



Henderson
GLOBAL INVESTORS



Henderson

Global Care

Funds

Interim report
For the six months ended 30 September 2013

Who are **Henderson Global Investors?**

Established in 1934 to administer the estates of Alexander Henderson, the first Lord Faringdon, Henderson Global Investors (Henderson) is a leading independent global asset management firm. The company provides its institutional, retail and high net-worth clients with access to skilled investment professionals representing a broad range of asset classes, including equities, fixed income, property and private equity. With its principal place of business in London, Henderson is one of Europe's largest investment managers, with £70.8[†] billion assets under management (as at 30 September 2013) and employs around 1,000 people worldwide.

Henderson's principal place of business is in London and the majority of Henderson's investment and operational activities are conducted here. Additional offices are located in Chicago, Hartford, Philadelphia, Edinburgh, Dublin, Paris, Madrid, Zurich, Luxembourg, Amsterdam, Frankfurt, Milan, Vienna, Stockholm, New Delhi, Singapore, Beijing, Hong Kong, Tokyo and Sydney. The main Asia/Pacific operations are conducted out of Singapore and the US operations out of Chicago and Hartford. Equity investment professionals are also located in Edinburgh and Singapore and additional fixed income investment professionals are located in Philadelphia. Distribution is conducted out of the majority of offices world-wide.

Henderson Group plc acquired New Star Asset Management Group PLC in April 2009 and Gartmore Group Limited in April 2011. In 2012 a Funds Management business was established in Australia and in 2013 Henderson expanded its global product offering with the acquisition of Northern Pines and a US credit team.

With investment expertise across every asset class, Henderson's skillful investment managers invest in every major market around the globe. They are supported by a global team of researchers and economists who have a keen understanding of the economic forces driving the security markets and who undertake rigorous sector and theme analysis. Underpinning this process is a comprehensive risk-control framework to ensure that investment views are translated into portfolios managed in line with investors risk and return requirements.

Please remember that past performance is not a guide to future performance. The value of an investment and the income 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.

What do we do?

At Henderson Global Investors we do one thing and we do it really well - investment management. As a company, we are totally focused on this core activity and it underpins everything we do.

We do this by providing a range of investment products and services including:

- Open ended funds - offshore funds, unit trusts, OEICs
- Investment trusts
- Individual Savings Accounts
- Pension fund management
- Management of portfolios for UK and international institutional clients

[†] Source: Henderson Global Investors.

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Authorised Corporate Director's report for the six months ended 30 September 2013

We are pleased to present the Report and Accounts for Henderson Global Care Funds for the period ended 30 September 2013.

Authorised status

Henderson Global Care Funds ("the Company") is an open ended investment company (OEIC) with variable capital authorised, under regulation 12 (Authorisation) of the OEIC regulations, by the Financial Conduct Authority on 14 October 1998. It is a UCITS scheme structured as an umbrella company, comprising various Funds. The Growth and Income Funds were launched on 22 January 1999 and the Institutional Managed Fund was launched on 13 April 2002. Each Fund is operated as a distinct fund with its own portfolio of investments. Each Fund has its own clear investment objective. The investment objective for each Fund and the policy for achieving that objective is given in the 'Investment Objective' section of each Fund's report. The investment activities of each Fund are given in the Investment Manager's Report section of each Fund's report. The portfolio statement of each Fund is given in the "Portfolio statement" section of each Fund's report. The synthetic risk and reward indicator for each Fund is given in the "Synthetic Risk and Reward" section of each Fund's report. Shareholders are not liable for the debts of the company.

Fund liabilities

Each sub-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 sub-Fund.

Advisers

	Name	Address	Regulator
Authorised Corporate Director and Dealing	Henderson Investment Funds Limited which is the sole Director Member of IMA The ultimate holding company is Henderson Group Plc.	Registered Office: 201 Bishopsgate, London EC2M 3AE. Registered in England No 2678531. Telephone - 020 7818 1818 Dealing - 0845 608 8703 Enquiries - 0800 832 832	Authorised and regulated by the Financial Conduct Authority
Investment Manager	Henderson Global Investors Limited The ultimate holding company is Henderson Group Plc.	201 Bishopsgate, London EC2M 3AE	Authorised and regulated by the Financial Conduct Authority
Registrar	International Financial Data Services (UK) Limited	IFDS House St Nicholas House Basildon Essex SS15 5FS	Authorised and regulated by the Financial Conduct Authority
Depository	National Westminster Bank Plc	135 Bishopsgate, London EC2M 3UR	Authorised and regulated by the Financial Conduct Authority
Independent Auditor	PricewaterhouseCoopers LLP	141 Bothwell Street Glasgow G2 7EQ	Institute of Chartered Accountants in England and Wales
Legal Adviser	Eversheds LLP	One Wood Street London EC2V 7WS	The Law Society

Market overview

Equity returns were strong over the review period, with global stocks comfortably outperforming bond markets. Financial markets were supported by aggressive monetary stimulus policies in the US, UK, and especially in Japan, where the new government led by Shinzo Abe introduced economic policies in efforts to address the country's prolonged period of falling prices and stimulate economic growth. There were also signs that economic indicators are improving with reasonable US gross domestic product (GDP) growth, despite headwinds from its planned budget cuts, and evidence of consumer recovery in the UK, aided by housing-friendly government initiatives. Even the eurozone appeared to be stabilising, officially creeping out of recession. But emerging markets began to struggle with China's economy slowing and emerging market domestic currency weakness.

Equity markets were boosted by central bank policies rather than improving economic growth until mid-May, when the US Federal Reserve (Fed) commented on the possibility of withdrawing (tapering) its bond purchase programme, which led to a large scale sell-off in global equity and bond markets. Emerging market debt and equities suffered from significant outflows as investors adjusted trades that were established on the Fed maintaining a loose monetary environment. However, the Fed's surprise decision in September to delay tapering triggered a global market rally in the final weeks of the period.

US stocks posted gains over the period. Generally better-than-expected US economic news reinforced the notion that the planned budget cuts carried little genuine threat to economic growth. In the latter half of the review period, fears of faltering US growth were replaced by worries that the US economy was strong enough to lead the Fed to remove monetary stimulus. But in the final month of the period, the Fed's 'no taper' announcement along with generally solid economic growth and lower inflation helped US stocks to strengthen. Later, this euphoria proved short-lived as uncertainty increased as the US budget negotiations dragged on.

The start of the period saw European equities resume their upward path as worries surrounding the bailout of Cyprus receded. The political stalemate in Italy was also initially resolved with the formation of a new coalition, which caused a sharp rally in peripheral debt markets. Markets were also boosted by improving US data and stronger European consumer confidence, along with better data from peripheral Europe. Equities later sold off on Fed tapering worries but in the third quarter of 2013 investors were cheered by more encouraging economic data from Europe and China. The contraction in Spain's economy slowed, there were early signs of improvement in European labour markets and German manufacturing and consumer sentiment strengthened. While the German elections delivered a decisive vote in favour of Chancellor Merkel, coalition talks were forced to be held with the reluctant Social Democrats party. Similar to other global markets, the Fed's decision to delay the withdrawal of its stimulus programme lifted the markets in September.

The UK equity market strengthened, given the steady improvement in UK economic data. For the first time since the global financial crisis, the Bank of England (BoE) revised up its economic growth prediction and lowered its inflation forecast. New BoE governor Mark Carney outlined the Bank's new forward monetary policy guidance; interest rates would be raised until the unemployment rate has fallen to 7%, subject to the inflation situation and financial stability. Again, UK equities sold off on Fed tapering hints but later rallied on the tapering delay decision.

Asian markets (ex Japan) were weaker over the review year. The Fed's tapering hints alongside evidence of slowing growth and signs of a credit squeeze in China conspired to encourage a broad regional sell-down. Despite much market volatility, Asia Pacific equities performed well in the third quarter of 2013. Improving Chinese macroeconomic data supported the market recovery and market sentiment turned more positive on the realisation that liquidity conditions would continue to remain supportive in the short term as the Fed moderated some of its earlier comments.

Japanese equities posted double-digit gains over the review period. The yen weakened on the announcement by the new Bank of Japan governor to aggressively loosen monetary policy, to the benefit of exporting companies. Prime Minister Abe's much-awaited pronouncement on economic deregulation was short on detail, to the disappointment of the market. September proved to be a strong month, perhaps spurred on by the announcement that Tokyo will host the 2020 Olympics. Additionally, the latest quarterly earnings results indicated that the Japanese corporate sector is well on the road to recovery.

Market overview (continued)

Following a positive first quarter, emerging markets began a trend of underperformance against their developed counterparts. The banking crisis in Cyprus negatively affected most of the markets in Eastern Europe, while policy tightening aiming to cool down the property sector and closer supervision of the banking industry impacted Chinese stocks. In May, the Fed's comments about the potential withdrawal of quantitative easing (QE) and by extension, the raising of long-term interest rates had a particularly negative impact on emerging market equities and debt, which had benefited from inflows of money from developed countries' stimulus policies. Later, an unexpected continuation of US QE and more positive economic news from China and Europe drove emerging market assets higher, but markets sold off at the end of September over US budget negotiation worries.

Core government bond yields rose around the world as the market priced in expectations for earlier interest rate hikes. As a result, those bond markets most sensitive to interest rate expectations (investment grade bonds and government bonds) suffered sharp losses as bond prices fell. This was a response to stronger economic data and more uncertainty about how central banks may respond. The uncertainty around central banks was also felt globally. Attempts to provide forward guidance on interest rates by targeting specific unemployment and inflation levels provided little support to bond markets when the economic data began to improve. In the UK, the Bank of England forecasted that rates would not begin to rise until the end of 2016, whilst the market priced in rate hikes as early as 2014. In contrast, those areas of the bond market that are more sensitive to credit risk (high yield bonds, insurance bonds, etc) performed relatively well.

