

ANNUAL REPORT & ACCOUNTS

For the year ended 31 May 2023

Who are Janus Henderson Investors?

Global Strength



■ North America ■ EMEA & LatAm ■ Asia Pacific



More than **2,000**
employees



24
Offices worldwide



4,000
company engagements
by our investment teams
in 2022

* Numbers may not cast due to rounding.

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

Who we are

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

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

Why us

Choosing Janus Henderson means benefitting from:

Differentiated insights

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

Disciplined investments

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

World class service

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

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* These collectively comprise the Authorised Fund Manager's Report.

Authorised Fund Manager's report for the year ended 31 May 2023

We are pleased to present the Annual Report & Accounts for Janus Henderson Multi-Manager Diversified Fund (the 'fund') for the year ended 31 May 2023.

Authorised status

This fund is an authorised unit trust scheme and is a United Kingdom Undertakings for Collective Investment in Transferable Securities (UK UCITS) scheme complying with chapter 5 of the Collective Investment Scheme Sourcebook (COLL). The operation of the scheme is governed by the Trust Deed, COLL and Prospectus.

The fund was established by a Trust Deed dated 17 May 1991 and authorised by the Financial Conduct Authority (FCA) on 9 May 1991.

Unitholders are not liable for the debts of the fund.

Value assessment

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

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

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

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

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

Macro risks

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

Authorised Fund Manager's report (continued)

Service providers

	Name	Address	Regulator
Authorised Fund Manager	Janus Henderson Fund Management UK Limited Member of the Investment Association The ultimate holding company is Janus Henderson Group plc	Registered Office: 201 Bishopsgate London EC2M 3AE Registered in England No 2678531 Enquiries – 0800 832 832	Authorised and regulated by the Financial Conduct Authority
Directors of the Authorised Fund Manager	R Chaudhuri G Foggin (to 30.06.22) G Fogo S Hillenbrand JR Lowry (from 07.07.22) W Lucken (from 29.06.22) H J de Sausmarez (to 30.06.22) P Shea* F Smith* R Weallans (from 30.09.22) *Independent		
Investment Adviser	Janus Henderson Investors UK Limited The ultimate holding company is Janus Henderson Group plc	201 Bishopsgate London EC2M 3AE	Authorised and regulated by the Financial Conduct Authority
Unitholder Administrator	SS&C Financial Services International Limited and SS&C Financial Services Europe Limited	SS&C House St Nicholas Lane Basildon Essex SS15 5FS	Authorised and regulated by the Financial Conduct Authority
Trustee and Depositary	NatWest Trustee and Depositary Services Limited The ultimate holding company is the Royal Bank of Scotland Group plc	250 Bishopsgate London EC2M 4AA	Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority
Independent Auditors	PricewaterhouseCoopers LLP	141 Bothwell Street Glasgow G2 7EQ	Institute of Chartered Accountants in England and Wales
Legal Adviser	Eversheds Sutherland (International) LLP	One Wood Street London EC2V 7WS	The Law Society

Authorised Fund Manager's report (continued)

Investment Fund Managers

Paul O'Connor and Tihana Ibrahimasic

Please note that with effect from 1 November 2022 Dean Cheeseman no longer manages this fund.

Investment objective and policy

The fund aims to provide a return, from a combination of capital growth and income over the long term.

Performance target: To outperform the IA Mixed Investment 0-35% Shares Sector average, after the deduction of charges, over any 5 year period.

The fund invests in Collective Investment Schemes (CIS) (other funds including those managed by Janus Henderson and Exchange Traded Funds (ETFs)) to provide diversified global exposure to a range of assets including shares (equities) of companies, bonds issued by companies and governments, and to a lesser extent, alternative assets such as property, commodities, private equity and hedge funds.

The fund may also invest directly in other assets including developed market government bonds, investment trusts, cash and money market instruments.

The Investment Manager may use derivatives (complex financial instruments) with the aim of making investment gains in line with the fund's objective, to reduce risk or to manage the fund more efficiently.

The fund is actively managed with reference to the IA Mixed Investment 0-35% Shares Sector average, which is based on a peer group of broadly similar funds, as this forms the basis of the fund's performance target and limits the level of exposure the fund may have to company shares. The Investment Manager has a high degree of freedom to choose individual investments for the fund and to vary allocations between asset types within the constraints of the sector.

Strategy

The Investment Manager believes that asset allocation opportunities are generated by inefficient markets over short term periods and the fund's asset mix is actively adjusted to reflect this and to reduce overall risk. The fund will allocate across regional equities, the entire bond universe, alternative asset classes such as property and commodities and cash in weights cognisant of the benchmark index. Asset allocation views can be formed on the grounds of fundamental research, asset class valuations, market sentiment, investor positioning, news flow, technical factors and diversification. Investments are implemented primarily through actively managed funds, while passive (index tracking) instruments (primarily ETFs or derivatives) are used for short term tactical trades or for low cost implementation of pure macroeconomic views. The fund may also hold up to 20% in developed market government bonds.

Performance summary

Cumulative performance

	One year 31 May 22 - 31 May 23 %	Three years 31 May 20 - 31 May 23 %	Five years 31 May 18 - 31 May 23 %	Since inception 29 May 91 - 31 May 23 %
Class I accumulation (Net)	(3.9)	(1.5)	0.9	275.1
IA Mixed Investment 0-35% Shares Sector	(4.1)	(1.2)	1.8	403.7

Discrete performance

	31 May 22 - 31 May 23 %	31 May 21 - 31 May 22 %	31 May 20 - 31 May 21 %	31 May 19 - 31 May 20 %	31 May 18 - 31 May 19 %
Class I accumulation (Net)	(3.9)	(4.2)	7.1	1.3	1.1
IA Mixed Investment 0-35% Shares Sector	(4.1)	(3.9)	7.2	1.6	1.4

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

Source: Morningstar

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

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

Authorised Fund Manager's report (continued)

Performance summary (continued)

Benchmark usage:

Peer group: IA Mixed Investment 0-35% Shares Sector

Peer group usage: Target

Peer group description: The Investment Association (IA) groups funds with similar geographic and/or investment remit into sectors. The fund's ranking within the sector (as calculated by a number of data providers) forms the basis of the fund's performance target.

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

Significant portfolio changes for the year ended 31 May 2023

Largest purchases	£000	Largest sales	£000
UK Treasury 0.75% Index-Linked 22/03/2034	1,851	Janus Henderson Institutional UK Gilt Fund Z Accumulation ¹	1,885
UK Treasury 0.00% 19/06/2023	981	Finisterre Unconstrained Emerging Markets Fixed Income Fund Hedged I Accumulation GBP	1,182
UK Treasury 0.00% 26/06/2023	980	UK Treasury 0.75% Index-Linked 22/03/2034	881
Janus Henderson Horizon Emerging Markets Debt Hard Currency Fund Z2 USD ¹	940	Janus Henderson Horizon Global High Yield Bond Fund Z2 Accumulation ¹	816
Dodge & Cox Worldwide US Stock Fund USD Accumulation	590	Xtrackers USD Corporate Bond UCITS ETF 1D	767
iShares Edge MSCI USA Quality Factor UCITS ETF	205	AXA Global Strategic Bond Fund ZI Income	646
UK Treasury 0.125% 30/01/2026	171	Jupiter UK Special Situations Fund I Income	632
iShares Physical Gold ETC	167	Muzinich Global Short Duration Investment Grade Fund Hedged GBP Income Founder	528
UK Treasury 0.875% 22/10/2029	167	UK Treasury 0.125% 30/01/2026	424
UK Treasury 0.875% 31/07/2033	147	UK Treasury 0.875% 22/10/2029	410
Total purchases	6,615	Total sales	12,522

¹ Related party to the fund

Investment review

The fund fell 3.9% based on Class I accumulation (Net) over the year under review, compared with a fall of 4.1% in the IA Mixed Investment 0-35% Shares Sector peer group benchmark.

