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¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

Schroder Gilt & Fixed Interest Fund (the 'Fund') aims to provide income and capital growth in excess of the FTSE Gilts All Stocks index (after fees have been deducted) over a three to five year period by investing in fixed and floating rate securities issued by governments worldwide.

The Fund is actively managed and invests at least 95% of its assets in fixed and floating rate securities denominated in sterling (or in other currencies and hedged back into sterling) issued by governments, government agencies and supra-nationals worldwide. The Fund invests at least 80% of its assets in fixed and floating rate securities issued by the UK government.

The Fund may also invest directly or indirectly in securities (including in other asset classes), countries, regions, industries or currencies, collective investment schemes (including Schroder funds) and money market instruments, and hold cash.

The Fund may use derivatives with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently (for more information please refer to section 6 of Appendix I of the Prospectus). The Fund may use leverage and take short positions.

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being to exceed the FTSE Gilts All Stocks index, and compared against the Investment Association UK Gilts sector average return. The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of the benchmark. The target benchmark has been selected because it is representative of the type of investments in which the Fund is likely to invest, and it is, therefore, an appropriate target in relation to the return that the Fund aims to provide. The comparator benchmark has been selected because the Investment Manager and the Manager believe that this benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.

Total purchases and sales

	For the period to 28.2.23 £000's	For the year to 31.8.22 £000's
Total purchases	210,666	526,368
Total sales	217,879	599,692

Fund Performance

	Number of units in issue 28.2.23	Net asset value per unit 28.2.23	Net asset value per unit 31.8.22
A Accumulation units	29,868,422	177.55p	191.86p
A Income units	10,787,715	46.95p	51.49p
X Accumulation units	3,000	44.89p	48.37p
X Income units	3,000	44.06p	48.18p
Z Accumulation units	32,382,576	180.16p	194.46p
Z Income units	3,446,193	47.54p	52.08p

Past performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of any overseas investments to rise or fall.

Review of Investment Activities

From 31 August 2022 to 28 February 2023, the price of A Accumulation units on a dealing price basis fell 7.62%. In the same period the FTSE¹ Gilts All Stocks Index generated a negative total return of 7.22%².

The reporting period started amid extreme volatility across UK assets driven by political events. Gilt yields rose sharply as markets priced in an aggressive level of fiscal easing, prompting the Bank of England (BoE) to intervene in order to prevent a more systemic crisis. A swift change in government leadership then introduced a calmer market environment.

As with most major economies, inflation has proved to be persistent in the UK. The BoE has acted accordingly with a succession of rate hikes, although towards the end of the period rhetoric had turned more balanced, reflecting a maturing of the rate hiking cycle. Gilt yields rose across the yield curve over the period, with the 10-year yield rising from 2.8% to 3.8% and the 2-year from 3.0% to 3.7%.

The Fund posted negative returns and underperformed the benchmark (net of fees). We kept duration close to benchmark over the period. Although our pessimistic view on growth called for overweight duration, we were cautious on outright duration given ongoing inflation risks, preferring instead to exploit cross-market opportunities. The UK and US were our favoured overweights and we held a short in Europe against these markets. The premise being that the eurozone had a relatively more problematic inflation profile and the European Central Bank was lagging in the current rate hiking cycle. We also had high conviction that yield curves had the potential to steepen and were positioned for this in the US and the UK. Our active inflation strategy was focused on also capturing a near-term disinflationary trend in the US and a longer-term trend in the Eurozone via short positions. In terms of asset allocation, we reduced our exposure to investment grade credit and government related debt over the period.

