, changing the blend of duration and credit exposure in the portfolio to weight them appropriately.

The fund manager has the freedom to take a high-conviction approach when selecting credits for the fund. Individual credit selection is carried out with the assistance of an in-house team of credit analysts to complement the fund managers' views.

## Benchmark

iBoxx Sterling Corporates GBP Index

The benchmark is a target which the fund seeks to outperform. The index has been chosen as the fund's benchmark as it best reflects the scope of the fund's investment policy. The benchmark is used solely to measure the fund's performance and does not constrain the fund's portfolio construction.

The fund is actively managed. The fund manager has complete freedom in choosing which investments to buy, hold and sell in the fund.

For each share class the benchmark will be denominated or hedged into the relevant share class currency. The benchmark for each share class will be shown in its respective KIID.

# Authorised Corporate Director's Report

## Risk profile

For details of the risks associated with this fund, please refer to the Prospectus.

The following table shows the risk number associated with the fund and is based on Sterling Class 'A' shares.



### The above number:

- is based on the rate at which the value of the fund has moved up and down in the past and is based on historical data so may not be a reliable indicator of the future risk profile of the fund.
- is not guaranteed and may change over time and the lowest risk number does not mean risk free.
- has not changed during this period.

## Investment review

For the six months ended 28 February 2025

### Performance against objective

Between 1 September 2024 and 28 February 2025 (the period under review), the M&G Strategic Corporate Bond fund delivered positive total returns (the combination of income and growth of capital) across all its sterling share classes, although it underperformed its benchmark, the iBoxx Sterling Corporates GBP Index, which posted 1.9% over the same period.

Over five years, the fund had a positive annualised total return across all its share classes and met its objective of delivering a higher total return (the combination of capital growth and income), net of the ongoing charge figure, than the iBoxx Sterling Corporates GBP Index, which returned -0.2% pa over this period.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

### Performance review

Investment grade corporate bonds delivered positive returns over the review period.

As global inflation continued to ease, central banks initiated their interest rate easing cycle with the European Central Bank leading the way, followed by the US Federal Reserve and Bank of England in subsequent months. Global bond markets benefitted from the rate cuts initially, although the momentum did not sustain through the period due to various political events and concerns in regard to the direction of economic growth and inflation. US Treasuries experienced heightened volatility due to the election and following Trump's victory, the long-term yields spiked on fears that his policies could be inflationary. A 'tax and spend' budget by the new Labour government sparked concerns over growth and inflation and put pressure on UK gilts whereas, on the other hand, European bonds were influenced by political turmoil, especially in France. Conversely, the bond market breathed a sigh of relief when the most recent inflation data in both the UK and US came in softer than expected, implying that pricing pressures were indeed continuing to slow.

Over the review period, investment grade credit outperformed government bonds. Amongst the investment grade corporate bonds, European issuances emerged as the top performer, surpassing their UK and US counterparts.

Against this backdrop, the fund delivered positive returns, but lagged its benchmark. Our duration positioning detracted from relative performance, primarily due to our above-benchmark allocation to GBP duration, although this was partially offset by our above-benchmark allocation to EUR and USD duration (duration is a measure of a bond's sensitivity to changes in interest rates – the longer a bond's duration the more sensitive it is to interest rate movements).

Within credit exposures, asset allocation had a positive impact, however security selection was unfavourable. From an issuer perspective, our exposure to Berkshire Hathaway, French government bonds, Mexican government bonds and KfW (Kreditanstalt fuer



# Authorised Corporate Director's Report

Wiederaufbau) detracted from relative performance. Conversely, top contributors included our positioning in Annington Funding, Aviva, Philip Morris International, Imperial Brands and British American Tobacco (BAT International Finance).

## Investment activities

Throughout the review period, we maintained an above-benchmark (overweight) position in duration. Our activity was subdued initially, and little was added via the primary market as new deals were too expensive to justify our involvement. As we progressed, we increased our duration by buying longer dated (10-20 year) maturity corporate bonds. We sold strongly performing bonds, such as those from UK water companies Severn Trent and Yorkshire Water, following favourable decisions by the UK Water regulator, Ofwat. We also sold Annington Funding capitalising on gains after a tender offer. Additionally, the steepening credit curve allowed for beneficial switches to longer-dated maturities, exemplified by moving from Warnermedia's 2032 bond to its 2062 bond (the yield curve is a graphical representation of the interest rates on debt for a range of maturities). We had to make a few strategic compromises: in order to increase the long-duration position, despite finding limited value in long-dated sterling credit, we purchased some lower-coupon long-dated investment grade bonds in the UK, as well as high-quality proxies such as Apple's 2042 sterling bonds and Microsoft's 2036 dollar bonds.

Credit spreads tightened during the period (these are a measure of the difference between the yield of a corporate bond and a government bond of the same maturity). We refrained from taking additional risks as, in our view, the incremental returns did not justify the potential downsides. However, by the end of the period, the funds were overweight in risk. This was attributable to an increased position in French government bonds and the strategic compromise mentioned above: meeting the desire to increase duration while adhering to guidelines on minimum corporate bond investments. From a sectoral perspective, we concluded the period with an overweight position in

securitisations and consumer goods, while maintaining a below benchmark (underweight) position to banking and insurance.