Aggregated statement of total return for the six months ended 30 September 2013 (unaudited)

	30/09/13		30/09/12	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		25,871		(8,610)
Revenue	7,776		7,516	
Expenses	(2,560)		(1,877)	
Finance costs: Interest	-		(1)	
Net revenue before taxation	5,216		5,638	
Taxation	(371)		(331)	
Net revenue after taxation		4,845		5,307
Total return before distributions		30,716		(3,303)
Finance costs: Distributions		(5,446)		(5,824)
Change in net assets attributable to shareholders from investment activities		25,270		(9,127)

Aggregated statement of change in net assets attributable to shareholders

for the six months ended 30 September 2013 (unaudited)

	30/09/13		30/09/12	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		537,593		466,926
Amounts receivable on issue of shares	17,656		5,995	
Amounts receivable on mergers *	-		79,336	
Amounts payable on cancellation of shares	(37,540)		(32,993)	
		(19,884)		52,338
Stamp duty reserve tax		(32)		(19)
Unclaimed distributions		4		-
Change in net assets attributable to shareholders from investment activities (see above)		25,270		(9,127)
Retained distributions on accumulation shares		3,060		3,666
Closing net assets attributable to shareholders		546,011		513,784

*Details on mergers can be found in the financial statements of each sub fund.

Aggregated balance sheet as at 30 September 2013 (unaudited)

	30/09/13		31/03/13	
	£000	£000	£000	£000
Assets				
Investment assets		537,570		524,254
Debtors	2,526		3,693	
Cash and bank balances	12,246		15,735	
Total other assets		14,772		19,428
Total assets		<u>552,342</u>		<u>543,682</u>
Liabilities				
Creditors	2,434		4,056	
Bank overdrafts	1,501		1,022	
Distribution payable on income shares	2,396		1,011	
Total other liabilities		6,331		6,089
Total liabilities		6,331		6,089
Net assets attributable to shareholders		<u>546,011</u>		<u>537,593</u>

Certification of financial statements by Directors of the ACD

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook, we hereby certify the Investment Report and Financial Statements on behalf of the Directors of Henderson Investment Funds Limited.



Lesley Cairney
(Chief Operating Officer)

14 November 2013

Aggregated notes to the financial statements as at 30 September 2013 (unaudited)

Accounting and Distribution Policies

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association (IMA) in October 2010.

The accounting and distribution policies applied are consistent with those of the financial statements for the year ended 31 March 2013 and are described in those annual accounts.

Henderson Global Care Growth Fund

Authorised Corporate Director's report

Fund Manager

Nick Anderson

Investment objective and policy

To provide long term capital growth and increasing income by investment in a spread of equities, convertibles and fixed interest stocks worldwide. Investment will only be made in those companies whose products and practices are considered by the ACD to enhance the environment and life of the community.

Performance summary

	31 Mar 13- 30 Sep 13	31 Mar 12- 30 Sep 12	31 Mar 11- 30 Sep 11	31 Mar 10- 30 Sep 10	31 Mar 09- 30 Sep 09
	%	%	%	%	%
Henderson Global Care Growth Fund	6.1	(4.2)	(16.1)	(6.4)	27.0
MSCI World Index	2.4	0.6	(13.5)	(4.1)	27.5

Source: Henderson Global Investors - mid to mid with net revenue reinvested, net of fees, GBP.

Figures in brackets are negative.

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

Significant portfolio changes for the six months ended 30 September 2013

Largest purchases	£000	Largest sales	£000
Sirona Dental	5,350	ABB	6,355
Volvo 'B'	4,796	Hunt (J.B.) Transport	5,750
Charles Schwab	4,795	Sirona Dental	5,163
McKesson	4,526	Bank Mandiri	4,445
Unicredit	4,470	Benesse	4,172
Informatica	4,452	Acuity Brands	3,508
Towers Watson & Co	4,335	Microsoft	3,123
Banco Itau Financeira Preference	4,208	Mettler-Toledo	2,621
Visa 'A'	2,980	First Solar	2,326
Ebara	2,826	Davita	1,999
Total purchases	56,339	Total sales	56,782

Fund Manager's commentary

The six-month review period saw developed market equities deliver healthy returns. Help came in no small way from the support of accommodative central bank policies in the US, Europe and, more recently, Japan. In contrast, emerging market equities lagged as expectations of a tapering (reduction) in US quantitative easing and reduced prospects for Chinese growth depressed the outlook for the region.

Over the period, we witnessed significant developments from both a corporate governance and environmental perspective. In Japan, change was not solely restricted to monetary policy, with the ruling Liberal Democrat Party also putting into effect structural reforms. One example of this policy is the improvement of corporate governance at Japanese firms through such measures as encouraging independent, external directors and introducing guidelines similar to those of the UK's Stewardship Code. For a country not historically renowned for its attention to shareholder issues, we welcome such developments.

September's report from the Intergovernmental Panel on Climate Change confirmed the significant influence of human behaviour; this concluded that substantial and sustained reductions of greenhouse gas emissions will be required to limit climate change in the future. This highlights the continued importance of themes such as cleaner energy, efficiency and sustainable transport, around which the Fund is structured.

The Fund outperformed the benchmark MSCI World Index over the period, returning 6.1% versus the benchmark's return of 2.4%. The Fund saw standout performance from its Sustainable Transport theme where automotive parts manufacturers Continental and BorgWarner reported strong profit growth. This is in line with our expectations that revenue growth at these companies will outstrip global auto demand due to their exposure to structural trends such as fuel efficiency. This comes due to stricter emissions regulations globally, which are leading to increased demand from car and truck manufacturers for the technologies BorgWarner and Continental produce, such as turbochargers and start-stop systems.

Strong performance was also seen from UK packaging manufacturer and recycler DS Smith and automotive parts recycler LKQ, both of which are part of the Fund's Environmental Services theme. Operationally, both DS Smith and LKQ have executed well, expanding their business through successful European acquisitions. Underperformance came from the Fund's Knowledge and Technology theme, where US software solutions firm Citrix reported lower than expected earnings as weak enterprise spending weighed on revenues. Japanese educational services provider Benesse failed to deliver on its strategy around its home learning and nursing home businesses. We subsequently exited the position.

Company engagement over the period included extensive communication with the Remuneration Committee Chairman of physician management services company Mednax, seeking clarity around the company's retention, succession policies and key performance targets. We continue to engage on these issues into 2014 as the remuneration committee seeks to consult over potential changes to executive remuneration structures.

Over the six months we added positions in companies whose products seek to maximise efficiencies through data management, automation and cost management. This includes data integration software provider Informatica, payment processing servicer Visa, and hospital technology solutions firm MedAssets. We have also initiated positions in financial firms providing constructive services such as loans to small and medium enterprises and pension planning; this includes Italian bank UniCredit and US financial service provider Charles Schwab. These new positions were funded through sales of positions including North American transport company J.B. Hunt, which had reached our fair value target, and Swiss power products and automation technology provider ABB, where excessive management turnover and a series of overpriced acquisitions cast doubt over the company's future.

Over the course of the past five years we have witnessed companies restructure and improve efficiency in order to operate and survive in an environment of lower economic growth. With economic data improving globally, along with business and consumer sentiment indicators, there is scope for increased profitability. While we are conscious that political and macroeconomic factors may continue to drive markets and investor sentiment in the short term, our investment philosophy and process remains focused on the sustainability of company profits and business models and their social and environmental impact.

Net asset value per share

	Net asset value of Fund (£)	Net asset value of shares (£)	Number of shares in issue	Net asset value per share (pence)
Class A income				
31/03/2011	227,165,531	95,822,475	66,865,652	143.31
31/03/2012	204,572,681	85,644,852	62,416,218	137.22
31/03/2013	279,101,276	154,174,247	98,817,389	156.02
30/09/2013	292,766,916	155,558,830	94,449,324	164.70
Class I income				
31/03/2011	227,165,531	19,017,390	12,826,236	148.27
31/03/2012	204,572,681	20,031,215	14,052,831	142.54
31/03/2013	279,101,276	20,467,684	12,585,568	162.63
30/09/2013	229,766,916	23,948,033	13,926,554	171.96
Class I accumulation				
31/03/2013 *	279,101,276	1,087,103	664,264	163.66
30/09/2013	229,766,916	2,271,620	1,311,893	173.16
Class Z accumulation				
31/03/2011	227,165,531	90,549,133	47,620,778	190.15
31/03/2012	204,572,681	81,466,243	43,938,142	185.41
31/03/2013	279,101,276	87,156,686	40,605,368	214.64
30/09/2013	229,766,916	88,695,378	38,786,420	228.68
Class I Euro (hedged) accumulation				
31/03/2011 #	227,165,531	21,776,553	2,265,342	961.29
31/03/2012	204,572,681	17,430,371	2,001,000	871.08
31/03/2013	279,101,276	1,506	150	1,004.06
30/09/2013	229,766,916	1,515,459	143,866	1,053.38
Class A Euro accumulation				
31/03/2013 **	279,101,276	16,212,616	117,301	13,821.38
30/09/2013	229,766,916	20,776,090	142,307	14,599.49
Class I Euro accumulation				
31/03/2013 ***	279,101,276	1,434	1,500	95.60
30/09/2013	229,766,916	1,506	1,500	100.40

Class I Euro (hedged) accumulation launched 7 May 2010.

* Class I accumulation launched 19 July 2012.