Co-Fund Manager:
Paul Grainger



2015: Schroders
2014: Co-founded financial technology firm yoyoDATA
2006: Wellington Management
2003: F&C Asset Management, Senior Portfolio Manager
1999: Gartmore, Senior Portfolio Manager
1995: Joined the BZW graduate training programme where he rotated through Fixed Income Sales & Trading into Asset Management at Barclays Global Investors
BA (Hons), University of Exeter
Member of the United Kingdom Society of investment professionals and a CFA Charterholder

Co-Fund Manager:
James Ringer



2016: Schroders, Portfolio Manager
2014: Schroders, Portfolio Analyst
2013: Schroders, Graduate Trainee, Economics desk
BA (Hons) Business Economics, University of Exeter
CFA Charterholder

Global Fixed Income & Currency Team

The Fund is managed by the Global Fixed Income & Currency Team according to a robust team based investment process. Paul Grainger is the Head of Global Fixed Income & Currency. The team consists of 17 investment professionals with an average experience of 13 years responsible for a suite of benchmarked and absolute return products. The Global Fixed Income & Currency Team draws on the full resources of Schroders fixed income platform, benefiting from a worldwide research network consisting of over 100 researchers, analysts and economists across asset classes.

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² Source: Refinitiv Eikon Datastream.

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Risk Profile

Risk and reward indicator



The risk category was calculated using historical performance data and may not be a reliable indicator of the Fund’s future risk profile. The Fund’s risk category is not guaranteed to remain fixed and may change over time. A Fund in the lowest category does not mean a risk-free investment.

The risk and reward indicator changed from 4 to 5 with effect from 15 February 2023.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com.

Statement of the Manager's Responsibilities

The Financial Conduct Authority's Collective Investment Schemes sourcebook requires the Manager to prepare accounts for each annual and half yearly accounting period, in accordance with United Kingdom Generally Accepted Accounting Practice, which give a true and fair view of the financial position of the Fund and of its net revenue and the net capital losses on the property of the Fund for the period. In preparing the accounts the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association (now the Investment Association) in May 2014;
- follow generally accepted accounting principles and applicable accounting standards;
- prepare the accounts on the basis that the Fund will continue in operation unless it is inappropriate to do so;
- keep proper accounting records which enable it to demonstrate that the accounts as prepared comply with the above requirements;
- make judgements and estimates that are prudent and reasonable.

The Manager is responsible for the management of the Fund in accordance with its Trust Deed, the Prospectus and the Collective Investment Schemes sourcebook, and for taking reasonable steps for the prevention and detection of fraud, error and non-compliance with law or regulations.

The Manager's report and accounts for the period ended 28 February 2023 were signed on 21 April 2023 on behalf of the Manager by:

A. O'Donoghue
Directors

J. Rainbow

Portfolio Statement

	Holding at 28.2.23	Market Value £000's	% of net assets
Government Bonds 91.64% (93.19%)			
United Kingdom 91.64% (93.19%)			
UK Treasury 0.75% 22/07/2023	2,308,000	2,279	1.93
UK Treasury 2.25% 07/09/2023	4,387,000	4,347	3.68
UK Treasury 0.25% 31/01/2025	2,608,000	2,425	2.05
UK Treasury 3.5% 22/10/2025	18,377,000	18,126	15.35
UK Treasury 4.125% 29/01/2027	10,901,000	10,969	9.29
UK Treasury 0.125% 31/01/2028	3,905,033	3,279	2.78
UK Treasury 0.5% 31/01/2029	5,117,000	4,230	3.58
UK Treasury 0.25% 31/07/2031	9,543,000	7,160	6.06
UK Treasury 1% 31/01/2032	200,000	159	0.13
UK Treasury 3.25% 31/01/2033	305,000	291	0.25
UK Treasury 0.875% 31/07/2033	1,262,413	944	0.80
UK Treasury 4.5% 07/09/2034	2,806,937	2,971	2.52
UK Treasury 0.625% 31/07/2035	2,764,336	1,871	1.58
UK Treasury 4.25% 07/03/2036	2,520,511	2,592	2.19
UK Treasury 1.75% 07/09/2037	2,531,733	1,894	1.60
UK Treasury 3.75% 29/01/2038	483,668	465	0.39
UK Treasury 4.75% 07/12/2038	2,134,000	2,298	1.95
UK Treasury 1.125% 31/01/2039	1,430,000	933	0.79
UK Treasury 4.25% 07/09/2039	1,926,000	1,954	1.65
UK Treasury 4.25% 07/12/2040	2,096,770	2,125	1.80
UK Treasury 1.25% 22/10/2041	2,680,000	1,680	1.42
UK Treasury 4.5% 07/12/2042	2,908,000	3,044	2.58
UK Treasury 3.25% 22/01/2044	2,310,953	2,014	1.71
UK Treasury 3.5% 22/01/2045	2,309,000	2,085	1.77
UK Treasury 0.875% 31/01/2046	1,826,000	946	0.80
UK Treasury 4.25% 07/12/2046	1,987,307	2,007	1.70
UK Treasury 1.5% 22/07/2047	2,036,000	1,211	1.03
UK Treasury 1.75% 22/01/2049	2,396,000	1,493	1.26
UK Treasury 4.25% 07/12/2049	1,667,247	1,693	1.43