## Outlook

The overall inflation narrative remains largely unchanged. Although inflation is still above target, it appears to be under control for now. Whereas we acknowledge the ongoing concerns surrounding President Donald Trump's tariff policies and their broader implications for inflation, it is crucial to remember that we are still operating under a restrictive monetary policy regime. Monetary policy works with a lag, taking time to exert its full effects, suggesting that the current economic slowdown is likely to persist in the near term.

In our opinion, the interplay between restrictive monetary policy, lagging economic indicators, and controlled inflationary pressures all point towards a scenario where bonds, and in particular the risk-free element, are likely to perform well.

## Richard Woolnough and Ben Lord

Co-fund managers

Employees of M&G FA Limited which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

# Portfolio statement

## Investments

Holding	as at 28.02.25 £'000	as at 28.02.25 %	as at 31.08.24 %
<b>Equities</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
103,500 Codere SA <sup>a</sup>	0	0.00	
<b>Fixed income</b>	<b>1,106,565</b>	<b>94.81</b>	<b>95.65</b>
<b>Debt securities</b>	<b>1,105,347</b>	<b>94.70</b>	<b>95.75</b>
<b>'AAA' credit rated bonds</b>	<b>136,151</b>	<b>11.66</b>	<b>14.70</b>
£15,407,000 Apple, Inc. 3.05% 31/07/2029	14,644	1.25	
£12,000,000 Apple, Inc. 3.6% 31/07/2042	9,775	0.84	
£10,000,000 Barclays Bank U.K. PLC FRN 5.1197% 13/03/2029	9,999	0.86	
£10,000,000 Commonwealth Bank of Australia FRN 5.5065% 01/11/2028	10,136	0.87	
£10,000,000 European Investment Bank 5% 15/04/2039	10,098	0.87	
€1,604,000 Johnson & Johnson 3.7% 26/02/2055	1,332	0.11	
£10,000,000 Kreditanstalt fuer Wiederaufbau 5% 09/06/2036	10,207	0.87	
£9,000,000 Leeds Building Society FRN 5.0691% 04/04/2029	8,998	0.77	
£5,000,000 Lloyds Bank PLC 6% 08/02/2029	5,263	0.45	
US\$5,000,000 Microsoft Corp. 3.45% 08/08/2036	3,545	0.30	
£5,000,000 National Westminster Bank PLC FRN 5.0552% 28/03/2029	4,994	0.43	
£10,000,000 Nationwide Building Society FRN 5.2040% 24/10/2030	10,036	0.86	
£8,796,000 Permanent Master Issuer PLC FRN 5.1088% 15/07/2073	8,805	0.75	
£14,000,000 Santander U.K. PLC 5.25% 16/02/2029	14,346	1.23	
£14,500,000 Wellcome Trust Finance PLC 4.625% 25/07/2036	13,973	1.20	
<b>'AA' credit rated bonds</b>	<b>230,401</b>	<b>19.74</b>	<b>17.75</b>
£27,000,000 Berkshire Hathaway Finance Corp. 2.375% 19/06/2039	18,769	1.61	
£5,000,000 Berkshire Hathaway Finance Corp. 2.625% 19/06/2059	2,752	0.24	
£12,000,000 BG Energy Capital PLC 5% 04/11/2036	11,711	1.00	
€40,000,000 French Republic Government Bonds OAT 0.75% 25/05/2053	16,357	1.40	
£849,729 Intu Metrocentre FRN 15.7% 04/12/2025	850	0.07	
£5,000,000 Land Securities Capital Markets PLC 2.399% 08/02/2031	4,573	0.39	
£6,000,000 Land Securities Capital Markets PLC 4.75% 18/09/2031	5,941	0.51	
£2,000,000 Land Securities Capital Markets PLC 4.875% 15/09/2034	1,987	0.17	
£3,000,000 Metropolitan Life Global Funding I 0.625% 08/12/2027	2,688	0.23	
£12,500,000 Nestle Capital Corp. 4.75% 22/03/2036	12,056	1.03	
£5,000,000 Nestle Finance International Ltd. 5.125% 07/12/2038	4,906	0.42	
£3,000,000 Pacific Life Global Funding II 5.375% 30/11/2028	3,058	0.26	