Global equities, as measured by the MSCI World Index, rose during the reporting year, as inflation cooled and major central banks reduced the size of their interest rate rises. A halt to China's COVID-19 lockdowns in late 2022 further cheered markets. However, bouts of uncertainty about monetary policy direction, particularly as inflation surged earlier in the year, coupled with anxiety about a global downturn and potential contagion from a regional banking crisis in the US, caused volatility.

Within fixed income, yields on core government bond markets rose (prices fell, reflecting their inverse relationship) as most major central banks raised interest rates to bring inflation under control. However, yields generally declined in late 2022 and in 2023 as policy makers eased the pace of tightening. The yield on US benchmark 10-year Treasuries ended the year above 3.5%, up from more than 2.8% at the start of June 2022. Corporate credit markets were weak overall. Improved sentiment helped corporate bonds rally in January, although they reversed course in the following month.

In commodity markets, oil prices weakened as worries about a global downturn and the effects of China's COVID-19 lockdowns in 2022 offset disruptions caused by the Ukraine conflict and supply tightness. US crude benchmark West Texas Intermediate ended the year down by about 40%. Spot gold prices rose – they neared a record high level in May – as major central banks slowed the pace of monetary tightening and the US dollar weakened in the latter part of the year.

Equities and alternatives drove the fund's positive performance during the year. Allocations to bonds, foreign exchange and cash detracted, however.

The picture across regional equities was mixed. Positive contributions from UK and European equities more than offset negative returns elsewhere. In terms of key holdings, the LF Lindsell Train UK Equity Income Fund and the BlackRock Continental European Income Fund delivered strong contributions. The main detractors included the Dodge & Cox Worldwide US Stock Fund and Hang Seng Index futures.

Within fixed income, there were negative contributions across all asset classes. Government debt was by far the biggest detractor as US Treasury and UK gilt yields increased.

Within alternatives, commodities delivered the strongest contributions, and there was a small contribution from the macro-focused strategies. Real assets and private equity weighed on total returns.

During the year, we reduced the fund's allocations to equities and alternatives and increased holdings in fixed income assets.

Positioning was adjusted in response to dramatic changes in the macroeconomic, policy and investor sentiment backdrop. The allocation to equities was reduced and the alternatives holding was trimmed, while fixed income exposure increased.

Activity within the individual equity holdings included a full redemption of the GQG Partners US Equity Fund and a reduction in the Jupiter UK Special Situations Fund and FTSE 100 Index futures. In January, we initiated a small futures position in the Hang Seng China Enterprises Index as China's economy reopened and the regulatory backdrop improved.

Within fixed income, we reduced the fund's exposure to investment-grade bonds and significantly increased its allocation to government bonds. Within sovereign debt, a position in German bunds was added. We had looked for an opportunity to add to government bonds and we felt that the German 10-year bund yield level was, at the time, a fair entry point. Towards the end of the year, we added to the bund position and US Treasury futures. We took the view that recessionary risks had risen globally while the European Central Bank (ECB) remained one of the most hawkish central banks. A change in the ECB's tone could see an outsized move lower in German bund yields versus other markets, in our view. Furthermore, we were concerned about the rising risk of recession in the US. If the country's economy contracts, we expect a strong performance from government bonds.

Within alternatives, we reduced the macro-focused, real assets and private equity strategies. Within commodities, the fund's position in the iShares Physical Gold ETF was increased. Gold's role as a safe-haven asset was attractive to us, given the risks of recession and financial sector shocks after the rapid increase in interest rates.

The strength of developed economies in 2023 has been surprising, with labour market data remaining particularly robust. In particular, hard economic data has been more positive than survey responses would have suggested. However, leading indicators across different economies have continued to point to a loss of momentum, with the rapid increase in borrowing costs perhaps having started to take its toll as default rates have begun increasing. A rise in unemployment generally comes once a recession has started, lagging other indicators of a slowdown. These more forward-looking markers have played on the minds of central bankers. The Fed was expected to hold fire on interest rates in June – it did – while the ECB has indicated that it is getting close to its expected peak interest rate.

Comparative tables for the year ended 31 May 2023

	Class A accumulation		
	2023 (pence per unit)	2022 (pence per unit)	2021 (pence per unit)
Change in net assets per unit			
Opening net asset value per unit	89.43	93.95	87.56
Return before operating charges*	(1.66)	(2.94)	8.04
Operating charges	(1.42)	(1.58)	(1.65)
Return after operating charges*	(3.08)	(4.52)	6.39
Distributions on accumulation units	(2.40)	(2.19)	(2.26)
Retained distributions on accumulation units	2.40	2.19	2.26
Closing net asset value per unit	86.35	89.43	93.95
* after direct transaction costs of:	-	0.02	0.02

Performance

Return after charges	(3.44%)	(4.81%)	7.30%
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Other information

Closing net asset value (£000s)	5,665	7,756	9,202
Closing number of units	6,560,958	8,673,025	9,794,324
Operating charges	1.64%	1.68%	1.80%
Direct transaction costs	0.01%	0.02%	0.02%

Prices

Highest unit price (pence)	89.56	96.49	94.02
Lowest unit price (pence)	81.60	88.50	87.53

	Class A income		
	2023 (pence per unit)	2022 (pence per unit)	2021 (pence per unit)
Change in net assets per unit			
Opening net asset value per unit	102.25	110.49	106.26
Return before operating charges*	(2.62)	(3.86)	8.96
Operating charges	(1.60)	(1.84)	(1.96)
Return after operating charges*	(4.22)	(5.70)	7.00
Distributions on income units	(2.71)	(2.54)	(2.77)
Closing net asset value per unit	95.32	102.25	110.49
* after direct transaction costs of:	0.01	0.02	0.02

Performance

Return after charges	(4.13%)	(5.16%)	6.59%
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Other information

Closing net asset value (£000s)	103	179	151
Closing number of units	107,779	175,020	136,497
Operating charges	1.64%	1.68%	1.80%
Direct transaction costs	0.01%	0.02%	0.02%

Prices

Highest unit price (pence)	102.30	112.80	111.60
Lowest unit price (pence)	92.66	101.70	106.20

Comparative tables (continued)

	Class B accumulation		
	2023 (pence per unit)	2022 (pence per unit)	2021 (pence per unit)
Change in net assets per unit			
Opening net asset value per unit	182.51	190.78	177.05
Return before operating charges*	(4.05)	(6.51)	15.66
Operating charges	(1.56)	(1.76)	(1.93)
Return after operating charges*	(5.61)	(8.27)	13.73
Distributions on accumulation units	(5.11)	(4.66)	(4.79)
Retained distributions on accumulation units	5.11	4.66	4.79
Closing net asset value per unit	176.90	182.51	190.78
* after direct transaction costs of:	0.01	0.03	0.04
Performance			
Return after charges	(3.07%)	(4.33%)	7.75%
Other information			
Closing net asset value (£000s)	1,434	1,600	2,069
Closing number of units	810,404	876,699	1,084,617
Operating charges	0.88%	0.92%	1.04%
Direct transaction costs	0.01%	0.02%	0.02%
Prices			
Highest unit price (pence)	183.00	196.40	190.80
Lowest unit price (pence)	166.90	180.60	177.00
	Class E accumulation		
	2023 (pence per unit)	2022 (pence per unit)	2021 (pence per unit)
Change in net assets per unit			
Opening net asset value per unit	90.63	94.79	87.94
Return before operating charges*	(1.80)	(3.04)	8.05
Operating charges	(1.00)	(1.12)	(1.20)
Return after operating charges*	(2.80)	(4.16)	6.85
Distributions on accumulation units	(2.44)	(2.21)	(2.28)
Retained distributions on accumulation units	2.44	2.21	2.28
Closing net asset value per unit	87.83	90.63	94.79
* after direct transaction costs of:	-	0.02	0.02
Performance			
Return after charges	(3.09%)	(4.39%)	7.79%
Other information			
Closing net asset value (£000s)	5,052	5,653	6,285
Closing number of units	5,752,568	6,237,285	6,630,341
Operating charges	1.14%	1.18%	1.30%
Direct transaction costs	0.01%	0.02%	0.02%
Prices			
Highest unit price (pence)	90.84	97.60	94.83
Lowest unit price (pence)	82.83	89.67	87.92