** Class A Euro accumulation launched 19 July 2012.

*** Class I Euro accumulation launched 19 July 2012.

Comparative tables (continued)

Performance record

Calendar year	Net revenue (pence per share)	Highest price (pence per share)	Lowest price (pence per share)
Class X income			
2008	-	130.20	84.90
2009	-	123.70	85.97
2010**	-	123.90	120.00
Class A income			
2008	0.06	131.70	86.19
2009	0.21	126.10	87.42
2010	0.05	143.30	118.00
2011	0.12	146.50	114.40
2012	0.17	139.90	122.40
2013	0.12*	170.20+	135.00+
Class I income			
2008	0.40	134.10	88.05
2009	0.51	129.60	89.49
2010	0.68	147.90	122.00
2011	0.76	152.00	118.30
2012	0.89	145.30	127.30
2013	0.88*	178.00+	140.50+
Class I accumulation			
2012***	0.86	142.90	130.00
2013	0.89*	179.30+	141.40+
Class Z accumulation			
2008	2.06	165.70	109.90
2009	1.36	163.80	112.00
2010	2.04	189.20	155.00
2011	2.33	195.40	153.10
2012	2.70	188.90	165.80
2013	2.96*	235.50+	185.00+
Calendar year			
	Net revenue (Euro cents per share)	Highest price (Euro cents per share)	Lowest price (Euro cents per share)
Class I Euro (hedged) accumulation			
2010#	2.61	1,083.89	892.50
2011	5.22	1,113.19	870.83
2012	7.34	1,065.15	932.56
2013	4.37*	1,300.59+	1,031.45+
Class A Euro accumulation			
2012##	-	15,120.00	14,090.00
2013	6.58*	17,660.00+	14,874.19+
Class I Euro accumulation			
2012****	0.11	103.00	95.80
2013	0.62*	121.50+	100.10+

* to 29 November

+ to 30 September

** X share class merged with A share class on 11 January 2010.

Class I Euro (hedged) accumulation launched 7 May 2010.

Class A Euro accumulation launched 19 July 2012.

*** Class I accumulation launched 19 July 2012.

**** Class I Euro accumulation launched 19 July 2012.

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the Fund, 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 period, except for expenses that are explicitly excluded by regulation.

	30/09/13	31/03/13
	%	%
Class A	1.74*	1.76
Class I	0.86**	0.86+
Class Z	0.08***	0.08
Class I Euro (hedged)	0.83**	0.83
Class A Euro	1.74*	1.76
Class I Euro	0.82**	0.83

The calculation is in accordance with guidelines issued by the Committee of European Securities Regulators (CESR) with the aim of ensuring a harmonised approach to the calculation of the OCF by all UCITS.

+ From 1 August 2012, the General Administration Charge (GAC) increased from 0.06% to 0.10%.

From 10 August 2013:

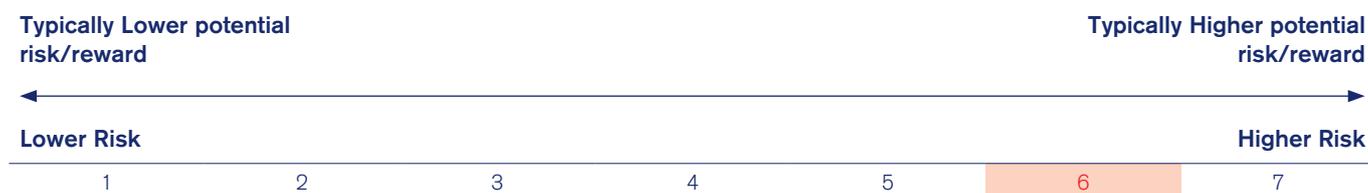
* The General Administration Charge (GAC) decreased from 0.24% to 0.18%.

** The General Administration Charge (GAC) decreased from 0.10% to 0.075%.

*** The General Administration Charge (GAC) decreased from 0.06% to 0.045%.

Risk and reward profile

The Fund currently has 7 share classes in issue; A income, I income, I accumulation, Z accumulation, I Euro (hedged) accumulation, A Euro accumulation and I Euro accumulation. Each share class has the same risk and reward profile which is as follows:



The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5 year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions. The value of an investment in the Fund can go up or down. When you sell your shares, they may be worth less than you paid for them. The risk/reward rating above is based on medium-term volatility. In the future, the Fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The lowest category does not mean risk free.

The Fund's risk level reflects the following:

- As a category, shares are more volatile than either bonds or money market instruments.
- The Fund's social screens eliminate many potential investments.
- Fluctuations in exchange rates may cause the value of your investment to rise or fall.

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

Counterparty risk The Fund could lose money if an entity with which it interacts becomes unwilling or unable to meet its obligations to the Fund.

Default risk The issuers of certain bonds could become unable to make payments on their bonds.

Focus risk The Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Liquidity risk Certain securities could become hard to value or sell at a desired time and price.

Management risk Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

Since the issue of the KIID there have been no changes to the risk rating in the period.

The full list of the Fund's risks are contained in the "Risk Factors" section of the Fund's prospectus.

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

Portfolio statement as at 30 September 2013

Holding	Investment	Market value £000	Percentage of total net assets %
Equities 99.06% (31/03/2013: 98.46%)			
Austria 0.00% (31/03/2013: 0.36%)			
Brazil 1.25% (31/03/2013: 0.00%)			
419,673	Banco Itau Financeira Preference	3,661	1.25
Canada 1.51% (31/03/2013: 1.48%)			
237,210	Ecosynthetix	516	0.18
123,530	Stantec	3,900	1.33
		4,416	1.51
France 5.57% (31/03/2013: 4.74%)			
190,400	Legrand	6,528	2.23
125,171	Schneider Electric	6,537	2.23
324,601	Suez Environment	3,252	1.11
		16,317	5.57
Germany 4.89% (31/03/2013: 4.40%)			
81,736	Continental	8,561	2.92
932,742	Infineon Technologies	5,751	1.97
		14,312	4.89
Hong Kong 1.72% (31/03/2013: 1.79%)			
1,735,600	AIA	5,024	1.72
Indonesia 0.00% (31/03/2013: 1.61%)			
Italy 2.68% (31/03/2013: 1.28%)			
608,559	Ansaldo	3,480	1.19
1,108,200	Unicredit	4,365	1.49
		7,845	2.68
Japan 9.58% (31/03/2013: 9.79%)			
308,100	Daiseki	3,496	1.19
87,900	East Japan Railway	4,669	1.59
840,000	Ebara	2,897	0.99
140,800	Secom	5,432	1.86
85,000	Shimano	4,686	1.60
230,300	Sumitomo	6,877	2.35
		28,057	9.58
Netherlands 1.30% (31/03/2013: 1.41%)			
216,187	Arcadis	3,806	1.30
Singapore 2.00% (31/03/2013: 2.21%)			
6,047,877	Comfortdelgro	5,863	2.00

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Sweden 1.70% (31/03/2013: 0.00%)			
538,446	Volvo 'B'	4,982	1.70
Switzerland 2.81% (31/03/2013: 3.19%)			
205,295	Pentair	8,234	2.81
United Kingdom 11.85% (31/03/2013: 11.71%)			
446,345	Experian	5,253	1.79
845,457	Informa	4,439	1.52
126,582	Intertek	4,184	1.43
1,593,441	Plant Health Care	1,052	0.36
776,702	Reed Elsevier	6,470	2.21
2,864,161	Smith (David S.)	8,249	2.82
444,316	Synergy Healthcare	4,870	1.66
974,233	Trading Emissions	162	0.06
		34,679	11.85
United States 52.20% (31/03/2013: 54.49%)			
67,267	Acuity Brands	3,821	1.31
200,000	Adobe Systems	6,416	2.19
170,177	ADT	4,273	1.46
140,044	Agilent Technologies	4,433	1.52
130,534	American Public Education	3,046	1.04
95,600	Borg Warner	5,983	2.04
63,378	Cepheid	1,528	0.52
324,804	Charles Schwab	4,242	1.45
96,000	Citrix Systems	4,185	1.43
174,700	CVS Caremark	6,123	2.09
114,372	Davita	4,017	1.37
82,300	Deere	4,136	1.41
173,600	Fair Isaac	5,928	2.03
89,301	Henry Schein	5,718	1.95
79,100	Hubbell	5,118	1.75
86,828	IPC The Hospitalist	2,734	0.93
198,272	Informatica	4,771	1.63
350,004	LKQ	6,886	2.35
57,900	McKesson	4,588	1.57
112,000	Medassets	1,757	0.60
116,280	Mednax	7,206	2.46
213,800	Microsoft	4,396	1.50
120,600	Motorola Solutions	4,422	1.51
164,435	New York Community Bancorp	1,535	0.53
75,809	Ocean Power Technologies	78	0.03
1,095,621	Polyfuel *	-	-
320,896	Quanta Services	5,451	1.86
84,897	Regal Beloit	3,561	1.22
152,200	TE Connectivity	4,868	1.66

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
United States (continued)			
77,427	Towers Watson	5,114	1.75
306,524	Trimble Navigation	5,624	1.92
215,654	Tyco International	4,658	1.59
37,804	Union Pacific	3,627	1.24
24,300	Visa 'A'	2,871	0.98
137,923	Wabtec	5,355	1.83
252,000	Xylem	4,343	1.48
		152,812	52.20
Forward foreign exchange contracts on hedged share class 0.00% (31/03/2013: 0.00%)			
	Buy GBP 34,188 : Sell EUR 40,736 October 2013 #	-	-
	Buy GBP 132,159 : Sell EUR 157,103 October 2013	1	-
	Buy GBP 22,238 : Sell EUR 26,600 October 2013 #	-	-
	Buy GBP 1,696,724 : Sell EUR 2,021,691 October 2013	(7)	-
	Buy GBP 17,942 : Sell EUR 21,253 October 2013 #	-	-
		(6)	-
		290,002	99.06
	Net other assets	2,765	0.94
	Net assets	292,767	100.00

* Manually priced.

Market value of less than £500.