# Portfolio statement

## Investments (continued)

Holding	as at 28.02.25 £'000	as at 28.02.25 %	as at 31.08.24 %
<b>Fixed income (continued)</b>			
<b>Debt securities (continued)</b>			
<b>'AA' credit rated bonds (continued)</b>			
€4,700,000 SNCF Reseau 4.125% 22/03/2062	3,786	0.33	
£15,000,000 SNCF Reseau 5.25% 31/01/2035	15,150	1.30	
£35,000,000 U.K. Gilts 0.625% 22/10/2050	13,354	1.14	
£80,000,000 U.K. Gilts 1.25% 31/07/2051	36,299	3.11	
£60,000,000 U.K. Gilts 1.5% 31/07/2053	28,303	2.43	
£15,000,000 U.K. Gilts 4.25% 07/12/2046	13,428	1.15	
£30,000,000 U.K. Gilts 4.75% 22/10/2043	29,150	2.50	
£5,000,000 Walmart, Inc. 5.625% 27/03/2034	5,283	0.45	
<b>'A' credit rated bonds</b>	<b>251,055</b>	<b>21.51</b>	<b>12.71</b>
€1,000,000 Allianz SE Var 2.625% Perpetual	723	0.06	
€4,000,000 Allianz SE Var 4.252% 05/07/2052	3,408	0.29	
£4,000,000 America Movil SAB de CV 4.948% 22/07/2033	3,891	0.33	
£7,000,000 Australia & New Zealand Banking Group Ltd. Var 1.809% 16/09/2031	6,646	0.57	
£7,000,000 Aviva PLC Var 4% 03/06/2055	5,847	0.50	
£800,000 Banco Santander SA 5.125% 25/01/2030	808	0.07	
£1,000,000 Banco Santander SA 5.375% 17/01/2031	1,013	0.09	
£10,000,000 Bank of America Corp. Var 1.667% 02/06/2029	9,046	0.78	
US\$2,500,000 Bank of America Corp. Var 2.572% 20/10/2032	1,710	0.15	
£10,000,000 Barclays PLC Var 6.369% 31/01/2031	10,438	0.89	
£1,000,000 BNP Paribas SA 2% 13/09/2036	693	0.06	
£2,000,000 BNP Paribas SA 2.875% 24/02/2029	1,847	0.16	
£9,000,000 BNP Paribas SA 5.75% 13/06/2032	9,152	0.78	
£5,000,000 BP Capital Markets PLC 5.773% 25/05/2038	5,069	0.43	
£4,500,000 BPCE SA Var 5.375% 22/10/2031	4,487	0.38	
£5,000,000 Comcast Corp. 1.875% 20/02/2036	3,568	0.31	
£5,000,000 Credit Agricole SA Var 6.375% 14/06/2031	5,246	0.45	
£3,000,000 Diageo Finance PLC 2.75% 08/06/2038	2,264	0.19	
£1,865,000 ENW Finance PLC 4.893% 24/11/2032	1,842	0.16	
£5,000,000 Heathrow Funding Ltd. 2.75% 13/10/2031	4,542	0.39	
£15,000,000 Heathrow Funding Ltd. 2.75% 09/08/2051	8,836	0.76	

# Portfolio statement

## Investments (continued)

Holding	as at 28.02.25 £'000	as at 28.02.25 %	as at 31.08.24 %
<b>Fixed income (continued)</b>			
<b>Debt securities (continued)</b>			
<b>'A' credit rated bonds (continued)</b>			
£3,000,000 Heathrow Funding Ltd. 6.45% 10/12/2033	3,191	0.27	
£2,100,000 Housing Finance Corp. Ltd. 5% 30/09/2027	2,064	0.18	
£2,000,000 HSBC Holdings PLC Var 3% 29/05/2030	1,837	0.16	
£7,000,000 International Business Machines Corp. 4.875% 06/02/2038	6,534	0.56	
£2,500,000 JT International Financial Services BV 2.75% 28/09/2033	2,063	0.18	
€5,000,000 JT International Financial Services BV 3.625% 11/04/2034	4,162	0.36	
£5,000,000 Legal & General Group PLC Var 4.5% 01/11/2050	4,761	0.41	
£5,000,000 Legal & General Group PLC Var 5.125% 14/11/2048	4,964	0.43	
£1,750,000 Longstone Finance PLC 4.896% 19/04/2036	1,636	0.14	
£4,000,000 Morgan Stanley Var 5.213% 24/10/2035	3,913	0.34	
£10,000,000 Morgan Stanley Var 5.789% 18/11/2033	10,377	0.89	
£8,000,000 Motability Operations Group PLC 1.5% 20/01/2041	4,487	0.38	
£2,500,000 Motability Operations Group PLC 2.125% 18/01/2042	1,509	0.13	
£1,000,000 Motability Operations Group PLC 2.375% 03/07/2039	674	0.06	
€5,000,000 Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen Var 4.25% 26/05/2044	4,286	0.37	
£9,000,000 National Gas Transmission PLC 1.125% 14/01/2033	6,575	0.56	
£5,000,000 National Gas Transmission PLC 1.375% 07/02/2031	4,049	0.35	
£1,100,000 National Gas Transmission PLC 5.5% 04/02/2034	1,100	0.09	
£2,000,000 National Gas Transmission PLC 5.75% 05/04/2035	2,015	0.17	
£2,000,000 Nationwide Building Society Var 6.178% 07/12/2027	2,042	0.18	
£3,000,000 Nordea Bank Abp Var 1.625% 09/12/2032	2,747	0.24	
£5,000,000 Northern Powergrid Northeast PLC 3.25% 01/04/2052	3,227	0.28	
£3,000,000 Northern Powergrid Yorkshire PLC 2.25% 09/10/2059	1,425	0.12	
£3,000,000 Notting Hill Genesis 3.75% 20/12/2032	2,693	0.23	
€10,000,000 Philip Morris International, Inc. 1.45% 01/08/2039	6,017	0.52	
€12,000,000 Philip Morris International, Inc. 1.875% 06/11/2037	7,976	0.68	
€7,500,000 Philip Morris International, Inc. 2% 09/05/2036	5,299	0.45	
£5,000,000 Places For People Treasury PLC 2.5% 26/01/2036	3,653	0.31	
£5,000,000 Places For People Treasury PLC 5.75% 11/05/2055	4,581	0.39	
£2,620,000 Skipton Building Society Var 6.25% 25/04/2029	2,686	0.23	