Comparative tables (continued)

	Class E income		
	2023 (pence per unit)	2022 (pence per unit)	2021 (pence per unit)
Change in net assets per unit			
Opening net asset value per unit	103.56	111.46	106.73
Return before operating charges*	(2.75)	(4.03)	8.89
Operating charges	(1.13)	(1.30)	(1.43)
Return after operating charges*	(3.88)	(5.33)	7.46
Distributions on income units	(2.75)	(2.57)	(2.73)
Closing net asset value per unit	96.93	103.56	111.46
* after direct transaction costs of:	0.01	0.02	0.02
Performance			
Return after charges	(3.75%)	(4.78%)	6.99%
Other information			
Closing net asset value (£000s)	154	272	289
Closing number of units	158,807	262,954	258,872
Operating charges	1.14%	1.18%	1.30%
Direct transaction costs	0.01%	0.02%	0.02%
Prices			
Highest unit price (pence)	103.70	113.90	112.40
Lowest unit price (pence)	93.99	103.00	106.70
	Class I accumulation		
	2023 (pence per unit)	2022 (pence per unit)	2021 (pence per unit)
Change in net assets per unit			
Opening net asset value per unit	119.32	125.25	116.80
Return before operating charges*	(3.21)	(4.71)	9.79
Operating charges	(1.07)	(1.22)	(1.34)
Return after operating charges*	(4.28)	(5.93)	8.45
Distributions on accumulation units	(3.30)	(3.02)	(3.11)
Retained distributions on accumulation units	3.30	3.02	3.11
Closing net asset value per unit	115.04	119.32	125.25
* after direct transaction costs of:	0.01	0.02	0.03
Performance			
Return after charges	(3.59%)	(4.73%)	7.23%
Other information			
Closing net asset value (£000s)	8,159	9,466	11,898
Closing number of units	7,092,294	7,933,217	9,500,044
Operating charges	0.93%	0.97%	1.10%
Direct transaction costs	0.01%	0.02%	0.02%
Prices			
Highest unit price (pence)	119.50	128.60	125.30
Lowest unit price (pence)	109.00	118.10	116.80

Comparative tables (continued)

	Class I income		
	2023	2022	2021
	(pence per unit)	(pence per unit)	(pence per unit)
Change in net assets per unit			
Opening net asset value per unit	106.74	114.80	109.82
Return before operating charges*	(2.88)	(4.21)	9.13
Operating charges	(0.95)	(1.11)	(1.25)
Return after operating charges*	(3.83)	(5.32)	7.88
Distributions on income units	(2.92)	(2.74)	(2.90)
Closing net asset value per unit	99.99	106.74	114.80
* after direct transaction costs of:	0.01	0.02	0.02
Performance			
Return after charges	(3.59%)	(4.63%)	7.18%
Other information			
Closing net asset value (£000s)	6,314	8,328	10,956
Closing number of units	6,314,629	7,802,109	9,544,400
Operating charges	0.93%	0.97%	1.10%
Direct transaction costs	0.01%	0.02%	0.02%
Prices			
Highest unit price (pence)	106.90	117.40	115.80
Lowest unit price (pence)	96.92	106.20	109.80

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

Operating charges

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

Unit class launches and closures

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

Ongoing charge figure

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

	2023	2022
	%	%
Class A accumulation	1.64	1.68
Class A income	1.64	1.68
Class B accumulation¹	0.88	0.92
Class E accumulation	1.14	1.18
Class E income	1.14	1.18
Class I accumulation	0.93	0.97
Class I income	0.93	0.97

The OCF includes a synthetic element of 0.19% (2022: 0.24%) to incorporate the OCF of underlying funds.

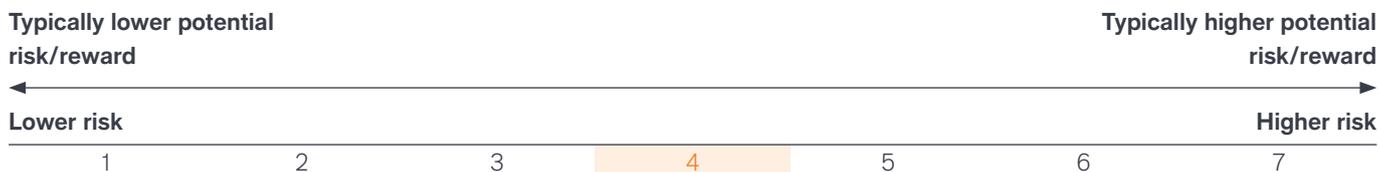
The OCF is calculated in accordance with guidelines issued by the European Securities and Markets Authority (ESMA).

¹ Class B accumulation units are no longer available for new investment.

Risk and reward profile

The fund currently has 7 types of unit class in issue: A accumulation, A income, B accumulation, E accumulation, E income, I accumulation and I income.

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



The unit classes appear at 4 out of 7. Units in higher categories have shown greater and/or more frequent variations in Net Asset Value in the past five years than those in lower categories. The lowest category does not mean risk free.