	Holding at 28.2.23	Market Value £000's	% of net assets
UK Treasury 0.625% 22/10/2050	2,570,000	1,106	0.94
UK Treasury 1.25% 31/07/2051	2,199,000	1,153	0.98
UK Treasury 3.75% 22/07/2052	1,985,000	1,864	1.58
UK Treasury 1.5% 31/07/2053	3,752,509	2,076	1.76
UK Treasury 3.75% 22/10/2053	498,788	467	0.39
UK Treasury 1.625% 22/10/2054	3,786,000	2,154	1.82
UK Treasury 4.25% 07/12/2055	2,191,900	2,264	1.92
UK Treasury 1.75% 22/07/2057	2,439,000	1,424	1.21
UK Treasury 4% 22/01/2060	1,993,893	2,005	1.70
UK Treasury 0.5% 22/10/2061	1,845,000	616	0.52
UK Treasury 2.5% 22/07/2065	1,635,000	1,165	0.99
UK Treasury 3.5% 22/07/2068	2,762,184	2,534	2.15
UK Treasury 1.625% 22/10/2071	3,001,000	1,570	1.33
UK Treasury 1.125% 22/10/2073	796,867	329	0.28
		108,212	91.64
Government Bonds total			
		108,212	91.64
Supranationals 4.43% (2.36%)			
European			
Investment Bank			
1.13% 19/06/2025	3,384,000	3,149	2.66
Asian			
Development Bank			
4% 21/11/2025	2,114,000	2,087	1.77
		5,236	4.43
Supranationals total			
		5,236	4.43
Corporate Bonds 3.38% (3.00%)			
France 0.00% (0.21%)			
Germany 1.76% (0.00%)			
Kreditanstalt fuer Wiederaufbau			
1.125% 04/07/2025	2,233,000	2,075	1.76
		2,075	1.76
United Arab Emirates 0.00% (0.30%)			
United Kingdom 1.62% (1.84%)			
Northern Powergrid			
Yorkshire 2.5% 01/04/2025	100,000	94	0.08
HSBC Holdings FRN			
2.256% 13/11/2026	1,277,000	1,166	0.98
Thames Water Utilities Finance			
3.5% 25/02/2028	347,000	319	0.27

Portfolio Statement (continued)