# Portfolio statement

## Investments (continued)

Holding	as at 28.02.25 £'000	as at 28.02.25 %	as at 31.08.24 %
<b>Fixed income (continued)</b>			
<b>Debt securities (continued)</b>			
<b>'A' credit rated bonds (continued)</b>			
€5,000,000 Societe Nationale SNCF SACA 0.875% 28/02/2051	2,002	0.17	
£1,800,000 Societe Nationale SNCF SACA 5.875% 29/01/2055	1,835	0.16	
£2,500,000 Society of Lloyd's Var 4.875% 07/02/2047	2,476	0.21	
€6,000,000 TotalEnergies SE Var 2.125% Perpetual	4,291	0.37	
€1,000,000 TotalEnergies SE Var 4.5% Perpetual	835	0.07	
£600,000 Trafford Centre Finance Ltd. FRN 5.3672% 28/07/2038	492	0.04	
£2,000,000 UBS Group AG Var 1.875% 03/11/2029	1,799	0.15	
£5,000,000 UBS Group AG Var 2.25% 09/06/2028	4,711	0.40	
£7,500,000 UBS Group AG Var 7.375% 07/09/2033	8,450	0.72	
£5,000,000 Wells Fargo & Co. 2.125% 24/09/2031	4,214	0.36	
£5,000,000 Wells Fargo & Co. 3.5% 12/09/2029	4,718	0.40	
£12,000,000 Zurich Finance Ireland Designated Activity Co. Var 5.125% 23/11/2052	11,613	1.00	
<b>'BBB' credit rated bonds</b>	<b>481,927</b>	<b>41.29</b>	<b>49.48</b>
€5,000,000 Altria Group, Inc. 3.125% 15/06/2031	4,072	0.35	
£2,000,000 Anglian Water Services Financing PLC 2.75% 26/10/2029	1,793	0.15	
£2,000,000 APA Infrastructure Ltd. 3.125% 18/07/2031	1,757	0.15	
£5,000,000 Aroundtown SA 3% 16/10/2029	4,368	0.37	
US\$2,000,000 Aroundtown SA 5.375% 21/03/2029	1,536	0.13	
£7,500,000 AT&T, Inc. 4.25% 01/06/2043	5,997	0.51	
£5,000,000 AT&T, Inc. 4.375% 14/09/2029	4,882	0.42	
£5,000,000 AT&T, Inc. 4.875% 01/06/2044	4,305	0.37	
£6,043,000 Aviva PLC Var 4.375% 12/09/2049	5,775	0.50	
£2,000,000 Aviva PLC Var 5.125% 04/06/2050	1,952	0.17	
€1,250,000 AXA SA Var 6.375% Perpetual	1,116	0.10	
£3,000,000 Banco Bilbao Vizcaya Argentaria SA Var 3.104% 15/07/2031	2,904	0.25	
£10,000,000 Banco Santander SA Var 2.25% 04/10/2032	9,285	0.80	
US\$1,400,000 Banco Santander SA Var 3.225% 22/11/2032	970	0.08	
£4,500,000 Bank of Ireland Group PLC Var 7.594% 06/12/2032	4,710	0.40	
£2,000,000 Barclays PLC Var 8.407% 14/11/2032	2,141	0.18	
£2,000,000 BAT International Finance PLC 4% 23/11/2055	1,321	0.11	

# Portfolio statement

## Investments (continued)

Holding	as at 28.02.25 £'000	as at 28.02.25 %	as at 31.08.24 %
<b>Fixed income (continued)</b>			
<b>Debt securities (continued)</b>			
<b>'BBB' credit rated bonds (continued)</b>			
€12,500,000 BAT International Finance PLC 4.125% 12/04/2032	10,655	0.91	
£3,000,000 BAT International Finance PLC 6% 24/11/2034	3,055	0.26	
£4,100,000 BPCE SA Var 2.5% 30/11/2032	3,781	0.32	
£7,500,000 British Telecommunications PLC 3.625% 21/11/2047	5,211	0.45	
£9,000,000 British Telecommunications PLC 5.625% 03/12/2041	8,578	0.74	
£5,000,000 British Telecommunications PLC 6.375% 23/06/2037	5,221	0.45	
£3,000,000 BUPA Finance PLC 4.125% 14/06/2035	2,567	0.22	
£3,000,000 BUPA Finance PLC 5% 08/12/2026	2,998	0.26	
£5,000,000 Cadent Finance PLC 2.625% 22/09/2038	3,488	0.30	
£5,000,000 Cadent Finance PLC 2.75% 22/09/2046	3,014	0.26	
£3,000,000 CaixaBank SA Var 3.5% 06/04/2028	2,915	0.25	
£2,500,000 CaixaBank SA Var 6.875% 25/10/2033	2,600	0.22	
£3,000,000 Centrica PLC 7% 19/09/2033	3,304	0.28	
£5,000,000 Channel Link Enterprises Finance PLC Var 3.043% 30/06/2050	4,488	0.38	
£7,000,000 Cooperatieve Rabobank UA 4.625% 23/05/2029	6,857	0.59	
£3,000,000 Coventry Building Society 2% 20/12/2030	2,504	0.21	
£3,500,000 CPUK Finance Ltd. 3.69% 28/02/2047	3,304	0.28	
£2,000,000 Credit Agricole SA Var 1.874% 09/12/2031	1,882	0.16	
£2,261,000 DWR Cymru Financing U.K. PLC 2.375% 31/03/2034	1,662	0.14	
£600,000 E.ON International Finance BV 4.75% 31/01/2034	567	0.05	
£9,000,000 E.ON International Finance BV 5.875% 30/10/2037	9,056	0.78	
£2,000,000 E.ON International Finance BV 6.25% 03/06/2030	2,107	0.18	
£3,000,000 E.ON International Finance BV 6.375% 07/06/2032	3,181	0.27	
US\$600,000 Electricite de France SA 4.5% 04/12/2069	339	0.03	
£4,500,000 Electricite de France SA 5.5% 25/01/2035	4,374	0.38	
£5,000,000 Electricite de France SA 5.5% 17/10/2041	4,568	0.39	
£5,000,000 Electricite de France SA 6.5% 08/11/2064	4,892	0.42	
£6,000,000 Enel SpA 5.75% 22/06/2037	5,964	0.51	
£14,000,000 Engie SA 5% 01/10/2060	11,671	1.00	
£8,000,000 Engie SA 5.75% 28/10/2050	7,641	0.65	