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

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

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

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

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

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

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

Portfolio statement as at 31 May 2023

Holding	Investment	Market value £000	Percentage of total net assets %
Alternative Strategies 1.26% (2022: 2.55%)			
29,111	BH Macro	119	0.44
171,060	BioPharma Credit	126	0.47
787	Crabel Gemini UCITS Fund A Accumulation	94	0.35
689,770	Speymill Deutsche Immobilien ¹	-	-
		<u>339</u>	<u>1.26</u>
Asia ex Japan Equity 1.18% (2022: 1.28%)			
70,505	Federated Hermes Asia ex Japan Equity Fund C Accumulation	216	0.80
674	Nomura Asia ex Japan High Conviction Fund Class I USD	101	0.38
		<u>317</u>	<u>1.18</u>
Cash 12.29% (2022: 8.19%)			
3,303,971	Deutsche Global Liquidity Managed Platinum Sterling Fund	<u>3,304</u>	<u>12.29</u>
Commodities 3.93% (2022: 2.85%)			
30,385	iShares Physical Gold ETC	941	3.50
511	Lumyna - BOFA MLCX Commodity Alpha UCITS Fund B-5 Accumulation	114	0.43
		<u>1,055</u>	<u>3.93</u>
Diversified Bonds 21.09% (2022: 19.85%)			
2,975,785	AXA Global Strategic Bond Fund S Income	2,927	10.89
412,428	Janus Henderson Multi-Sector Income Fund I4m USD ²	2,742	10.20
		<u>5,669</u>	<u>21.09</u>
Emerging Market Bonds 4.46% (2022: 5.68%)			
3,821	Barings Emerging Markets Sovereign Debt Fund A Income	275	1.02
45	Finisterre Unconstrained Emerging Markets Fixed Income Fund Hedged I Accumulation GBP ³	-	-
11,339	Janus Henderson Horizon Emerging Markets Debt Hard Currency Fund Z2 USD ²	924	3.44
		<u>1,199</u>	<u>4.46</u>
Europe ex UK Equity 2.62% (2022: 3.33%)			
421,503	BlackRock Continental European Income Fund A Income	<u>705</u>	<u>2.62</u>
Global Emerging Market Equity 0.83% (2022: 0.72%)			
57,598	Janus Henderson Emerging Markets Opportunities Fund Z Accumulation ²	<u>222</u>	<u>0.83</u>
Government Bonds 16.90% (2022: 15.71%)			
GBP 1,000,000	UK Treasury 0.00% 19/06/2023	998	3.71
GBP 1,000,000	UK Treasury 0.00% 26/06/2023	997	3.71
GBP 337,318	UK Treasury 0.125% 30/01/2026	303	1.13
GBP 694,095	UK Treasury 0.75% Index-Linked 22/03/2034	1,108	4.12
GBP 348,008	UK Treasury 0.875% 22/10/2029	286	1.06
GBP 339,194	UK Treasury 0.875% 31/07/2033	247	0.92
GBP 247,618	UK Treasury 1.125% 31/01/2039	156	0.58
GBP 218,430	UK Treasury 1.25% 22/07/2027	194	0.72

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
Government Bonds (continued)			
GBP 270,352	UK Treasury 1.75% 22/01/2049	158	0.59
GBP 177,565	UK Treasury 1.75% 22/07/2057	95	0.36
		<u>4,542</u>	<u>16.90</u>
High Yield Bonds 3.73% (2022: 5.64%)			
7,230	Janus Henderson Horizon Global High Yield Bond Fund Z2 HGBP ²	<u>1,004</u>	<u>3.73</u>
Investment Grade Bonds 14.17% (2022: 17.65%)			
35,934	Janus Henderson Global Investment Grade Bond Fund Z1 USD ²	2,844	10.58
7,396	Janus Henderson Horizon Euro Corporate Bond Fund I2 EUR ²	966	3.59
		<u>3,810</u>	<u>14.17</u>
Japan Equity 1.17% (2022: 1.21%)			
19,721	First Sentier Japan Equity Fund III Accumulation USD	<u>315</u>	<u>1.17</u>
North America Equity 3.98% (2022: 1.30%)			
28,936	Dodge & Cox Worldwide US Stock Fund USD Accumulation	866	3.22
24,413	iShares Edge MSCI USA Quality Factor UCITS ETF	204	0.76
		<u>1,070</u>	<u>3.98</u>
Private Equity 0.49% (2022: 0.96%)			
3,921	HarbourVest Global Private Equity	84	0.31
12,227	HgCapital Trust	49	0.18
		<u>133</u>	<u>0.49</u>
Real Assets 1.23% (2022: 2.91%)			
88,156	Greencoat UK Wind	131	0.49
92,156	HICL Infrastructure	133	0.49
111,788	Tritax EuroBox	67	0.25
		<u>331</u>	<u>1.23</u>
UK Equity 9.51% (2022: 9.37%)			
360,541	Jupiter UK Special Situations Fund I Income	739	2.75
522,624	LF Lindsell Train UK Equity Fund Income	1,816	6.76
		<u>2,555</u>	<u>9.51</u>
Derivatives 0.04% (2022: 0.44%)			
Futures 0.07% (2022: 0.12%)			
22	CBT US 10 Year Note September 2023	(1)	0.01
4	CBT US Ultra Bond September 2023	5	0.02
1	CME E-Mini S&P 500 June 2023 ³	-	-
6	EUX Euro Bund June 2023	6	0.02
6	EUX Euro Stoxx 50 Total Return Index June 2023	6	0.02
2	HKG H-Shares Index June 2023	(2)	(0.01)
2	ICE FTSE 100 Index June 2023	(3)	(0.01)
16	ICE Long Gilt September 2023	6	0.02
		<u>17</u>	<u>0.07</u>

Portfolio statement (continued)

Holding	Investment	Market value £000	Percentage of total net assets %
	Forward Foreign Exchange Contracts (0.03%) (2022: 0.32%)⁴		
	Buy GBP 766,009 : Sell EUR 877,435 June 2023	11	0.04
	Buy GBP 7,119 : Sell JPY 1,206,323 June 2023 ³	-	-
	Buy GBP 6,344,799 : Sell USD 7,888,396 June 2023	(17)	(0.06)
	Buy GBP 282,155 : Sell USD 350,820 June 2023	(1)	(0.00)
		<u>(7)</u>	<u>(0.03)</u>
	Investment assets including investment liabilities	26,580	98.88
	Other net assets	301	1.12
	Total net assets	26,881	100.00

¹ Suspended or delisted securities

² Related party to the fund

³ Due to rounding to nearest £1,000

⁴ Not listed on an official stock exchange

The collective investment schemes held are approved regulated collective investment schemes within the meaning of the FCA rules.

Exchange traded funds and all other investments are listed on recognised stock exchanges or are 'approved securities' within the meaning of FCA rules unless otherwise stated.

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

Portfolio statement (continued)

Composition of portfolio

	Market value £000	Percentage of total net assets %
2023		
Investments		
Total collective investment schemes	20,175	75.05
Total equities	1,853	6.89
Total bonds	4,542	16.90
Total derivatives	10	0.04
Investment assets including investment liabilities	26,580	98.88
Other net assets	301	1.12
Total net assets	26,881	100.00
	Market value £000	Percentage of total net assets %
2022		
Investments		
Total collective investment schemes	26,541	79.81
Total equities	3,334	10.03
Total bonds	3,111	9.36
Total derivatives	148	0.44
Investment assets including investment liabilities	33,134	99.64
Other net assets	120	0.36
Total net assets	33,254	100.00

Statement of Authorised Fund Manager's responsibilities for the year ended 31 May 2023

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

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

The AFM is responsible for the management of the fund in accordance with its Trust Deed, Prospectus and the Regulations. The AFM is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of the Trustee's responsibilities and report of the Trustee to the unitholders of Janus Henderson Multi-Manager Diversified Fund ('the Scheme') for the year ended 31 May 2023

The Trustee must ensure that the Scheme is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Trust Deed and Prospectus (together 'the Scheme documents') as detailed below.