Statement of total return for the six months ended 30 September 2013 (unaudited)

	30/09/13		30/09/12	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		15,537		(8,993)
Revenue	2,949		2,530	
Expenses	(1,658)		(1,101)	
Finance costs: Interest	-		-	
Net revenue before taxation	1,291		1,429	
Taxation	(245)		(175)	
Net revenue after taxation		1,046		1,254
Total return before distributions		16,583		(7,739)
Finance costs: Distributions		(1,046)		(1,261)
Change in net assets attributable to shareholders from investment activities		15,537		(9,000)

Statement of change in net assets attributable to shareholders for the six months ended 30 September 2013 (unaudited)

	30/09/13		30/09/12	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		279,101		204,573
Amounts receivable on issue of shares	10,761		2,680	
Amounts receivable on mergers *	-		79,336	
Amounts payable on cancellation of shares	(13,455)		(19,785)	
		(2,694)		62,231
Stamp duty reserve tax		(5)		(2)
Unclaimed distributions		3		-
Change in net assets attributable to shareholders from investment activities (see above)		15,537		(9,000)
Retained distribution on accumulation shares		825		966
Closing net assets attributable to shareholders		292,767		258,768

* Relating to the merger of the Henderson Industries of the Future Fund on 19 July 2012.

Balance sheet

as at 30 September 2013 (unaudited)

	30/09/13		31/03/13	
	£000	£000	£000	£000
Assets				
Investment assets		290,002		274,807
Debtors	793		1,238	
Cash and bank balances	3,563		5,469	
Total other assets		4,356		6,707
Total assets		<u>294,358</u>		<u>281,514</u>
Liabilities				
Creditors	1,370		2,026	
Bank overdrafts	-		374	
Distribution payable on income shares	221		13	
Total other liabilities		1,591		2,413
Total liabilities		1,591		2,413
Net assets attributable to shareholders		<u>292,767</u>		<u>279,101</u>

Notes to the financial statements as at 30 September 2013

Accounting and distribution policies

The accounting and distribution policies applied are consistent with those of the financial statements for the year ended 31 March 2013 and are described in those annual accounts.

Distribution table for the six months ended 30 September 2013 (in pence per share)

Interim dividend distribution (accounting date 30 September 2013, paid on 29 November 2013)

	Net revenue	Distribution paid 29/11/2013	Distribution paid 30/11/2012
Class A income	0.1195	0.1195	0.1749
Class I income	0.7767	0.7767	0.8585
Class I accumulation	0.7821	0.7821	0.8585
Class Z accumulation	2.0673	2.0673	1.9952
Class I Euro (hedged) accumulation*	4.3679	4.3679	7.1067
Class A Euro accumulation*	6.5828	6.5828	-
Class I Euro accumulation*	0.6247	0.6247	0.1103

* in Euro cents per share.

Henderson Institutional Global Care Managed Fund

Authorised Corporate Director's report

Fund Manager

Nick Anderson

Investment objective and policy

To achieve above average long term capital growth by investing in a mix of assets including UK and overseas equities and fixed interest stocks. Individual companies are chosen for their social and environmental leadership in the area within which they operate.

Performance summary

	31 Mar 13- 30 Sep 13	31 Mar 12- 30 Sep 12	31 Mar 11- 30 Sep 11	31 Mar 10- 30 Sep 10	31 Mar 09- 30 Sep 09
	%	%	%	%	%
Henderson Institutional Global Care Managed Fund	4.2	0.5	(9.4)	(0.9)	25.6
IMA OE Mixed Investment 40-85% Shares	1.9	1.2	(9.3)	0.1	25.1

Source: Henderson Global Investors - mid to mid, net revenue reinvested, net of fees, GBP.

Figures in brackets are negative.

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

Significant portfolio changes for the six months ended 30 September 2013

Largest purchases	£000	Largest sales	£000
Sirona Dental	1,568	ABB	1,719
Schwab (Charles)	1,474	Hunt (J.B.) Transport	1,655
McKesson	1,310	Sirona Dental	1,512
Volvo	1,310	Bank Mandiri	1,271
Towers Watson	1,309	UK Treasury 5% 07/09/2014	1,086
Itau Unibanco (Preference)	1,247	Benesse	1,082
Unicredit	1,227	UK Treasury 4% 07/03/2022	984
Informatica	1,082	Polypore	983
Visa	932	Mettler-Toledo	966
ADT	878	Microsoft	945
Total purchases	24,198	Total sales	36,857

Authorised Corporate Director's report

Fund Manager's commentary

The six-month review period saw developed market equities deliver healthy returns. Help came in no small way from the support of accommodative central bank policies in the US, Europe and, more recently, Japan. Expectations of a tapering (reduction) in US quantitative easing (QE) saw bond returns lag. The effects of QE expectations could also be seen in the underperformance of emerging market equities; this effect was compounded by reduced prospects for Chinese growth.

Over the period, we witnessed significant developments from both a corporate governance and environmental perspective this period. In Japan, change was not solely restricted to monetary policy, with the ruling Liberal Democrat Party also putting into effect structural reforms. One example of this policy is the improvement of corporate governance at Japanese firms through such measures as encouraging independent, external directors and introducing guidelines similar to those of the UK's Stewardship Code. For a country not historically renowned for its attention to shareholder issues, we welcome such developments.

September's report from the Intergovernmental Panel on Climate Change confirmed the significant influence of human behaviour; this concluded that substantial and sustained reductions of greenhouse gas emissions will be required to limit climate change in the future. This highlights the continued importance of themes such as cleaner energy, efficiency and sustainable transport, around which the Fund is structured.

The Fund outperformed its sector benchmark over the period, returning 4.2% versus the benchmark's return of 1.9%. This was achieved through positive stock selection in UK and international equities as well as an underweight allocation to bonds, as the asset class underperformed. At the stock level, the Fund saw standout performance from automotive parts manufacturers Continental and BorgWarner, which reported solid profit growth. This is in line with our expectations that revenue growth at these companies will outstrip global auto demand due to their exposure to structural trends such as fuel efficiency. This comes due to stricter emissions regulations globally, which are leading to increased demand from car and truck manufacturers for the technologies BorgWarner and Continental produce, such as turbochargers and start-stop systems.

Strong performance was also seen from UK packaging manufacturer and recycler DS Smith and automotive parts recycler LKQ. Operationally, both companies have executed well this period, expanding their business through successful European acquisitions. Disappointing earnings statements from Oxford Instruments and Regal Beloit led to these holdings detracting from returns over the period. The Fund has retained its holdings in these companies as the valuations are attractive given the likelihood that trading will improve as economies recover. Intuitive Surgical also released disappointed earnings results; however, we remain positive on the company given its position in the high growth market of robotic surgery, with minimal competitive threats.

Company engagement during the period included our participation in an investor meeting at HSBC discussing committee structures. The conversation centred on an acknowledgement that the bank has learned its lessons from the banking crisis and are now working incredibly hard to ensure these issues do not recur.

Over the past six months we have added positions in companies whose products seek to maximise efficiencies through data management, automation and cost management. This includes data integration software provider Informatica, payment processing servicer Visa, and hospital technology solutions firm MedAssets. The Fund also initiated positions in ITV and Amlin. ITV's management have done an excellent job in reducing the company's indebtedness, finding efficiency savings across the business, and lowering the exposure to advertising revenues by growing its more stable production division. Amlin is a specialist Lloyds insurance company, which should be able to increase its return on equity by becoming a more diverse business. Offering a 6% dividend yield the valuation was very attractive given the likely improvement in earnings and cash flow. These new positions were funded through sales of positions including North American transport company J.B. Hunt, which had reached our fair value target, and Swiss power products and automation technology provider ABB, where excessive management turnover and a series of overpriced acquisitions cast doubt over the company's future.

Over the course of the past five years we have witnessed companies restructure and improve efficiency in order to operate and survive in an environment of lower economic growth. With economic data improving globally, along with business and consumer sentiment indicators, there is scope for increased profitability. While we are conscious that political and macroeconomic factors may continue to drive markets and investor sentiment in the short term, our investment philosophy and process remains focused on the sustainability of company profits and business models and their social and environmental impact.

Comparative tables as at 30 September 2013

Net asset value per share

	Net asset value of Fund (£)	Net asset value of shares (£)	Number of shares in issue	Net asset value per share (pence)
Class A accumulation				
31/03/2011	199,727,672	10,175,631	9,372,491	108.57
31/03/2012	183,393,292	12,462,737	11,321,428	110.08
31/03/2013	171,603,689	14,947,215	11,831,159	126.34
30/09/2013	161,303,048	16,497,436	12,562,452	131.32
Class I accumulation				
31/03/2011	199,727,672	2,797,643	2,412,744	115.95
31/03/2012	183,393,292	2,717,385	2,293,583	118.48
31/03/2013	171,603,689	3,343,206	2,440,829	136.97
30/09/2013	161,303,048	4,456,403	3,143,434	141.77
Class Z accumulation				
31/03/2011	199,727,672	186,754,398	106,483,150	175.38
31/03/2012	183,393,292	168,213,170	93,295,737	180.30
31/03/2013	171,603,689	153,313,268	73,104,509	209.72
30/09/2013	161,303,048	140,349,209	63,873,626	219.73

Comparative tables (continued)

Performance record

Calendar year	Net revenue (pence per share)	Highest price (pence per share)	Lowest price (pence per share)
Class X income			
2008	1.02	100.10	67.32
2009	0.86	88.63	66.57
2010**	-	89.54	88.10
Class A accumulation			
2008	1.28	104.90	71.64
2009	1.20	95.74	70.92
2010	0.96	107.80	92.90
2011	1.02	113.10	95.70
2012	1.14	114.20	102.60
2013	1.12*	134.30+	113.50+
Class I accumulation			
2008	2.16	109.70	75.26
2009	1.21	101.30	74.66
2010	1.33	114.90	98.40
2011	2.02	121.10	102.50
2012	2.08	123.60	110.50
2013	1.95*	145.90+	122.80+
Class Z accumulation			
2008	4.92	162.80	112.20
2009	3.66	152.10	111.60
2010	3.87	173.60	147.90
2011	4.34	183.50	155.40
2012	4.35	188.90	168.30
2013	4.98*	224.00+	187.80+

* to 29 November

+ to 30 September

** X Share class merged with A share class on 11 January 2010

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the Fund, 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 period, except for expenses that are explicitly excluded by regulation.