# Portfolio statement

## Investments (continued)

Holding	as at 28.02.25 £'000	as at 28.02.25 %	as at 31.08.24 %
<b>Fixed income (continued)</b>			
<b>Debt securities (continued)</b>			
<b>'BBB' credit rated bonds (continued)</b>			
€356,000 Eni SpA Var 3.375% Perpetual	287	0.02	
£2,000,000 Eversholt Funding PLC 3.529% 07/08/2042	1,561	0.13	
£5,000,000 Gatwick Funding Ltd. 2.875% 05/07/2051	3,006	0.26	
£12,000,000 Gatwick Funding Ltd. 3.125% 28/09/2041	8,807	0.75	
£4,000,000 Gatwick Funding Ltd. 5.5% 04/04/2042	3,830	0.33	
£1,000,000 Gatwick Funding Ltd. 5.75% 23/01/2039	1,001	0.09	
£5,000,000 General Motors Financial Co., Inc. 5.5% 12/01/2030	5,041	0.43	
€1,571,000 Generali 4.083% 16/07/2035	1,321	0.11	
£3,000,000 Goldman Sachs Group, Inc. 6.875% 18/01/2038	3,214	0.28	
£913,000 Great Portland Estates PLC 5.375% 25/09/2031	902	0.08	
£1,532,052 Greene King Finance PLC 4.0643% 15/03/2035	1,433	0.12	
£1,432,579 Greene King Finance PLC 5.318% 15/09/2031	1,423	0.12	
£5,000,000 Hammerson PLC 5.875% 08/10/2036	4,847	0.42	
£8,000,000 HJ Heinz Finance U.K. PLC 6.25% 18/02/2030	8,317	0.71	
£5,000,000 Holcim Sterling Finance Netherlands BV 3% 12/05/2032	4,340	0.37	
£3,000,000 HSBC Holdings PLC 7% 07/04/2038	3,225	0.28	
£3,000,000 HSBC Holdings PLC Var 8.201% 16/11/2034	3,300	0.28	
€4,000,000 Iberdrola International BV Var 2.25% Perpetual	3,117	0.27	
£25,000,000 Imperial Brands Finance PLC 4.875% 07/06/2032	23,883	2.05	
£4,000,000 ING Groep NV Var 6.25% 20/05/2033	4,097	0.35	
£7,000,000 InterContinental Hotels Group PLC 3.375% 08/10/2028	6,618	0.57	
£2,000,000 Intesa Sanpaolo SpA 6.625% 31/05/2033	2,140	0.18	
£4,000,000 La Banque Postale SA Var 5.625% 21/09/2028	4,028	0.35	
£350,000 Lloyds Bank PLC 11.75% Perpetual	564	0.05	
£12,500,000 Lloyds Banking Group PLC Var 2.707% 03/12/2035	10,674	0.91	
£787,000 Lloyds Banking Group PLC Var 7.5% Perpetual	787	0.07	
£1,562,000 Logicor Financing SARL 2.75% 15/01/2030	1,376	0.12	
£10,000,000 Manchester Airport Group Funding PLC 4.75% 31/03/2034	9,653	0.83	
€2,500,000 McDonald's Corp. 4.125% 28/11/2035	2,165	0.19	
£2,000,000 McDonald's Corp. 5.875% 23/04/2032	2,112	0.18	