	Holding at 28.2.23	Market Value £000's	% of net assets
Citizen Treasury 3.25% 20/10/2048	469,000	340	0.29
		1,919	1.62
United States of America 0.00% (0.65%)			
Corporate Bonds total		3,994	3.38
Swaptions 0.04% (0.01%)			
Interest Rate Swap Morgan Stanley Pay fixed 4% Receive floating SOFR 1 day Put 4 15/12/2025	5,308,000	45	0.04
Swaptions total		45	0.04
Options 0.00% (0.01%)			
Purchased Options 0.00% (0.01%)			
US Treasury 10 Year Note Call 114 24/03/2023	15	2	0.00
Purchased Options total		2	0.00
Options total		2	0.00
Forward Foreign Currency Contracts 0.00% (0.01%)			
Buy CAD 619,388 Sell GBP 380,061 24/03/2023		(3)	0.00
Buy EUR 681,726 Sell GBP 602,430 24/03/2023		(4)	0.00
Buy USD 1,247,174 Sell GBP 1,023,308 24/03/2023		8	0.01
Buy USD 172,000 Sell GBP 142,986 24/03/2023		(1)	0.00
Sell USD 840,855 Buy GBP 688,606 24/03/2023		(6)	(0.01)
Forward Foreign Currency Contracts total		(6)	0.00
Futures 0.00% ((0.06)%)			
Euro-Bobl March 2023	(27)	39	0.03
Euro-Bund March 2023	(3)	3	0.00
Euro-Buxl 30 Year Bond March 2023	5	(52)	(0.04)
Long Gilt June 2023	(25)	7	0.01
US 5 Year Note June 2023	25	(2)	0.00
US 10 Year Note June 2023	21	1	0.00
US 10 Year Ultra Bond June 2023	(8)	(2)	0.00
Futures total		(6)	0.00
Swaps (0.15)% ((1.15)%)			
Inflation Rate Swap Morgan Stanley Pay floating USCPI 1 month Receive fixed 2.347% 12/01/2028	1,624,000	(15)	(0.01)
Inflation Rate Swap Morgan Stanley Pay fixed 2.465% Receive floating HICPXT 1 month 15/12/2032	355,000	7	0.01

	Holding at 28.2.23	Market Value £000's	% of net assets
Inflation Rate Swap Morgan Stanley Pay floating USCPI 1 month Receive fixed 2.495% 02/02/2033	865,000	(6)	(0.01)
Inflation Rate Swap Morgan Stanley Pay floating USCPI 1 month Receive fixed 2.63% 28/02/2033	397,000	1	0.00
Inflation Rate Swap Morgan Stanley Pay floating HICPXT 1 month Receive fixed 2.503% 15/12/2042	355,000	(11)	(0.01)
Interest Rate Swap Morgan Stanley Pay floating SOFR 1 day Receive fixed 4.275% 12/01/2025	3,976,000	(41)	(0.04)
Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.75% 26/01/2026	13,591,000	(229)	(0.19)
Interest Rate Swap Morgan Stanley Pay floating EURIBOR 6 month Receive fixed 3.046% 15/10/2027	3,329,000	(43)	(0.04)
Interest Rate Swap Morgan Stanley Pay floating SONIA 1 day Receive fixed 3.91% 17/11/2027	3,598,000	(29)	(0.02)
Interest Rate Swap Morgan Stanley Pay fixed 3.437% Receive floating SOFR 1 day 12/01/2028	1,657,000	35	0.03
Interest Rate Swap Morgan Stanley Pay floating STIBOR 3 month Receive fixed 3.39% 24/02/2028	8,096,500	(2)	0.00
Interest Rate Swap Morgan Stanley Pay fixed 2.513% Receive floating EURIBOR 6 month 15/08/2048	737,000	39	0.03
Interest Rate Swap Morgan Stanley Pay fixed 3.16% Receive floating SONIA 1 day 17/11/2052	828,000	55	0.05
Interest Rate Swap Morgan Stanley Pay fixed 3.24% Receive floating SONIA 1 day 10/02/2053	646,500	34	0.03
Interest Rate Swap Morgan Stanley Pay fixed 3.27% Receive floating SONIA 1 day 10/02/2053	646,500	30	0.03

Portfolio Statement (continued)

	Holding at 28.2.23	Market Value £000's	% of net assets
Interest Rate Swap Morgan Stanley Pay fixed 3.35% Receive floating SONIA 1 day 29/02/2068	934,000	(8)	(0.01)