	30/09/13	31/03/13
	%	%
Class A	1.74*	1.77
Class I	0.86**	0.87+
Class Z	0.08***	0.09

The calculation is in accordance with guidelines issued by the Committee of European Securities Regulators (CESR) with the aim of ensuring a harmonised approach to the calculation of the OCF by all UCITS.

+ From 1 August 2012, the General Administration Charge (GAC) increased from 0.06% to 0.10%.

From 10 August 2013:

* The General Administration Charge (GAC) decreased from 0.24% to 0.18%.

** The General Administration Charge (GAC) decreased from 0.10% to 0.075%.

*** The General Administration Charge (GAC) decreased from 0.06% to 0.045%.

Risk and reward profile

The Fund currently has 3 share classes in issue; A accumulation, I accumulation, Z accumulation shares. Each share class has the same risk and reward profile which is as follows:



The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5 year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions. The value of an investment in the Fund can go up or down. When you sell your shares, they may be worth less than you paid for them. The risk/reward rating above is based on medium-term volatility. In the future, the Fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The lowest category does not mean risk free.

The Fund's risk level reflects the following:

- As a category, shares are more volatile than either bonds or money market instruments.
- The Fund's social screens eliminate many potential investments.
- Fluctuations in exchange rates may cause the value of your investment to rise or fall.

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

Counterparty risk The Fund could lose money if an entity with which it interacts becomes unwilling or unable to meet its obligations to the Fund.

Focus risk The Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Liquidity risk Certain securities could become hard to value or sell at a desired time and price.

Management risk Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

Since the issue of the KIID there have been no changes to the Risk rating in the period.

The full list of the Fund's risks are contained in the "Risk Factors" section of the Fund's prospectus.

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

Portfolio statement as at 30 September 2013

Holding	Investment	Market value £000	Percentage of total net assets %
Bonds 16.53% (31/03/2013: 16.85%)			
Government bonds 11.11% (31/03/2013: 10.86%)			
GBP 370,000	UK Treasury 1% 07/09/2017	367	0.23
GBP 290,000	UK Treasury 1.25% 22/07/2018	286	0.18
GBP 421,000	UK Treasury 1.875% 22/11/2022	625	0.39
GBP 740,000	UK Treasury 2.75% 22/01/2015	763	0.47
GBP 229,000	UK Treasury 3.25% 22/01/2044	217	0.13
GBP 908,000	UK Treasury 3.75% 07/09/2019	1,009	0.62
GBP 154,000	UK Treasury 3.75% 07/09/2020	171	0.10
GBP 591,000	UK Treasury 3.75% 07/09/2021	655	0.41
GBP 135,000	UK Treasury 3.75% 22/07/2052	142	0.09
GBP 1,420,000	UK Treasury 4% 07/09/2016	1,553	0.96
GBP 234,000	UK Treasury 4% 07/03/2022	263	0.16
GBP 361,000	UK Treasury 4% 22/01/2060	405	0.25
GBP 514,000	UK Treasury 4.25% 07/12/2027	584	0.36
GBP 1,062,000	UK Treasury 4.25% 07/06/2032	1,206	0.75
GBP 575,000	UK Treasury 4.25% 07/03/2036	654	0.41
GBP 313,000	UK Treasury 4.25% 07/09/2039	357	0.22
GBP 551,000	UK Treasury 4.25% 07/12/2040	628	0.39
GBP 712,000	UK Treasury 4.25% 07/12/2046	818	0.51
GBP 108,000	UK Treasury 4.25% 07/12/2055	127	0.08
GBP 46,000	UK Treasury 4.25% Perpetual	53	0.03
GBP 637,000	UK Treasury 4.5% 07/03/2019	731	0.45
GBP 479,000	UK Treasury 4.5% 07/09/2034	562	0.35
GBP 345,000	UK Treasury 4.5% 07/12/2042	411	0.25
GBP 300,000	UK Treasury 4.75% 07/09/2015	325	0.20
GBP 1,025,000	UK Treasury 4.75% 07/03/2020	1,202	0.75
GBP 490,000	UK Treasury 4.75% 07/12/2030	589	0.37
GBP 816,000	UK Treasury 4.75% 07/12/2038	1,003	0.62
GBP 129,000	UK Treasury 5% 07/09/2014	134	0.08
GBP 510,000	UK Treasury 5% 07/03/2018	590	0.37
GBP 685,000	UK Treasury 5% 07/03/2025	832	0.52
GBP 490,000	UK Treasury 6% 07/12/2028	663	0.41
		17,925	11.11
European corporate bonds 5.36% (31/03/2013: 5.87%)			
GBP 100,000	Anglian Water Service Finance 4.5% 22/02/2026	99	0.06
GBP 260,000	Anglian Water Service Finance 5.25% 30/10/2015	280	0.17
GBP 68,000	Aviva 5.9021% Perpetual	66	0.04
GBP 10,000	Aviva 6.125% 14/11/2036	10	0.01
GBP 120,000	Barclays 4.25% 12/01/2022	131	0.08
GBP 185,000	Barclays 6.75% 16/01/2023	202	0.13
GBP 43,000	Barclays Bank 9.5% 07/08/2021	55	0.03
GBP 60,000	Barclays Bank 10% 21/05/2021	78	0.05
GBP 141,000	BG Energy Capital 5.125% 07/12/2017	159	0.10
GBP 200,000	BG Energy Capital 6.5% 30/11/2072	216	0.13

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
European corporate bonds (continued)			
GBP 65,000	British Telecom 6.625% 23/06/2017	75	0.05
GBP 120,000	Broadgate 4.821% 05/07/2036	129	0.08
GBP 36,961	Canary Wharf Finance 6.455% 22/10/2033	45	0.03
GBP 130,000	Cooperative Bank 5.625% 08/07/2020	122	0.08
GBP 85,000	DWR Cymru Financing 6.015% 31/03/2028	102	0.06
GBP 200,000	Experian Finance 4.75% 23/11/2018	221	0.14
GBP 100,000	FirstGroup 5.25% 29/11/2022	102	0.06
GBP 105,000	FirstGroup 8.125% 19/09/2018	125	0.08
GBP 100,000	Freshwater Finance 5.182% 20/04/2035	103	0.06
GBP 120,000	Friends Provident 8.25% 21/04/2022	130	0.08
GBP 290,000	GlaxoSmithKline Capital 5.25% 19/12/2033	333	0.21
GBP 100,000	High Speed Rail Finance 4.375% 01/11/2038	101	0.06
GBP 80,000	HSBC 5.375% 04/11/2030	82	0.05
GBP 250,000	HSBC 6.375% 18/10/2022	278	0.17
GBP 15,000	HSBC 6.5% 07/07/2023	18	0.01
GBP 50,000	HSBC 6.75% 11/09/2028	59	0.04
GBP 100,000	Intu (SGS) Finance 17/03/2023	99	0.06
GBP 142,927	Juturna 5.0636% 10/08/2033	156	0.10
GBP 435,000	KFW 5.5% 07/12/2015	478	0.30
GBP 150,000	Land Securities 5.391% 27/02/2026	171	0.11
GBP 40,000	LCR Finance 4.5% 07/12/2028	45	0.03
GBP 160,000	Motability Operations 5.625% 29/11/2030	190	0.12
GBP 100,000	Munich Ruckversicher 6.625% 26/05/2042	115	0.07
GBP 65,000	National Grid 6% 13/05/2038	80	0.05
GBP 150,000	National Grid 6.125% 15/04/2014	154	0.10
GBP 205,000	Nationwide Building Society 5.625% 28/01/2026	245	0.15
GBP 70,000	Nationwide Building Society 8.625% 29/03/2018	79	0.05
GBP 330,000	Northumbrian Water Finance 6% 11/10/2017	381	0.24
GBP 20,000	Royal & Sun Alliance 8.5% Perpetual	21	0.01
GBP 100,000	Scottish Widows 7% 16/06/2043	101	0.06
GBP 200,000	Silverstone Master Issuer 5.063% 21/01/2055	220	0.14
GBP 100,000	Skand Enskilda 3% 18/12/2020	100	0.06
GBP 340,000	SSE 5.75% 05/02/2014	345	0.21
GBP 100,000	Standard Life 5.5% 04/12/2042	102	0.06
GBP 100,000	Svenska Handelsbanken 2.75% 05/12/2022	95	0.06
GBP 100,000	Tesco Property Finance 5.4111% 13/07/2044	103	0.06
GBP 100,000	Together Housing Finance 4.5% 17/12/2042	97	0.06
GBP 220,000	Transport for London 2.25% 09/08/2022	208	0.13
GBP 100,000	Transport for London 4% 12/09/2033	100	0.06
GBP 80,000	UBS 5.25% 21/06/2021	85	0.05
GBP 225,000	United Utilities Water 6.125% 29/12/2015	248	0.15
GBP 100,000	University of Cambridge 3.75% 17/10/2052	97	0.06
GBP 150,000	Virgin Media Secured Finance 7% 15/01/2018	156	0.10
GBP 45,000	Vodafone 4.625% 08/09/2014	46	0.03
GBP 100,000	Wales & West Utilities 4.625% 13/12/2023	107	0.07
GBP 260,000	Wellcome Trust Finance 4.75% 28/05/2021	293	0.18