# Portfolio statement

## Investments (continued)

Holding	as at 28.02.25 £'000	as at 28.02.25 %	as at 31.08.24 %
<b>Fixed income (continued)</b>			
<b>Debt securities (continued)</b>			
<b>'BBB' credit rated bonds (continued)</b>			
£7,000,000 Mexico Government International Bonds 5.625% 19/03/2114	4,886	0.42	
£2,364,930 Mitchells & Butlers Finance PLC FRN 5.4786% 15/12/2033	2,251	0.19	
£7,000,000 National Grid Electricity Distribution West Midlands PLC 5.75% 16/04/2032	7,169	0.61	
£10,000,000 National Grid Electricity Transmission PLC 2% 16/09/2038	6,570	0.56	
£2,500,000 National Grid Electricity Transmission PLC 2% 17/04/2040	1,550	0.13	
£5,000,000 NatWest Group PLC Var 2.105% 28/11/2031	4,760	0.41	
£1,669,000 NatWest Group PLC Var 3.622% 14/08/2030	1,662	0.14	
£2,500,000 NIE Finance PLC 5.875% 01/12/2032	2,589	0.22	
€1,638,000 NN Group NV Var 6.375% Perpetual	1,427	0.12	
£3,000,000 Northern Gas Networks Finance PLC 5.625% 23/03/2040	2,892	0.25	
£1,286,000 Northumbrian Water Finance PLC 5.5% 02/10/2037	1,233	0.11	
£2,500,000 Northumbrian Water Finance PLC 5.625% 29/04/2033	2,474	0.21	
£10,000,000 Pearson Funding PLC 3.75% 04/06/2030	9,433	0.81	
US\$8,000,000 Republic of Italy Government International Bonds 3.875% 06/05/2051	4,362	0.37	
€4,000,000 Romania Government International Bonds 2.75% 14/04/2041	2,103	0.18	
£4,000,000 Santander U.K. Group Holdings PLC Var 2.421% 17/01/2029	3,710	0.32	
£15,000,000 Severn Trent Utilities Finance PLC 2% 02/06/2040	9,218	0.79	
£2,930,000 Southern Gas Networks PLC 1.25% 02/12/2031	2,281	0.20	
£5,000,000 Southern Gas Networks PLC 3.1% 15/09/2036	3,891	0.33	
£2,000,000 SSE PLC 6.25% 27/08/2038	2,088	0.18	
US\$2,000,000 Stora Enso OYJ 7.25% 15/04/2036	1,701	0.15	
£2,000,000 Suez SACA 6.625% 05/10/2043	2,113	0.18	
£1,846,000 Swedbank AB Var 7.272% 15/11/2032	1,935	0.17	
US\$5,000,000 Tesco PLC 6.15% 15/11/2037	4,085	0.35	
£1,746,684 Tesco Property Finance 3 PLC 5.744% 13/04/2040	1,732	0.15	
£4,439,091 Tesco Property Finance 4 PLC 5.8006% 13/10/2040	4,414	0.38	
£4,575,479 Tesco Property Finance 5 PLC 5.6611% 13/10/2041	4,489	0.38	
£7,808,821 Tesco Property Finance 6 PLC 5.4111% 13/07/2044	7,483	0.64	
£5,000,000 United Utilities Water Finance PLC 1.75% 10/02/2038	3,193	0.27	



# Portfolio statement

## Investments (continued)

Holding	as at 28.02.25 £'000	as at 28.02.25 %	as at 31.08.24 %
<b>Fixed income (continued)</b>			
<b>Debt securities (continued)</b>			
<b>'BBB' credit rated bonds (continued)</b>			
£2,500,000 United Utilities Water Finance PLC 1.875% 03/06/2042	1,427	0.12	
£6,000,000 Verizon Communications, Inc. 1.875% 19/09/2030	5,090	0.44	
£5,000,000 Verizon Communications, Inc. 1.875% 03/11/2038	3,221	0.28	
£10,000,000 Verizon Communications, Inc. 4.75% 17/02/2034	9,521	0.82	
£12,000,000 Vodafone Group PLC 3% 12/08/2056	6,750	0.58	
€2,000,000 Warnermedia Holdings, Inc. 4.302% 17/01/2030	1,685	0.14	
US\$2,000,000 Warnermedia Holdings, Inc. 5.391% 15/03/2062	1,214	0.10	
£4,000,000 Wells Fargo & Co. 4.875% 29/11/2035	3,707	0.32	
£4,000,000 Westfield America Management Ltd. 2.625% 30/03/2029	3,614	0.31	
£5,000,000 Whitbread Group PLC 3% 31/05/2031	4,353	0.37	
£1,000,000 WPP Finance 2013 2.875% 14/09/2046	615	0.05	
£9,000,000 WPP Finance 2017 3.75% 19/05/2032	8,120	0.70	
£10,000,000 Yorkshire Water Finance PLC 2.75% 18/04/2041	6,519	0.56	
	<b>5,813</b>	<b>0.50</b>	<b>1.11</b>
<b>'BB' credit rated bonds</b>			
£1,214,000 Intesa Sanpaolo SpA 5.148% 10/06/2030	1,179	0.10	
£2,000,000 Intesa Sanpaolo SpA 8.505% 20/09/2032	2,284	0.20	
£2,000,000 Lloyds Banking Group PLC Var 7.875% Perpetual	2,064	0.18	
£294,421 Marston's Issuer PLC Var 5.9981% 15/10/2027	286	0.02	
	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>'D' credit rated bonds</b>			
€350,000 Lehman Brothers Holdings, Inc. 0% 26/09/2040 <sup>b</sup>	0	0.00	
	<b>1,218</b>	<b>0.11</b>	<b>(0.10)</b>
<b>Debt derivatives</b>			
<b>Interest rate swaps</b>			
€10,000,000 Pay 2.1017% Receive VAR 11/02/2055	230	0.02	
€32,650,000 Pay 2.16% Receive VAR 12/11/2054	487	0.04	
€10,000,000 Pay 2.1617% Receive VAR 13/02/2055	123	0.01	
	<b>378</b>	<b>0.04</b>	<b>(0.10)</b>
<b>Interest rate futures</b>			
(39) CBOT Ultra Long-Term U.S. Treasury Bond Futures Jun 2025	(37)	0.00	
500 Long Gilt Futures Jun 2025	415	0.04	