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

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

The Trustee must ensure that:

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

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

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

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

NatWest Trustee and Depositary Services Limited
London
15 August 2023

Independent Auditors' report to the unitholders of Janus Henderson Multi-Manager Diversified Fund

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Janus Henderson Multi-Manager Diversified Fund (the 'fund'):

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

We have audited the financial statements, included within the Annual Report & Accounts (the 'Annual Report'), which comprise: the Balance sheet as at 31 May 2023; the Statement of total return and the Statement of change in net assets attributable to unitholders for the year then ended; the Distribution tables; and the Notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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

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

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

Authorised Fund Manager's Report

In our opinion, the information given in the Authorised Fund Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditors' report to the unitholders of Janus Henderson Multi-Manager Diversified Fund (continued)

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Fund Manager for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

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

Use of this report

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

Independent Auditors' report to the unitholders of Janus Henderson Multi-Manager Diversified Fund (continued)

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

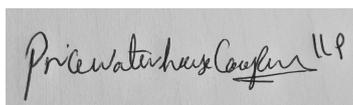
In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

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

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

We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive style and is positioned above a grey rectangular box.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
15 August 2023

Statement of total return for the year ended 31 May 2023

	Note	2023		2022	
		£000	£000	£000	£000
Income					
Net capital losses	4		(1,742)		(2,233)
Revenue	5	877		957	
Expenses	6	<u>(276)</u>		<u>(351)</u>	
Net revenue before taxation		601		606	
Taxation	7	<u>-</u>		<u>-</u>	
Net revenue after taxation			<u>601</u>		<u>606</u>
Total return before distributions			(1,141)		(1,627)
Distributions	8		(837)		(906)
Change in net assets attributable to unitholders from investment activities			<u>(1,978)</u>		<u>(2,533)</u>

Statement of change in net assets attributable to unitholders for the year ended 31 May 2023

	2023		2022	
	£000	£000	£000	£000
Opening net assets attributable to unitholders		33,254		40,850
Amounts receivable on issue of units	355		457	
Amounts payable on cancellation of units	<u>(5,358)</u>		<u>(6,164)</u>	
		(5,003)		(5,707)
Change in net assets attributable to unitholders from investment activities		(1,978)		(2,533)
Retained distributions on accumulation units		608		644
Closing net assets attributable to unitholders		<u>26,881</u>		<u>33,254</u>

Balance sheet as at 31 May 2023

	Note	2023 £000	2022 £000
Assets:			
Investments		26,604	33,154
Current assets:			
Debtors	9	54	121
Cash and bank balances	10	396	226
Total assets		27,054	33,501
Liabilities:			
Investment liabilities		24	20
Creditors:			
Amounts held at derivative clearing houses and brokers		23	59
Distributions payable		60	48
Other creditors	11	66	120
Total liabilities		173	247
Net assets attributable to unitholders		26,881	33,254

Directors' statement

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

 R Chaudhuri
(Director)

 W Lucken
(Director)

15 August 2023

1 Accounting policies

(a) Basis of preparation

The financial statements of Janus Henderson Multi-Manager Diversified Fund (the 'fund') have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the SORP for UK Authorised Funds issued by the IMA in May 2014 and amended in June 2017, FRS 102, the FCA's COLL, Trust Deed and Prospectus.

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

(b) Basis of valuation of investments

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

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

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

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

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

(c) Revenue recognition

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

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

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

Bank interest is recognised on an accruals basis.

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

Revenue earned on derivatives and interest on margin are accounted for on an accruals basis.

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

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

Under the UK Reporting Regime, an offshore fund with reporting status is required on an annual basis to calculate its excess reportable income (ERI) which is broadly a calculation of its revenue income (interest and dividends received) less its revenue expenses such as management fees (but not performance fees or incentive allocations). The ERI will be recognised in the fund as income when the ERI is made public by the offshore fund.

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

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

(d) Treatment of expenses (including AFM expenses)

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

Notes to the financial statements (continued)

1 Accounting policies (continued)

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

Annual Management Charge

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

The investment objective of the fund concentrates on the generation of income as a higher priority than capital growth. The AFM and Trustee have agreed that 100% of the AMC for this fund is to be taken to capital for the purpose of calculating the distribution in accordance with the Trust Deed and the Prospectus. The distribution currently payable reflects this treatment together with any associated tax effect.

General Administration Charge

All fees with the exception of the AMC, Trustee and safe custody fees have been replaced by a single ad valorem charge, the General Administration Charge (GAC). The AFM believes that this creates more efficiency around the charging process than more traditional methods. The GAC is calculated as a percentage of the scheme property and the amount each unit class in the fund will pay will depend on that unit class' proportionate interest in the property of the fund. The GAC accrues on a daily basis and is payable to the AFM by each unit class monthly.

Allocation of revenue and expenses to multiple unit classes

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

(e) Exchange rates

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

(f) Taxation

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

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

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

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

(g) Cash flow statement

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

(h) Treatment of derivatives

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

Bond and Index future contracts

The unrealised gain/(loss) on open future contracts is disclosed in the Portfolio statement. The margins paid on these contracts are included in amounts held at derivative clearing houses and brokers. The net gains/(losses) are apportioned between the Revenue account and Derivative securities in Net capital gains/(losses), reflecting the nature of the return. The basis of the apportionment is typically made by reference to the yield on the underlying security or index or other appropriate source.

Forward foreign currency contracts

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

Notes to the financial statements (continued)

1 Accounting policies (continued)

(i) Dilution adjustment

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

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

2 Distribution policy

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

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

Marginal tax relief has not been taken into account when determining the amount available for distribution on this fund.

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

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

The fund makes quarterly distributions (31 October, 31 January, 30 April and 31 July) to unitholders.

In the event that the income yielded is low (generally less than 1% p.a.) the AFM has the discretion not to make an income allocation in respect of a particular interim income allocation date and instead to hold over that payment until the final income allocation date.

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

Equalisation

Income equalisation applies to the fund.

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

3 Risk

In pursuing its investment objective the fund holds a number of financial instruments. These financial instruments comprise securities and other investments, cash balances, debtors and creditors arising from the fund's operations. The fund may also enter into derivatives, stock lending and forward transactions for the purpose of achieving the investment objective and efficient portfolio management.

The AFM employs a risk management process that identifies the risks to which the fund might be exposed and how such risks are assessed, monitored and managed, ensuring compliance with relevant regulation. This enables it to monitor and measure at any time the risk of the portfolio positions including derivative instruments and their contribution to the overall risk profile of the fund.

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

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

Notes to the financial statements (continued)

3 Risk (continued)

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

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

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

(a) Market risk

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

The investments of the fund are subject to normal market fluctuations and other risks inherent in investing in securities, in pursuance of the investment objective and policy.

Whilst equity investments carry potential for attractive returns over the longer term, the volatility of these returns can be relatively high and exposure to a single country or geographical area may increase potential volatility.

The fund takes the AMC from the capital of the fund. Distributable income will be increased at the expense of capital growth and to that extent, capital may be eroded or future growth constrained.

The fund may use derivatives and forward transactions for the purposes of achieving the investment objective and efficient portfolio management; it is not expected that the use of derivatives for these purposes will alter the risk profile of the fund.

Currency risk

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

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

	Investment assets (including investment liabilities)	Other net assets	Total net assets/ (liabilities)
	£000	£000	£000
2023			
Currency			
Euro	223	52	275
Hong Kong dollar	(2)	20	18
Japanese yen	(7)	-	(7)
UK sterling	23,669	129	23,798
US dollar	2,697	100	2,797
Total	26,580	301	26,881

	Investment assets (including investment liabilities)	Other net assets	Total net assets/ (liabilities)
	£000	£000	£000
2022			
Currency			
Euro	(254)	-	(254)
Japanese yen	(115)	-	(115)
UK sterling	29,961	2	29,963
US dollar	3,542	118	3,660
Total	33,134	120	33,254

Notes to the financial statements (continued)

3 Risk (continued)

(a) Market risk (continued)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Some securities such as bonds are directly impacted by interest rate movements but others are indirectly affected. The majority of the fund's financial assets are investments which neither pay interest nor have a maturity date.

The fund's exposure to interest rate risk is considered significant. The interest rate risk profile of the fund's financial assets and financial liabilities at the year end is set out in the following table:

2023	Floating rate financial assets £000	Fixed rate financial assets £000	Non-interest bearing assets £000	Total £000
Euro	64	-	989	1,053
Hong Kong dollar	20	-	-	20
UK sterling	207	4,542	11,784	16,533
US dollar	105	-	9,343	9,448
Total	396	4,542	22,116	27,054

2023	Floating rate financial liabilities £000	Fixed rate financial liabilities £000	Non-interest bearing liabilities £000	Total £000
Euro	12	-	-	12
Hong Kong dollar	-	-	2	2
UK sterling	6	-	129	135
US dollar	5	-	19	24
Total	23	-	150	173

2022

The fund's exposure to interest rate risk was considered insignificant as at 31 May 2022.