	Holding at 28.2.23	Market Value £000's	% of net assets
Swaps total		(183)	(0.15)
Portfolio of investments		117,294	99.34
Net other assets		784	0.66
Net assets attributable to unitholders		118,078	100.00

The comparative percentage figures in brackets are as at 31 August 2022.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

Statement of Total Return (unaudited)

For the six months ended 28 February 2023

	28.2.23		28.2.22	
	£000's	£000's	£000's	£000's
Income				
Net capital losses		(11,485)		(14,419)
Revenue	1,815		910	
Expenses	(298)		(480)	
Interest payable and similar charges	-		(146)	
Net revenue before taxation	1,517		284	
Taxation	-		-	
Net revenue after taxation		1,517		284
Total return before distributions		(9,968)		(14,135)
Distributions		(1,810)		(1,422)
Change in net assets attributable to unitholders from investment activities		(11,778)		(15,557)

Statement of Change in Net Assets Attributable to Unitholders (unaudited)

For the six months ended 28 February 2023

	28.2.23		28.2.22	
	£000's	£000's	£000's	£000's
Opening net assets attributable to unitholders		136,907 [^]		251,139
Amounts receivable on issue of units	5,252		8,479	
Amounts payable on cancellation of units	(13,938)		(64,096)	
		(8,686)		(55,617)
Dilution adjustment		5		31
Change in net assets attributable to unitholders from investment activities		(11,778)		(15,557)
Retained distribution on Accumulation units		1,630		1,275
Closing net assets attributable to unitholders		118,078		181,271[^]

[^] The opening net assets attributable to unitholders for the current period do not equal the closing net assets attributable to unitholders for the comparative period as they are not consecutive periods.

Balance Sheet (unaudited)

As at 28 February 2023

	28.2.23	31.8.22
	£000's	£000's
Assets		
Investments	117,748	135,096
Current assets		
Debtors	4,276	3,603
Cash and bank balances	2,538	4,964
Total assets	124,562	143,663
Liabilities		
Investment liabilities	(454)	(1,794)
Creditors		
Bank overdrafts	(1,421)	(1,329)
Distributions payable	(100)	(83)
Other creditors	(4,509)	(3,550)
Total liabilities	(6,484)	(6,756)
Net assets attributable to unitholders	118,078	136,907

Notes to the Accounts (unaudited)

Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014 and in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 (The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102)). The accounts have been prepared on a going concern basis.

The accounting policies applied are consistent with those of the annual accounts for the year ended 31 August 2022 and are described in those annual accounts.

General Information

Manager

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority

Investment Adviser

Schroder Investment Management Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority

Trustee

J.P. Morgan Europe Limited
Chaseside
Bournemouth BH7 7DA
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority

Registrar

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority
The Manager is responsible for maintaining the register for each Fund. It has delegated certain registrar functions to HSBC Bank Plc, 8 Canada Square, London, E14 8HQ.