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
European corporate bonds (continued)			
GBP 100,000	Wells Fargo 3.5% 12/09/2029	93	0.06
GBP 110,000	Wessex Water 4% 24/09/2021	115	0.07
GBP 100,000	WM Treasury 4.625% 03/12/2042	98	0.06
GBP 100,000	Yorkshire Water Services 3.625% 01/08/2029	94	0.06
GBP 150,000	Yorkshire Water Services 6% 24/04/2025	166	0.10
GBP 30,000	Zurich Finance (UK) 6.625% 02/10/2014	33	0.02
		8,637	5.36
US corporate bonds 0.06% (31/03/2013: 0.12%)			
GBP 100,000	Pepsico 2.5% 01/11/2022	94	0.06
Equities 79.00% (31/03/2013: 77.42%)			
Austria 0.00% (31/03/2013: 0.14%)			
Australia 0.97% (31/03/2013: 1.09%)			
42,309	CSL	1,563	0.97
Brazil 0.62% (31/03/2013: 0.00%)			
114,487	Itau Unibanco (Preference)	999	0.62
Canada 0.60% (31/03/2013: 0.57%)			
54,633	EcoSynthetix	119	0.07
26,968	Stantec	851	0.53
		970	0.60
France 2.81% (31/03/2013: 2.31%)			
51,090	Legrand	1,752	1.09
34,041	Schneider Electric	1,778	1.10
100,867	Suez Environmental	1,010	0.62
		4,540	2.81
Guernsey 0.54% (31/03/2013: 0.52%)			
658,743	Low Carbon Accelerator	6	-
274,002	Resolution	871	0.54
		877	0.54
Germany 2.25% (31/03/2013: 1.91%)			
19,522	Continental	2,045	1.27
258,126	Infineon Technologies	1,591	0.98
		3,636	2.25
Hong Kong 0.81% (31/03/2013: 0.83%)			
454,000	AIA	1,314	0.81
Indonesia 0.00 (31/03/2013: 0.75%)			

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Ireland 1.16% (31/03/2013: 1.19%)			
93,792	Experian	1,104	0.68
30,780	Shire	763	0.48
		<u>1,867</u>	<u>1.16</u>
Italy 1.21% (31/03/2013: 0.49%)			
132,195	Ansaldo	756	0.47
304,100	Unicredit	1,198	0.74
		<u>1,954</u>	<u>1.21</u>
Japan 4.48% (31/03/2013: 4.16%)			
68,600	Daiseki	778	0.48
25,000	East Japan Railway	1,328	0.82
220,000	Ebara	759	0.47
32,200	Secom	1,242	0.77
22,900	Shimano	1,263	0.79
62,400	Sumitomo Mitsui Financial	1,863	1.15
		<u>7,233</u>	<u>4.48</u>
Netherlands 0.56% (31/03/2013: 0.59%)			
50,891	Arcadis	896	0.56
Singapore 1.00% (31/03/2013: 0.97%)			
1,664,000	Comfortdelgro	1,613	1.00
Sweden 0.84% (31/03/2013: 0.00%)			
145,792	Volvo	1,349	0.84
Switzerland 0.00% (31/03/2013: 1.54%)			
United Kingdom 33.80% (31/03/2013: 34.23%)			
285,985	3i	1,041	0.65
1,116,812	Assura	402	0.25
40,575	AstraZeneca	1,305	0.81
65,190	Atkins	762	0.47
573,409	Augean#	232	0.14
157,192	AZ Electronic Materials	464	0.29
81,076	Bellway	1,066	0.66
50,534	Berkeley	1,047	0.65
113,980	BG	1,346	0.83
870,881	Bglobal	74	0.05
501,252	BT	1,716	1.06
461,390	Cable & Wireless	183	0.11
225,854	Direct Line Insurance	482	0.30
124,927	Ethical Property*	38	0.02
128,468	GlaxoSmithKline	2,001	1.24
19,938	Go-Ahead	335	0.21
138,474	Goals Soccer Centres#	233	0.14

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
United Kingdom (continued)			
529,980	Greencoat UK Wind	554	0.34
209,319	Halma	1,186	0.74
139,559	Hammerson	699	0.43
93,025	Hiscox	603	0.37
359,908	HSBC	2,409	1.49
222,744	Informa	1,170	0.73
26,090	Intercontinental Hotels	470	0.29
97,470	Interserve	547	0.34
31,965	Intertek	1,057	0.66
92,119	Investec	369	0.23
448,639	ITV	786	0.49
28,343	Johnson Matthey	796	0.49
772,298	Johnson Service#	378	0.23
171,398	Jupiter Fund Management	629	0.39
199,467	Kingfisher	770	0.48
81,486	Land Securities	749	0.46
458,718	Leaf Clean Energy	202	0.13
879,231	Legal & General	1,725	1.07
59,540	London Stock Exchange	915	0.57
151,250	Marks & Spencer	751	0.47
170,161	National Grid	1,243	0.77
52,299	Oxford Instruments	659	0.41
61,535	Pearson	773	0.48
51,144	Pennon	357	0.22
77,827	Phoenix	580	0.36
270,619	Plant Health Care	179	0.11
212,408	Premier Farnell	461	0.29
57,459	Primary Health Properties	188	0.12
233,680	Promethean World	41	0.03
125,610	Prudential	1,446	0.90
190,657	Reed Elsevier	1,588	0.98
411,755	Renewable Energy Generation	321	0.20
138,235	Rexam	666	0.41
503,837	RM	534	0.33
26,180	Rotork	714	0.44
286,628	Sage	945	0.59
31,801	Schroders	819	0.51
32,508	Severn Trent	573	0.36
201,214	SIG	374	0.23
110,966	Smith & Nephew	856	0.53
582,356	Smith (David S.)	1,677	1.04
482,716	Southern Cross Healthcare*	-	-
60,247	Spectris	1,329	0.82
92,492	SSE	1,363	0.84
117,931	St Modwen Properties	359	0.22
65,489	Standard Chartered	970	0.60
207,864	Standard Life	718	0.45

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
United Kingdom (continued)			
31,716	Superglass	13	0.01
54,605	Synergy Healthcare	598	0.37
10,507	Synety Power	16	0.01
573,169	Trading Emissions	95	0.06
479,951	Tribal	946	0.59
16,098	Victrex	257	0.16
1,297,452	Vodafone	2,802	1.74
511,385	WYG	552	0.34
		<hr/>	<hr/>
		54,504	33.80
United States 27.35% (31/03/2013: 26.13%)			
17,405	Acuity	989	0.61
53,278	Adobe Systems	1,709	1.06
46,437	ADT	1,166	0.72
41,950	Agilent	1,328	0.82
36,024	American Public Education	841	0.52
22,834	Borg Warner	1,429	0.89
46,011	Caremark	1,613	1.00
16,944	Cepheid	409	0.25
26,695	Citrix Systems	1,164	0.72
29,674	Davita	1,042	0.65
22,093	Deere	1,110	0.69
243,200	Enova Systems	2	-
45,187	Fair Isaac	1,543	0.96
24,873	Henry Schein	1,593	0.99
21,145	Hubbell	1,368	0.85
48,201	Informatica	1,160	0.72
3,808	Intuitive Surgical	885	0.55
21,187	IPC The Hospitalist	667	0.41
97,606	LKQ	1,920	1.19
16,800	McKesson	1,331	0.83
33,000	Medassets	518	0.32
32,086	Mednax	1,988	1.23
58,696	Microsoft	1,206	0.75
30,350	Motorola Solutions	1,113	0.69
39,580	New York Community	370	0.23
80,125	Ocean Power Technologies	83	0.05
48,371	Pentair	1,940	1.20
1,026,671	Polyfuel*	-	-
83,637	Quanta	1,421	0.88
22,106	Regal Beloit	927	0.57
98,515	Schwab (Charles)	1,287	0.80
41,776	TE Connectivity	1,336	0.83
22,061	Towers Watson	1,457	0.90
85,962	Trimble Navigation	1,577	0.98
58,423	Tyco	1,262	0.78

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	United States (continued)		
10,163	Union Pacific	975	0.60
7,600	Visa	898	0.56
35,370	Wabtec	1,373	0.85
65,125	Xylem	1,122	0.70
		<hr/> 44,122 <hr/>	<hr/> 27.35 <hr/>
	Investment assets	154,093	95.53
	Net other assets	7,210	4.47
	Net assets	161,303	100.00

* Manually priced

Alternative Investment Market

Credit ratings

Investment	Market value £000	Percentage of total net assets %
Above investment grade (AAA - BBB)	26,015	16.13
Unrated	641	0.40
Total bonds	26,656	16.53
Total equities	127,437	79.00
Investment assets	154,093	95.53
Net other assets	7,210	4.47
Net assets	161,303	100.00

Source: S&P

Statement of total return for the six months ended 30 September 2013 (unaudited)

	30/09/13		30/09/12	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		5,116		(1,022)
Revenue	2,503		2,978	
Expenses	(206)		(181)	
Finance costs: Interest	-		-	
	<u>2,297</u>		<u>2,797</u>	
Taxation	(126)		(155)	
		<u>2,171</u>		<u>2,642</u>
Total return before distributions		7,287		1,620
Finance costs: Distributions		(2,171)		(2,642)
Change in net assets attributable to shareholders from investment activities		<u>5,116</u>		<u>(1,022)</u>

Statement of change in net assets attributable to shareholders for the six months ended 30 September 2013 (unaudited)

	30/09/13		30/09/12	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		171,604		183,393
Amounts receivable on issue of shares	2,701		923	
Amounts payable on cancellation of shares	<u>(20,284)</u>		<u>(8,211)</u>	
		(17,583)		(7,288)
Stamp duty reserve tax		(5)		(2)
Change in net assets attributable to shareholders from investment activities (see above)		5,116		(1,022)
Retained distribution on accumulation shares		2,171		2,642
Closing net assets attributable to shareholders		<u>161,303</u>		<u>177,723</u>

Balance sheet

as at 30 September 2013 (unaudited)

	30/09/13		31/03/13	
	£000	£000	£000	£000
Assets				
Investment assets		154,093		161,769
Debtors	1,269		1,640	
Cash and bank balances	6,754		9,622	
Total other assets		8,023		11,262
Total assets		<u>162,116</u>		<u>173,031</u>
Liabilities				
Creditors	813		1,427	
Total other liabilities		813		1,427
Total liabilities		813		1,427
Net assets attributable to shareholders		<u>161,303</u>		<u>171,604</u>

Notes to the financial statements

Accounting and distribution policies

The accounting and distribution policies applied are consistent with those of the financial statements for the year ended 31 March 2013 and are described in those annual accounts.