Credit ratings

2023	Market value £000	Percentage of total net assets %
Investments		
Investment grade (AAA - BBB)	4,542	16.90
Total debt securities	4,542	16.90
Collective investment schemes	20,175	75.05
Derivatives	10	0.04
Equities	1,853	6.89
Investment assets including investment liabilities	26,580	98.88
Other net assets	301	1.12
Total net assets	26,881	100.00

2022

The fund's exposure to credit risk was considered insignificant as at 31 May 2022.

Other market price risk

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

Notes to the financial statements (continued)

3 Risk (continued)

(a) Market risk (continued)

Other market price risk (continued)

The fund's investment portfolio is exposed to market price fluctuations, which are monitored by the AFM in pursuance of the investment objective and policy.

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

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

Leverage

Leverage is calculated in terms of the fund's overall exposure and includes any method by which the exposure of the fund is increased whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means. JHFMUKL as the AFM is required to calculate and monitor the level of leverage of the fund, expressed as the ratio between the total exposure of the fund and its net asset value with exposure values being calculated by both the gross method and commitment methods.

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

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

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

Exposure values under the commitment method basis are calculated on a similar basis to the above, but may take into account the effect of netting off instruments to reflect hedging or netting arrangements and differences may arise in the treatment of cash and cash equivalents.

The level of leverage arising from the use of derivative instruments is disclosed in the table below as a percentage of the fund's total Net Asset Value. The calculation is based on the sum of notional exposures of financial derivative instruments in the investment portfolio including those held for risk reduction purposes. Please note these levels of leverage are explicitly not investment limits for the fund and will vary over time under differing market conditions to ensure that the fund meets its investment objective.

	Minimum	Maximum	Average
	%	%	%
2023	30.03	122.26	51.86
2022	16.15	76.66	32.01

Sensitivity analysis

The sensitivity of the fund to market risk is calculated by using the Value-at-Risk (VaR) approach. VaR is a mathematical-statistical concept and is commonly used as a standard measure of risk in the financial sector. The maximum potential loss that a fund could suffer in normal market conditions within a given time horizon and a certain degree of confidence is estimated. In these calculations all positions in the investment portfolio are taken into consideration including those undertaken for efficient portfolio management purposes.

Absolute VaR is calculated using a Monte Carlo simulation approach, the following parameters are applied as a minimum: a one-tailed 99% confidence interval, a holding period equivalent to one month (20 business days), effective observation period (history) of risk factors of at least 1 year (250 business days), quarterly data set updates and daily calculation.

Notes to the financial statements (continued)

3 Risk (continued)

(a) Market risk (continued)

Sensitivity analysis (continued)

The actual VaR results, limits and utilisation of limits are summarised in the table below:

VaR Results

	Actual VaR in year			VaR limit	Utilisation of VaR limit		
	Minimum	Maximum	Average		Minimum	Maximum	Average
	%	%	%		%	%	%
2023	2.00	4.84	3.45	20	9.99	24.20	17.24
2022	2.16	4.84	3.81	20	10.81	24.20	19.07

(b) Credit and counterparty risk

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

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

The exposure to credit risk by the fund is considered insignificant. This is consistent with the exposure in the prior year.

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

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

(c) Operational risk

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

(d) Liquidity risk

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

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

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

Notes to the financial statements (continued)

3 Risk (continued)

(d) Liquidity risk (continued)

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

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2023				
Amounts held at derivatives clearing houses and brokers	23	-	-	-
Derivative financial liabilities	-	24	-	-
Distribution payable	-	60	-	-
Other creditors	-	66	-	-
Total	23	150	-	-

	On demand £000	Within one year £000	Over one year but not more than five years £000	Over five years £000
2022				
Amounts held at derivatives clearing houses and brokers	59	-	-	-
Derivative financial liabilities	-	20	-	-
Distribution payable	-	48	-	-
Other creditors	-	120	-	-
Total	59	188	-	-

4 Net capital losses

Net capital losses on investments during the year comprise:

	2023 £000	2022 £000
Capital management fee rebates	15	20
Derivative securities	(161)	(23)
Forward currency contracts	(308)	(633)
Non-derivative securities	(1,290)	(1,605)
Other currency gains	6	10
Transaction costs	(4)	(2)
Net capital losses	(1,742)	(2,233)

Notes to the financial statements (continued)

5 Revenue

	2023	2022
	£000	£000
Bank interest	11	1
Derivative revenue	(3)	7
Distributions from UK regulated collective investment schemes:		
Franked investment revenue	94	185
Interest distribution	85	376
Interest on debt securities*	642	284
Management fee rebates	25	3
Overseas dividends	1	7
Stock dividends	-	66
UK dividends	22	28
Total revenue	877	957

* Includes distributions from overseas funds.

6 Expenses

	2023	2022
	£000	£000
Payable to the AFM, associates of the AFM and agents of either of them:		
Annual management charge	236	300
GAC*	36	46
	<u>272</u>	<u>346</u>
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee fees	3	3
Safe custody fees	1	2
	<u>4</u>	<u>5</u>
Total expenses	276	351

Irrecoverable VAT is included in the above expenses where relevant.

* The current audit fee, which is levied through the GAC, is £13,503 (2022: £12,249).

7 Taxation

a) Analysis of charge in the year

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

Notes to the financial statements (continued)

7 Taxation (continued)

b) Factors affecting tax charge for year

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

	2023 £000	2022 £000
Net revenue before taxation	601	606
Corporation tax at 20% (2022: 20%)	120	121
Effects of:		
Overseas dividends	-	(1)
Relief for indexation movements on index-linked gilts	(11)	-
Tax effect of management fee rebates in capital	3	4
UK dividends*	(23)	(43)
Unused management expenses	(89)	(81)
Tax charge for the year (note 7a)	-	-

* As an authorised unit trust this item is not subject to corporation tax.

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

c) Deferred tax

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

d) Factors that may affect future tax charges

At the year end, after claiming relief against revenue taxable on receipt, there is a potential deferred tax asset of £2,573,812 (2022: £2,662,432) in relation to surplus management expenses. It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised at the current or prior year end.

8 Distributions

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

	2023 £000	2022 £000
Interim income	150	193
Interim accumulation	426	513
Final income	60	48
Final accumulation	182	131
	818	885
Amounts deducted on cancellation of units	21	23
Amounts received on issue of units	(2)	(2)
Total distributions	837	906
Net revenue after taxation	601	606
Annual management charge borne by the capital account	236	300
Total distributions	837	906

Details of the distribution per unit are set out in the Distribution tables on pages 39 to 42.

Notes to the financial statements (continued)

9 Debtors

	2023	2022
	£000	£000
Accrued revenue	25	31
Amounts receivable for issue of units	-	87
Management fee rebates	29	3
Total debtors	54	121

10 Cash and bank balances

	2023	2022
	£000	£000
Amounts held at derivative clearing houses and brokers	356	173
Cash and bank balances	40	53
Total cash and bank balances	396	226

11 Other creditors

	2023	2022
	£000	£000
Accrued annual management charge	19	23
Accrued Trustee's fee	-	1
Accrued other expenses	4	4
Amounts payable for cancellation of units	43	92
Total other creditors	66	120

12 Contingent liabilities and commitments

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

13 Related party transactions

JHFMUKL as AFM to the fund is deemed to be a related party in respect of their dealings with the fund. All transactions and balances associated with the AFM are disclosed within the 'Statement of total return', the 'Statement of change in net assets attributable to unitholders' and the 'Balance sheet' on pages 21 and 22 and notes 6, 8, 9 and 11 on pages 31 to 33 including all issues and cancellations where the AFM acted as principal.