Administration Details

Schroders Investor Services
PO BOX 1402
Sunderland
SR43 4AF

Independent Auditors

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Authorisation

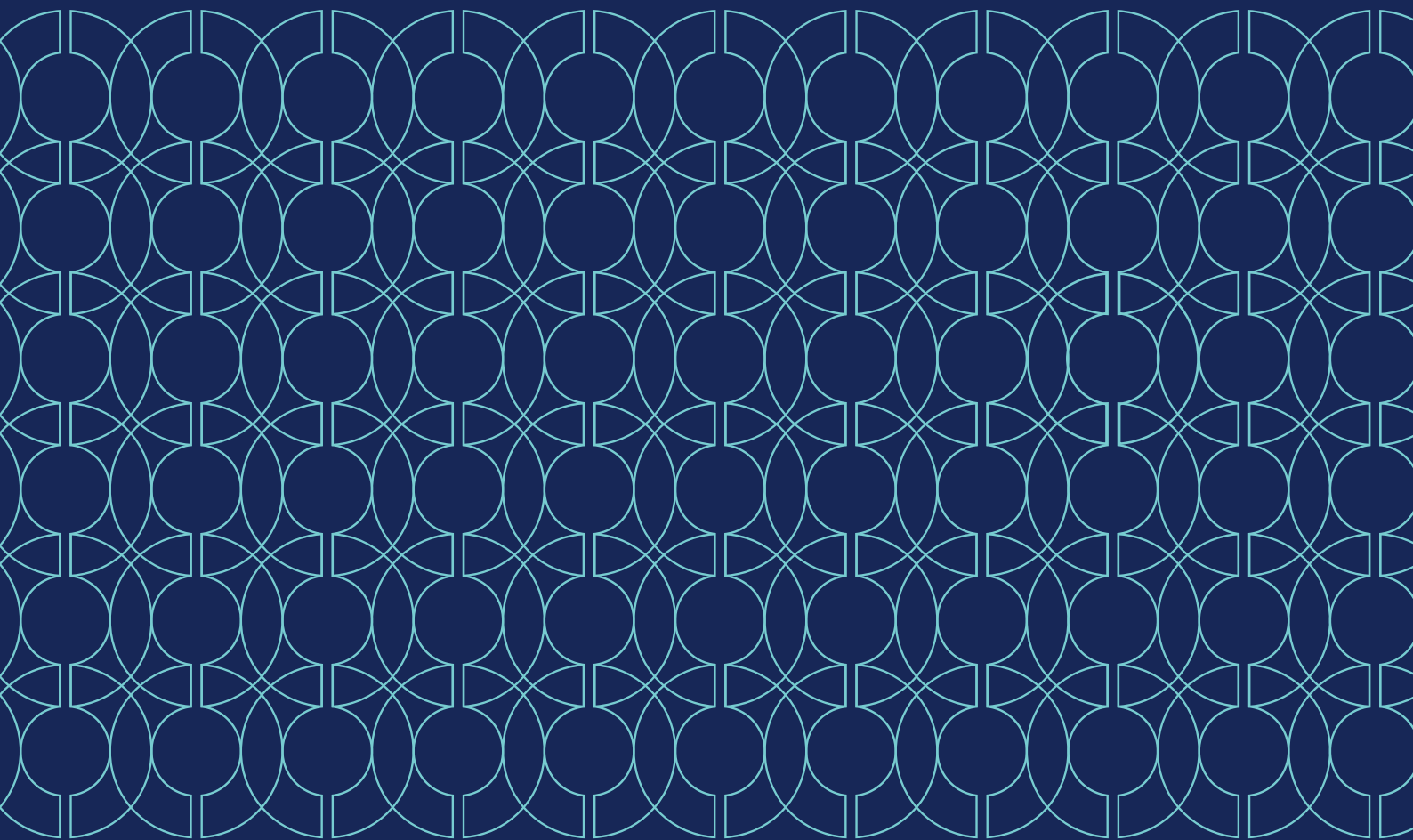
The Fund is an authorised unit trust and is constituted pursuant to the Collective Investment Schemes sourcebook and is structured as a Trust. The Fund is a UCITS scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

Value Assessment

A statement on the Assessment of Value is published on the Global Fund Centre in the Fund Literature section at www.Schroders.com within 4 months of the annual 'reference date' 31 December.

Other information

The Prospectus, the Key Investor Information Document and details of investment charges and costs are available on request or can be downloaded from our website www.schroders.com.



EST. 1804

For further literature please contact Schroder Investor Services on 0800 182 2399 or schrodersinvestor@HSBC.com for Retail Clients, or 0345 030 7277 or schrodersinstitutional@HSBC.com for Institutional Clients, or visit our website at www.schroders.com.

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