Distribution table for the period ended 30 September 2013 (in pence per share)

Interim dividend distribution (accounting date 30 September 2013, paid on 29 November 2013)

	Net revenue	Distribution paid 29/11/2013	Distribution paid 30/11/2012
Class A accumulation	0.8813	0.8813	0.9167
Class I accumulation	1.2753	1.2753	1.4158
Class Z accumulation	3.1624	3.1624	2.8086

Henderson Global Care UK Income Fund

Authorised Corporate Director's report

Fund Manager

Andrew Jones

Investment objective and policy

To provide income with the prospects of capital growth by investing in companies contributing to social well being and the protection and wise use of the natural environment. The ACD's investment policy to achieve these objectives is to primarily invest in UK companies.

Performance summary

	31 Mar 13- 30 Sep 13	31 Mar 12- 30 Sep 12	31 Mar 11- 30 Sep 11	31 Mar 10- 30 Sep 10	31 Mar 09- 30 Sep 09
	%	%	%	%	%
Henderson Global Care UK Income Fund	7.5	3.9	(9.5)	4.5	40.1
FTSE All Share Index	3.8	2.0	(11.8)	0.2	35.7

Source: Henderson Global Investors - mid to mid, net revenue reinvested, net of fees, GBP.

Figures in brackets are negative.

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

Significant portfolio changes for the six months ended 30 September 2013

Largest purchases	£000	Largest sales	£000
HSBC	1,328	Shire	1,030
National Grid	1,276	RSA Insurance	949
ITV	891	Aviva	663
Amlin	519	BG	635
Vodafone	466	Intertek	288
Resolution	433	Halma	283
GlaxoSmithKline	362	Pennon	279
Astrazeneca	294	Spectris	189
Standard Life	196	Spirax	182
Phoenix	194	Rotork	119
Total purchases	6,187	Total sales	5,612

Fund Manager's commentary

During the period under review the fund returned 7.5%, outperforming the FTSE All-Share's rise of 3.8% and the IMA UK Equity Income sector increase of 6.1%.

The UK equity market continued to make gains over the review period, as investors responded well to the Bank of England's new forward interest rate guidance, which signalled that the current rate would not rise from its present level until the rate of unemployment falls below 7%. The market was further supported by the US Federal Reserve's decision not to start the process of tapering asset purchases at its September meeting.

Against the positive market backdrop, the Fund's holdings in a number of financial companies aided performance. In the life insurance sector, Legal & General and Phoenix both announced good results with strong dividend growth, while Resolution performed well as investors became more optimistic about the company's cash flow generation target, which should underpin dividend growth in the future. In the financial services sector, asset management companies Schroders and Jupiter both performed well following the release of strong results with an upbeat message on the likelihood of future fund flows.

The Fund's holdings in BT Group, DS Smith and ITV also proved beneficial for performance. BT Group continued to perform well as they announced a strong set of results, an increase in future cash flow guidance, and a 15% rise in the dividend. DS Smith also reported a good set of results, with upgraded expectations for synergies from its SCA Packaging acquisition. The holding in ITV was also a positive for the Fund as the company delivered robust results against an encouraging UK advertising environment, and also continued to make sensible bolt on acquisitions in its studios division.

On the negative side, the Fund's holdings in a number of specialist engineers were detrimental to performance over the last six months. Oxford Instruments, Spectris and AZ Electronics all released disappointing trading statements, which highlighted that growth would be weaker than previous expectations. The Fund has retained its holdings in these companies as the valuations are attractive given the likelihood that trading will improve as economies recover.

During the last six months the Fund initiated positions in ITV and Amlin, as well as increasing its exposure to Vodafone and Resolution. ITV's management have done an excellent job in reducing the company's indebtedness, finding efficiency savings across the business, and lowering the exposure to advertising revenues by growing the more stable production division. The company traded at a large discount to international peers, with the potential for further capital returns to shareholders. Amlin is a specialist Lloyds insurance company, which should be able to increase its return on equity by becoming a more diverse business. Offering a 6% dividend yield the valuation was very attractive given the likely improvement in earnings and cash flow.

With signs of a gradual improvement in the UK and European economies and continued good economic data from the US, the macroeconomic background is the most favourable it has been for some time. As a result of this equity markets have performed strongly, but stock valuations remain attractive, particularly in relation to government bonds. The Fund has a balance between well-financed cyclical sectors and some higher yielding defensive sectors, which should continue to serve investors well in the future.

Comparative tables as at 30 September 2013

Net asset value per share

	Net asset value of Fund (£)	Net asset value of shares (£)	Number of shares in issue	Net asset value per share (pence)
Class A income				
31/03/2011	93,838,876	65,509,634	74,861,666	87.51
31/03/2012	78,959,517	63,226,560	71,532,408	88.39
31/03/2013	86,888,292	69,281,687	66,705,156	103.86
30/09/2013	91,940,989	70,973,344	64,946,333	109.28
Class I income				
31/03/2011	93,838,876	25,140,308	26,055,580	96.49
31/03/2012	78,959,517	13,217,626	13,461,191	98.19
31/03/2013	86,888,292	14,971,367	12,876,990	116.26
30/09/2013	91,940,989	18,353,345	14,946,244	122.80
Class Z accumulation				
31/03/2011	93,838,876	3,188,934	1,950,326	163.51
31/03/2012	78,959,517	2,515,331	1,437,451	174.99
31/03/2013	86,888,292	2,635,238	1,216,541	216.62
30/09/2013	91,940,989	2,614,300	1,110,667	235.38

Performance record

Calendar year	Net revenue (pence per share)	Highest price (pence per share)	Lowest price (pence per share)
Class X Income			
2008	4.17	110.10	56.80
2009	2.92	88.60	66.50
2010**	-	89.50	88.10
Class A income			
2008	4.18	109.80	56.90
2009	2.91	78.90	51.82
2010	2.97	87.01	64.57
2011	3.20	93.07	74.99
2012	3.52	94.31	81.36
2013	3.87*	114.70+	95.10+
Class I income			
2008	4.54	118.90	61.90
2009	3.16	86.00	56.25
2010	3.36	95.78	70.77
2011	3.70	102.90	83.00
2012	4.08	105.20	90.53
2013	4.46*	128.90+	106.30+
Class Z accumulation			
2008	6.67	172.00	94.60
2009	4.88	136.90	85.50
2010	5.42	159.70	112.70
2011	6.24	175.00	145.00
2012	7.24	193.20	158.90
2013	8.43*	241.00+	195.30+

* to 29 November

+ to 30 September

** X Share class merged with A share class on 11 January 2010

Ongoing charge figure

The annualised ongoing charge figure (OCF) of the Fund, 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 period, except for expenses that are explicitly excluded by regulation.

	30/09/13	31/03/13
	%	%
Class A	1.74*	1.76
Class I	0.86**	0.86+
Class Z	0.07***	0.08

The calculation is in accordance with guidelines issued by the Committee of European Securities Regulators (CESR) with the aim of ensuring a harmonised approach to the calculation of the OCF by all UCITS.

+ From 1 August 2012, the General Administration Charge (GAC) increased from 0.06% to 0.10%.

From 10 August 2013:

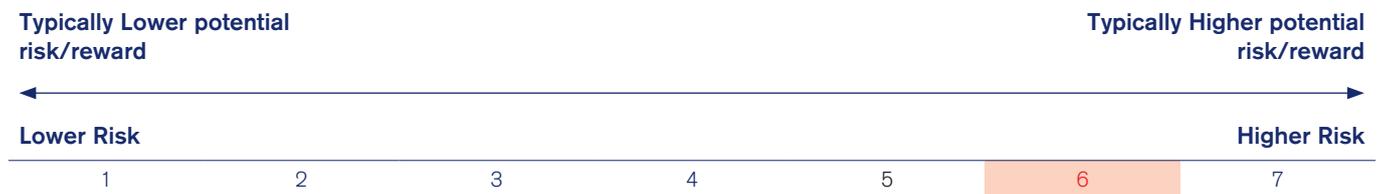
* The General Administration Charge (GAC) decreased from 0.24% to 0.18%.

** The General Administration Charge (GAC) decreased from 0.10% to 0.075%.

*** The General Administration Charge (GAC) decreased from 0.06% to 0.045%.

Risk and reward profile

The Fund currently has 3 share classes in issue; A income, I income and Z accumulation shares. Each share class has the same risk and reward profile which is as follows:



The Synthetic Risk and Reward Indicator (SRRI) is calculated based on historical volatility over a rolling 5 year period, it is reviewed monthly and updated if volatility has changed materially to cause a movement in the SRRI level. The SRRI is an indicator and may not accurately reflect future volatility and market conditions. The value of an investment in the Fund can go up or down. When you sell your shares, they may be worth less than you paid for them. The risk/reward rating above is based on medium-term volatility. In the future, the Fund's actual volatility could be higher or lower and its rated risk/reward level could change.

The lowest category does not mean risk free.

The Fund's risk level reflects the following:

- The Fund focuses on a single country
- As a category, shares are more volatile than either bonds or money market instruments
- The Fund's social screens eliminate many potential investments.
- Fluctuations in exchange rates may cause the value of your investment to rise or fall.

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

Counterparty risk The Fund could lose money if an entity with which it interacts becomes unwilling or unable to meet its obligations to the Fund.

Focus risk The Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Liquidity risk Certain securities could become hard to value or sell at a desired time and price.