Transactions with the AFM are as follows:

- All issues and cancellations
- Annual management charge
- GAC
- Management fee rebates

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

- The value of purchase transactions was £940,054 (2022: £5,832,348) and sales transactions was £3,035,720 (2022: £902,086) and the balance outstanding at the year end was purchases nil (2022: nil) and sales nil (2022: nil).
- Revenue receivable for the year was £254,802 (2022: £127,267) and the balance outstanding at the year end was nil (2022: £12,181).
- Management fee rebates receivable for the year was nil (2022: nil) and the balance outstanding at the year end was £26,138 (2022: nil).
- The aggregate value of investments held at the year end was £8,701,964 (2022: £11,346,904).

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

Notes to the financial statements (continued)

14 Unitholders' funds

The fund currently has 3 unit classes available: Class A (Retail), Class E (Retail) and Class I (Institutional). Class B (Retail) is no longer available for new investment. The annual management charge on each unit class is as follows:

	2023	2022
	%	%
Class A	1.25	1.25
Class B	0.60	0.60
Class E	0.75	0.75
Class I	0.625	0.625

The net asset value of each unit class, the net asset value per unit and the number of units in each unit class are given in the Comparative tables on pages 6 to 9. The distribution per unit class is given in the Distribution tables on pages 39 to 42. All unit classes have the same rights on winding up.

Units reconciliation as at 31 May 2023

	Class A accumulation	Class A income	Class B accumulation	Class E accumulation
Opening number of units	8,673,025	175,020	876,699	6,237,285
Issues during the year	120,357	29,616	-	67,497
Cancellations during the year	(1,410,381)	(63,842)	(64,443)	(820,584)
Units converted during the year	(822,043)	(33,015)	(1,852)	268,370
Closing units in issue	6,560,958	107,779	810,404	5,752,568
		Class E income	Class I accumulation	Class I income
Opening number of units		262,954	7,933,217	7,802,109
Issues during the year		1,164	50,417	99,240
Cancellations during the year		(3,038)	(1,306,369)	(1,717,373)
Units converted during the year		(102,273)	415,029	130,653
Closing units in issue		158,807	7,092,294	6,314,629

15 Financial derivatives

The fund may use financial derivatives for achieving the investment objective and policy and for the purpose of efficient portfolio management.

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

There was no collateral pledged or collateral held in respect of forward foreign exchange contracts as at 31 May 2023 (2022: nil). The fund had cash assets of £355,847 (2022: £172,978) and cash liabilities of £23,387 (2022: £58,800) held in margin accounts at derivative clearing houses and brokers as at 31 May 2023. These balances are held as collateral on the fund's futures contracts.

2023

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

Counterparty	Forward foreign exchange contracts £000	Futures £000	Total by counterparty £000
BNP Paribas	11	-	11
UBS	-	23	23
	11	23	34

Notes to the financial statements (continued)

15 Financial derivatives (continued)

2022

As at 31 May 2022 the counterparty exposure calculated using the positive marked-to-market value for each category of derivatives held, which is considered to be at risk of repayment to the fund by the counterparty, was as follows:

Counterparty	Forward foreign exchange contracts £000	Futures £000	Total by counterparty £000
Barclays	1	-	1
BNP Paribas	108	-	108
UBS	-	59	59
	<u>109</u>	<u>59</u>	<u>168</u>

16 Stock lending

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

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

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

2023

Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Bank of America	29	31	Government Bond
	<u>29</u>	<u>31</u>	

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

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

2022

Counterparty	Total market value of stock on loan £000	Amount of collateral received £000	Type of collateral category
Credit Suisse	110	121	Equity/Government Bond
	<u>110</u>	<u>121</u>	

Notes to the financial statements (continued)

16 Stock lending (continued)

2022 (continued)

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

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

17 Fair value disclosure

Fair value measurement

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

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

Level 1

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

Level 2

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

Level 3

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

Fair value hierarchy

	2023		2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	6,419*	6	6,504*	18
Level 2	20,185	18	26,650	2
Level 3	-	-	-	-
	26,604	24	33,154	20

* Debt securities included in the highest fair value hierarchy level, where their valuation is determined by unadjusted quoted prices from an active market, amount to £4,541,918 as at 31 May 2023 (2022: £3,111,397).

Notes to the financial statements (continued)

18 Direct transaction costs

	Purchases		Sales	
	2023 £000	2022 £000	2023 £000	2022 £000
Trades in the year				
Collective investment schemes	1,530	14,800	7,631	18,539
Debt securities	4,671	4,174	3,047	989
Equities	414	1,109	1,845	2,184
Trades in the year before transaction costs	6,615	20,083	12,523	21,712
Transaction costs				
Commissions				
Collective investment schemes	-	-	-	-
Debt securities	-	-	-	-
Equities	-	1	1	1
Total commissions	-	1	1	1
Taxes				
Collective investment schemes	-	-	-	-
Debt securities	-	-	-	-
Equities	-	5	-	-
Total taxes	-	5	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Debt securities	-	-	-	-
Equities	-	-	-	-
Total other expenses	-	-	-	-
Total transaction costs	-	6	1	1
Total net trades in the year after transaction costs	6,615	20,089	12,522	21,711

Notes to the financial statements (continued)

18 Direct transaction costs (continued)

	Purchases		Sales	
	2023	2022	2023	2022
	%	%	%	%
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Collective investment schemes	-	-	-	-
Debt securities	-	-	-	-
Equities	-	0.09	0.05	0.05
Taxes				
Collective investment schemes	-	-	-	-
Debt securities	-	-	-	-
Equities	-	0.45	-	-
Other expenses				
Collective investment schemes	-	-	-	-
Debt securities	-	-	-	-
Equities	-	-	-	-
	2023	2022		
	%	%		
Total transaction costs expressed as a percentage of net asset value				
Commissions	-	0.01		
Taxes	-	0.01		
Other expenses	-	-		
Total costs	-	0.02		

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

There were direct transaction costs associated with derivatives in the year of £592 (2022: £605) which is 0.00% of the average net asset value of the fund (2022: 0.00%).

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

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

The portfolio dealing spread as at 31 May 2023 was 0.04% (2022: 0.03%). The portfolio dealing spread is calculated at a 12 noon valuation point.