# Portfolio statement

## Investments (continued)

Holding	as at 28.02.25 £'000	as at 28.02.25 %	as at 31.08.24 %
Currency	1,172	0.10	0.12
<b>Forward currency contracts</b>	<b>1,172</b>	<b>0.10</b>	<b>0.12</b>
€7,411,360 Bought for £6,161,768 (expires 12.03.25)	(40)	0.00	
US\$6,115,323 Bought for £4,915,772 (expires 12.03.25)	(61)	(0.01)	
€(117,540,039) Sold for £97,974,658 (expires 12.03.25)	894	0.08	
€(31,866,914) Sold for £25,680,026 (expires 12.03.25)	379	0.03	
<b>Total portfolio</b>	<b>1,107,737</b>	<b>94.91</b>	<b>95.77</b>
<b>Net other assets/(liabilities)</b>	<b>59,466</b>	<b>5.09</b>	<b>4.23</b>
<b>Net assets attributable to shareholders</b>	<b>1,167,203</b>	<b>100.00</b>	<b>100.00</b>

<sup>a</sup> Suspended/delisted.

<sup>b</sup> Defaulted bond.

# Portfolio statement

## Top ten portfolio transactions for the six months to 28 February 2025

Largest purchases	£'000
U.K. Gilts 1.25% 31/07/2051	41,676
U.K. Gilts 4.75% 22/10/2043	28,989
U.K. Gilts 1.5% 31/07/2053	19,617
U.K. Gilts 4.25% 31/07/2034	19,609
U.K. Gilts 4.25% 07/12/2046	17,851
French Republic Government Bonds OAT 0.75% 25/05/2053	16,787
SNCF Reseau 5.25% 31/01/2035	15,269
European Investment Bank 5% 15/04/2039	14,979
Nestle Capital Corp. 4.75% 22/03/2036	12,084
BG Energy Capital PLC 5% 04/11/2036	11,754
Other purchases	326,386
<b>Total purchases</b>	<b>525,001</b>

Largest sales	£'000
U.K. Gilts 0.625% 22/10/2050	40,767
U.K. Gilts 4% 22/10/2063	39,241
European Investment Bank 4.875% 16/12/2030	25,523
U.K. Gilts 1.75% 22/07/2057	19,634
U.K. Gilts 4.25% 31/07/2034	19,612
U.K. Gilts 0.875% 31/01/2046	18,920
Kreditanstalt fuer Wiederaufbau 4.875% 03/02/2031	15,431
Inter-American Development Bank 4.75% 05/10/2029	15,362
BAT International Finance PLC 4.125% 12/04/2032	10,730
Lloyds Bank PLC 6% 08/02/2029	10,559
Other sales	385,024
<b>Total sales</b>	<b>600,803</b>

Purchases and sales exclude the cost and proceeds of 'AAA' rated money market funds.

# Financial highlights

## Fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

As different share classes have different attributes, for example charging structures and minimum investments, please be aware that their performance may be different.

For additional information, including monthly fund commentaries, fund facts, historic prices, distribution rates, performance information (including a range of performance graphs) and other documents, please visit our website at [mandg.com/investments](http://mandg.com/investments)

## Long-term performance by share class

To give an indication of the performance of the fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. Please refer to 'Comparative tables' for the share class launch dates.

Share class	Six months % <sup>a</sup>	Three years % pa	Five years % pa	Ten years % pa
<b>Sterling</b>				
Class 'A' Income	+0.5	+1.0	+0.6	+1.9
Class 'A' Accumulation	+0.5	+0.9	+0.6	+1.9
Class 'I' Income	+0.7	+1.4	+1.0	+2.3
Class 'I' Accumulation	+0.7	+1.3	+1.0	+2.3
Class 'M' Income	n/a	n/a	n/a	n/a
Class 'M' Accumulation	n/a	n/a	n/a	n/a
Class 'PP' Income	+0.8	+1.5	+1.1	n/a
Class 'PP' Accumulation	+0.8	+1.4	+1.1	n/a
Class 'R' Income	+0.6	+1.1	+0.8	+2.1
Class 'R' Accumulation	+0.6	+1.1	+0.8	+2.1
<b>Benchmark<sup>b</sup></b>	<b>+1.9</b>	<b>+0.1</b>	<b>-0.2</b>	<b>+2.1</b>

<sup>a</sup> Not annualised.

<sup>b</sup> Prior to the 6 March 2023, the benchmark was the IA Sterling Corporate Bond sector. Thereafter it is the iBoxx Sterling Corporates GBP Index.

## Comparative tables

'Operating charges' is calculated as a percentage of average net asset value and represents an annual rate. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current period figures.

# Financial highlights

## Sterling Class 'A' Income shares

The share class was launched on 20 February 2004.

	28.02.25	31.08.24	31.08.23
Closing NAV (£'000)	29,326	31,913	32,589
Number of shares	45,642,514	48,718,071	52,743,680
Closing NAV per share (UK p)	64.25	65.51	61.79
Operating charges (%)	0.83	0.83	0.83

## Sterling Class 'I' Income shares

The share class was launched on 3 August 2012.

	28.02.25	31.08.24	31.08.23
Closing NAV (£'000)	190,762	205,660	225,652
Number of shares	19,688,369	20,861,626	24,364,569
Closing NAV per share (UK p)	968.90	985.83	926.15
Operating charges (%)	0.43	0.43	0.43

## Sterling Class 'M' Income shares

The share class was launched on 24 September 2024.