Management risk Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

Since the issue of the KIID there have been no changes to the risk rating in the period.

The full list of the Fund's risks are contained in the "Risk Factors" section of the Fund's prospectus.

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

Portfolio statement as at 30 September 2013

Holding	Investment	Market value £000	Percentage of total net assets %
Equities 101.67% (31/03/2013: 100.91%)			
United Kingdom 101.63% (31/03/2013: 100.87%)			
Banks 7.52% (31/03/2013: 7.05%)			
776,926	HSBC	5,201	5.66
115,760	Standard Chartered	1,714	1.86
		<u>6,915</u>	<u>7.52</u>
Chemicals 1.91% (31/03/2013: 2.13%)			
156,329	AZ Electronic Materials	461	0.50
31,725	Johnson Matthey	891	0.97
25,458	Victrex	407	0.44
		<u>1,759</u>	<u>1.91</u>
Construction & materials 0.02% (31/03/2013: 0.05%)			
45,772	Superglass	19	0.02
Electricity 3.70% (31/03/2013: 3.82%)			
794,970	Greencoat UK Wind	831	0.90
174,640	SSE	2,574	2.80
		<u>3,405</u>	<u>3.70</u>
Electronic & electrical equipment 4.50% (31/03/2013: 5.87%)			
277,650	Halma	1,573	1.71
73,568	Oxford Instruments	927	1.01
74,112	Spectris	1,635	1.78
		<u>4,135</u>	<u>4.50</u>
Financial services 6.68% (31/03/2013: 6.48%)			
414,035	3i	1,506	1.64
188,911	Investec	756	0.82
250,632	Jupiter	920	1.00
96,324	London Stock Exchange	1,480	1.61
57,345	Schroders	1,477	1.61
		<u>6,139</u>	<u>6.68</u>
Fixed line telecommunications 4.36% (31/03/2013: 3.80%)			
1,112,624	BT	3,810	4.14
498,131	Cable & Wireless Communications	197	0.22
		<u>4,007</u>	<u>4.36</u>
Gas, water and multiutilities 6.09% (31/03/2013: 5.40%)			
468,341	National Grid	3,421	3.72
81,093	Pennon	567	0.62
91,255	Severn Trent	1,609	1.75
		<u>5,597</u>	<u>6.09</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
General industries 4.09% (31/03/2013: 3.77%)			
198,511	Rexam	956	1.04
974,698	Smith (DS)	2,807	3.05
		<u>3,763</u>	<u>4.09</u>
General retailer 2.68% (31/03/2013: 2.18%)			
309,639	Kingfisher	1,195	1.30
256,333	Marks & Spencer	1,273	1.38
		<u>2,468</u>	<u>2.68</u>
Health care equipment & services 1.47% (31/03/2013: 1.58%)			
95,427	Smith & Nephew	736	0.80
596,656	Southern Cross Healthcare*	-	-
56,185	Synergy Healthcare	616	0.67
		<u>1,352</u>	<u>1.47</u>
Household goods & home construction 2.63% (31/03/2013: 2.74%)			
79,687	Bellway	1,048	1.14
66,200	Berkeley	1,372	1.49
		<u>2,420</u>	<u>2.63</u>
Industrial engineering 2.81% (31/03/2013: 3.27%)			
41,356	Rotork	1,128	1.23
48,128	Spirax-Sarco Engineering	1,451	1.58
		<u>2,579</u>	<u>2.81</u>
Life insurance 11.05% (31/03/2013: 10.50%)			
1,545,805	Legal & General	3,033	3.30
127,669	Phoenix	951	1.03
280,379	Prudential	3,227	3.51
517,714	Resolution	1,645	1.79
378,079	Standard Life	1,306	1.42
		<u>10,162</u>	<u>11.05</u>
Media 7.43% (31/03/2013: 6.32%)			
325,712	Informa	1,710	1.86
692,896	ITV	1,215	1.32
105,142	Pearson	1,322	1.44
310,207	Reed Elsevier	2,584	2.81
		<u>6,831</u>	<u>7.43</u>
Mobile telecommunications 5.13% (31/03/2013: 4.17%)			
2,185,556	Vodafone	4,721	5.13

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Non-life insurance 2.53% (31/03/2013: 3.15%)			
123,230	Amlin	499	0.54
350,197	Direct Line	747	0.81
167,029	Hiscox	1,083	1.18
		<u>2,329</u>	<u>2.53</u>
Oil & gas 2.36% (31/03/2013: 3.13%)			
183,302	BG	2,164	2.36
Pharmaceuticals 7.90% (31/03/2013: 8.86%)			
88,776	AstraZeneca	2,855	3.11
282,942	GlaxoSmithKline	4,407	4.79
		<u>7,262</u>	<u>7.90</u>
Real estate investment and services 1.24% (31/03/2013: 1.20%)			
1,439,781	Assura	518	0.56
188,700	Ethical Property*	57	0.06
185,806	St Modwen Properties	565	0.62
		<u>1,140</u>	<u>1.24</u>
Real estate investment trusts 2.78% (31/03/2013: 2.65%)			
212,959	Hammerson	1,067	1.16
113,454	Land Securities	1,043	1.14
135,072	Primary Health Properties	443	0.48
		<u>2,553</u>	<u>2.78</u>
Software & computer services 1.97% (31/03/2013: 2.08%)			
478,650	RM	507	0.55
394,650	Sage	1,302	1.42
		<u>1,809</u>	<u>1.97</u>
Support services 9.27% (31/03/2013: 9.29%)			
100,893	Atkins WS	1,179	1.28
440,578	Augean #	178	0.19
121,534	Experian	1,430	1.56
226,811	Interserve	1,274	1.39
23,727	Intertek Testing Services	784	0.85
894,972	Johnson Service #	439	0.48
322,470	Premier Farnell	700	0.76
88,420	RPS	237	0.26
339,813	SIG	631	0.69
484,998	Tribal	955	1.04
658,769	WYG	711	0.77
		<u>8,518</u>	<u>9.27</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Technology hardware & equipment 0.02% (31/03/2013: 0.02%)			
14,550,000	Emerald Bio Energy*	-	-
121,631	Promethan	22	0.02
		<u>22</u>	<u>0.02</u>
Travel & leisure 1.49% (31/03/2013: 1.36%)			
60,967	Go-Ahead	1,023	1.11
207,481	Goals Soccer Centres #	349	0.38
		<u>1,372</u>	<u>1.49</u>
United States 0.04% (31/03/2013: 0.04%)			
33,452	Ocean Power Technologies	34	0.04
		<u>34</u>	<u>0.04</u>
	Investment assets	93,475	101.67
	Net other liabilities	(1,534)	(1.67)
	Net assets	91,941	100.00

* Manually priced

Alternative Investment Market

Statement of total return for the six months ended 30 September 2013 (unaudited)

	30/09/13		30/09/12	
	£000	£000	£000	£000
Income				
Net capital gains		5,218		1,405
Revenue	2,324		2,008	
Expenses	(696)		(595)	
Finance costs: Interest	-		(1)	
	<u>1,628</u>		<u>1,412</u>	
Taxation	-		(1)	
	<u>1,628</u>		<u>1,411</u>	
Net revenue after taxation		1,628		1,411
Total return before distributions		6,846		2,816
Finance costs: Distributions		(2,229)		(1,921)
Change in net assets attributable to shareholders from investment activities		<u>4,617</u>		<u>895</u>

Statement of change in net assets attributable to shareholders for the six months ended 30 September 2013 (unaudited)

	30/09/13		30/09/12	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		86,888		78,960
Amounts receivable on issue of shares	4,194		2,392	
Amounts payable on cancellation of shares	<u>(3,801)</u>		<u>(4,997)</u>	
		393		(2,605)
Stamp duty reserve tax		(22)		(15)
Unclaimed distributions		1		-
Change in net assets attributable to shareholders from investment activities (see above)		4,617		895
Retained distribution on accumulation shares		64		58
Closing net assets attributable to shareholders		<u>91,941</u>		<u>77,293</u>

Balance sheet

as at 30 September 2013 (unaudited)

	30/09/13		31/03/13	
	£000	£000	£000	£000
Assets				
Investment assets		93,475		87,678
Debtors	464		815	
Cash and bank balances	1,929		644	
Total other assets		2,393		1,459
Total assets		<u>95,868</u>		<u>89,137</u>
Liabilities				
Creditors	251		603	
Bank overdrafts	1,501		648	
Distribution payable on income shares	2,175		998	
Total other liabilities		3,927		2,249
Total liabilities		3,927		2,249
Net assets attributable to shareholders		<u>91,941</u>		<u>86,888</u>

Notes to the financial statements as at 30 September 2013

Accounting and distribution policies

The accounting and distribution policies applied are consistent with those of the financial statements for the year ended 31 March 2013 and are described in those annual accounts.

Distribution table for the six months ended 30 September 2013 (in pence per share)

Interim dividend distribution (accounting date 30 September 2013, paid on 29 November 2013)

Group 1: shares purchased prior to 1 April 2013

Group 2: shares purchased on or after 1 April 2013

	Net revenue	Equalisation	Distribution paid 29/11/2013	Distribution paid 30/11/2012
Class A income				
Group 1	2.6524	-	2.6524	2.1704
Group 2	1.2066	1.4458	2.6524	2.1704
Class I income				
Group 1	3.0256	-	3.0256	2.4974
Group 2	1.0234	2.0022	3.0256	2.4974
Class Z accumulation				
Group 1	5.7502	-	5.7502	4.4705
Group 2	2.2257	3.5245	5.7502	4.4705

Shareholder Enquiries

If you have any queries about your Fund holding, either contact your professional adviser or telephone us on one of the numbers below:

For dealing enquiries including buying and selling shares please telephone at local rate: **0845 608 8703**

The following lines are also available:

Client Services: **0800 832 832**

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

We may record telephone calls for our mutual protection and to improve customer service.



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