19 Events after the Balance sheet date

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

Distribution tables for the year ended 31 May 2023 (in pence per unit)

Interim dividend distribution (accounting date 31 August 2022, paid on 31 October 2022)

Group 1: units purchased prior to 1 June 2022

Group 2: units purchased on or after 1 June 2022

	Distribution per unit	Equalisation	Total distribution per unit 31/10/22	Total distribution per unit 29/10/21
Class A accumulation				
Group 1	0.4832	-	0.4832	0.5913
Group 2	0.3941	0.0891	0.4832	0.5913
Class A income				
Group 1	0.5525	-	0.5525	0.6954
Group 2	0.1576	0.3949	0.5525	0.6954
Class B accumulation				
Group 1	1.0363	-	1.0363	1.2549
Group 2	1.0363	-	1.0363	1.2549
Class E accumulation				
Group 1	0.4899	-	0.4899	0.5968
Group 2	0.1230	0.3669	0.4899	0.5968
Class E income				
Group 1	0.5596	-	0.5596	0.7015
Group 2	0.1288	0.4308	0.5596	0.7015
Class I accumulation				
Group 1	0.6685	-	0.6685	0.8140
Group 2	0.1808	0.4877	0.6685	0.8140
Class I income				
Group 1	0.5980	-	0.5980	0.7460
Group 2	0.1515	0.4465	0.5980	0.7460

Distribution tables (continued)

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

Group 1: units purchased prior to 1 September 2022

Group 2: units purchased on or after 1 September 2022

	Distribution per unit	Equalisation	Total distribution per unit 31/01/23	Total distribution per unit 31/01/22
Class A accumulation				
Group 1	0.7059	-	0.7059	0.4987
Group 2	0.3756	0.3303	0.7059	0.4987
Class A income				
Group 1	0.8011	-	0.8011	0.5821
Group 2	0.5120	0.2891	0.8011	0.5821
Class B accumulation				
Group 1	1.4908	-	1.4908	1.0678
Group 2	0.4213	1.0695	1.4908	1.0678
Class E accumulation				
Group 1	0.7165	-	0.7165	0.5040
Group 2	0.4678	0.2487	0.7165	0.5040
Class E income				
Group 1	0.8129	-	0.8129	0.5880
Group 2	0.2257	0.5872	0.8129	0.5880
Class I accumulation				
Group 1	0.9648	-	0.9648	0.6907
Group 2	0.4312	0.5336	0.9648	0.6907
Class I income				
Group 1	0.8581	-	0.8581	0.6290
Group 2	0.3247	0.5334	0.8581	0.6290

Distribution tables (continued)

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

Group 1: units purchased prior to 1 December 2022

Group 2: units purchased on or after 1 December 2022

	Distribution per unit	Equalisation	Total distribution per unit 28/04/23	Total distribution per unit 29/04/22
Class A accumulation				
Group 1	0.4502	-	0.4502	0.6263
Group 2	0.3183	0.1319	0.4502	0.6263
Class A income				
Group 1	0.5043	-	0.5043	0.7267
Group 2	0.2765	0.2278	0.5043	0.7267
Class B accumulation				
Group 1	0.9697	-	0.9697	1.3283
Group 2	0.9697	-	0.9697	1.3283
Class E accumulation				
Group 1	0.4575	-	0.4575	0.6336
Group 2	0.2826	0.1749	0.4575	0.6336
Class E income				
Group 1	0.5136	-	0.5136	0.7346
Group 2	0.1605	0.3531	0.5136	0.7346
Class I accumulation				
Group 1	0.6233	-	0.6233	0.8606
Group 2	0.1973	0.4260	0.6233	0.8606
Class I income				
Group 1	0.5497	-	0.5497	0.7796
Group 2	0.1961	0.3536	0.5497	0.7796

Distribution tables (continued)

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

Group 1: units purchased prior to 1 March 2023

Group 2: units purchased on or after 1 March 2023

	Distribution per unit	Equalisation	Total distribution per unit 31/07/23	Total distribution per unit 29/07/22
Class A accumulation				
Group 1	0.7632	-	0.7632	0.4696
Group 2	0.3368	0.4264	0.7632	0.4696
Class A income				
Group 1	0.8513	-	0.8513	0.5401
Group 2	0.1860	0.6653	0.8513	0.5401
Class B accumulation				
Group 1	1.6129	-	1.6129	1.0090
Group 2	1.6129	-	1.6129	1.0090
Class E accumulation				
Group 1	0.7761	-	0.7761	0.4756
Group 2	0.3248	0.4513	0.7761	0.4756
Class E income				
Group 1	0.8650	-	0.8650	0.5466
Group 2	0.7278	0.1372	0.8650	0.5466
Class I accumulation				
Group 1	1.0410	-	1.0410	0.6509
Group 2	0.6027	0.4383	1.0410	0.6509
Class I income				
Group 1	0.9132	-	0.9132	0.5854
Group 2	0.4945	0.4187	0.9132	0.5854

Appendix - additional information (unaudited)

Securities financing transactions

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

Global data

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

Fund	Market value of securities on loan £000	% of lendable assets	% of AUM
Janus Henderson Multi-Manager Diversified Fund	29	0.11	0.11

Concentration data

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

Issuer	Market value of collateral received £000
Government of France	26
UK Treasury	3
Republic of Finland	1
Government of Austria	1

All collateral issuers have been included.

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

Counterparty	Market value of securities on loan £000	Settlement basis
Bank of America	29	Triparty
	29	

All counterparties have been included.

Aggregate transaction data

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

Counterparty	Counterparty country of origin	Type	Quality	Collateral currency	Settlement basis	Custodian	Market value of collateral received £000
Bank of America	United States	Government Bond	Investment grade	EUR	Triparty	JPMorgan Chase	28
Bank of America	United States	Government Bond	Investment grade	GBP	Triparty	JPMorgan Chase	3
							31

All collateral is held in segregated accounts.

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

Appendix - additional information (unaudited) (continued)

Securities financing transactions (continued)

Re-use of collateral

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

Return and cost on securities lending activities

The following table details the fund's return and costs for each type of SFTs for the year ended 31 May 2023:

Fund	Total gross amount of stock lending revenue £000	Direct and indirect costs and fees deducted by securities lending agent £000	Net stock lending revenue retained by the fund £000	% return retained by the securities lending agent	% return retained by the fund
Janus Henderson Multi-Manager Diversified Fund*	-	-	-	8	92

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

Appendix - additional information (unaudited) (continued)

Remuneration policy

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

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

Janus Henderson Multi-Manager Diversified Fund is managed by JHFMUKL, which is a subsidiary of Janus Henderson Group plc.

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

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

	Headcount (1)	Total Remuneration (£000s) (2,3)
Janus Henderson Multi-Manager Diversified Fund	2,131	35
of which		
Fixed Remuneration	2,131	18
Variable Remuneration	2,118	17
Janus Henderson Multi-Manager Diversified Fund Remuneration Code Staff	44	4
of which		
Senior Management (4)	25	2
Other Code Staff (5)	19	2

1. This is the actual number of employees who are fully or partly involved in the activities of Janus Henderson Multi-Manager Diversified Fund – no attempt has been made to apportion the time spent specifically in support of Janus Henderson Multi-Manager Diversified Fund as this data is not captured as part of the Company's normal processes.
2. Please note that due to the employment structure and resourcing of the Janus Henderson Group plc, the staff indicated in this table may provide services to other companies in the Janus Henderson Group plc.
3. The remuneration disclosed is only in respect of the provision of services to Janus Henderson Multi-Manager Diversified Fund for the year, rather than the total remuneration for the year – for this purpose, remuneration has been apportioned between the provision of services to Janus Henderson Multi-Manager Diversified Fund and to other entities in the Janus Henderson Group plc, in respect of fixed pay and annual/long term incentive bonuses, as follows:
 - where fixed pay is directly attributable to Janus Henderson Multi-Manager Diversified Fund (for example, fees for JHFMUKL Board members), 100% of those fees;
 - pro-rated using the average AUM of Janus Henderson Multi-Manager Diversified Fund (as a proportion of the aggregate average AUM of Janus Henderson Group plc) as a proxy.
4. Senior Management includes the Janus Henderson Executive Committee and other Group Board members and the Board of JHFMUKL.
5. Other Code Staff includes all JHFMUKL Code Staff.
6. Please note that rounding off of values could lead to a mismatch of individual numbers and their sum.

Further information

Unitholder enquiries

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

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

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

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

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