	28.02.25
Closing NAV (£'000)	61,721
Number of shares	62,911,635
Closing NAV per share (UK p)	98.11
Operating charges (%)	0.23

## Sterling Class 'PP' Income shares

The share class was launched on 5 August 2019.

	28.02.25	31.08.24	31.08.23
Closing NAV (£'000)	65,675	131,797	63,496
Number of shares	75,454,550	148,903,842	76,436,827
Closing NAV per share (UK p)	87.04	88.51	83.07
Operating charges (%)	0.33	0.33	0.33

## Sterling Class 'A' Accumulation shares

The share class was launched on 20 February 2004.

	28.02.25	31.08.24	31.08.23
Closing NAV (£'000)	115,322	120,867	118,366
Number of shares	89,256,782	94,004,543	102,425,444
Closing NAV per share (UK p)	129.20	128.58	115.56
Operating charges (%)	0.83	0.83	0.83

## Sterling Class 'I' Accumulation shares

The share class was launched on 3 August 2012.

	28.02.25	31.08.24	31.08.23
Closing NAV (£'000)	634,495	690,420	635,671
Number of shares	42,899,914	47,001,810	48,340,161
Closing NAV per share (UK p)	1,479.01	1,468.92	1,315.00
Operating charges (%)	0.43	0.43	0.43

## Sterling Class 'M' Accumulation shares

The share class was launched on 24 September 2024.

	28.02.25
Closing NAV (£'000)	59,646
Number of shares	59,553,580
Closing NAV per share (UK p)	100.16
Operating charges (%)	0.23

## Sterling Class 'PP' Accumulation shares

The share class was launched on 8 April 2019.

	28.02.25	31.08.24	31.08.23
Closing NAV (£'000)	2,035	62,187	1,807
Number of shares	1,807,151	55,635,458	1,807,277
Closing NAV per share (UK p)	112.60	111.78	99.96
Operating charges (%)	0.33	0.33	0.33

# Financial highlights

## Sterling Class 'R' Income shares

The share class was launched on 3 August 2012.

	28.02.25	31.08.24	31.08.23
Closing NAV (£'000)	4,629	4,712	4,955
Number of shares	4,880,693	4,876,372	5,444,137
Closing NAV per share (UK p)	94.85	96.63	91.01
Operating charges (%)	0.68	0.68	0.68

## Sterling Class 'R' Accumulation shares

The share class was launched on 3 August 2012.

	28.02.25	31.08.24	31.08.23
Closing NAV (£'000)	3,592	3,875	3,511
Number of shares	2,499,546	2,711,693	2,737,968
Closing NAV per share (UK p)	143.69	142.88	128.23
Operating charges (%)	0.68	0.68	0.68

# Financial statements and notes

## Financial statements

### Statement of total return

for the six months to 28 February and 29 February	2025		2024	
	£'000	£'000	£'000	£'000
<b>Income</b>				
Net capital gains/(losses)		(18,834)		43,998
Revenue	29,360		26,743	
Expenses	(2,779)		(2,618)	
Interest payable and similar charges	(2)		(4)	
Net revenue/(expense) before taxation	26,579		24,121	
Taxation	0		0	
Net revenue/(expense) after taxation		26,579		24,121
<b>Total return before distributions</b>		<b>7,745</b>		<b>68,119</b>
Distributions		(27,352)		(24,840)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(19,607)</b>		<b>43,279</b>

### Statement of change in net assets attributable to shareholders

for the six months to 28 February and 29 February	2025		2024	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>1,251,431</b>		<b>1,086,047</b>
Amounts received on issue of shares	138,972		39,675	
Amounts paid on cancellation of shares	(221,615)		(77,927)	
		(82,643)		(38,252)
Dilution adjustments		0		281
Change in net assets attributable to shareholders from investment activities (see above)		(19,607)		43,279
Retained distributions on Accumulation shares		18,007		17,056
Unclaimed distributions		15		1
<b>Closing net assets attributable to shareholders</b>		<b>1,167,203</b>		<b>1,108,412</b>

The opening net assets attributable to shareholders for 2025 differs to the closing position in 2024 by the change in net assets attributable to shareholders for the second half of the comparative financial year.

# Financial statements and notes

## Financial statements

### Balance sheet

as at	28 February 2025 £'000	31 August 2024 £'000
<b>Assets</b>		
<b>Fixed assets</b>		
Investments	1,107,875	1,199,843
<b>Current assets</b>		
Debtors	25,959	21,834
Cash and bank balances	20,487	15,456
Cash equivalents	27,772	25,133
<b>Total assets</b>	<b>1,182,093</b>	<b>1,262,266</b>
<b>Liabilities</b>		
Investment liabilities	(138)	(1,342)
<b>Creditors</b>		
Bank overdrafts	0	(370)
Overdrawn positions at futures clearing houses and collateral manager	(889)	0
Distribution payable	(4,314)	(4,471)
Other creditors	(9,549)	(4,652)
<b>Total liabilities</b>	<b>(14,890)</b>	<b>(10,835)</b>
<b>Net assets attributable to shareholders</b>	<b>1,167,203</b>	<b>1,251,431</b>



# Financial statements and notes

## Notes to the financial statements

### Accounting policies

The financial statements have been prepared in accordance with the 'Accounting policies' set out on page 4.

### Distribution policy

In determining the amount available for distribution to Income shares, the annual charge is offset against capital, increasing the amount available for distribution whilst restraining capital performance to an equivalent extent.

